



The following information was recently provided to NYSTRS' participating employers. As a Retirement System delegate, it is important you are aware of these issues.

Delegate News

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Estimated Employer Contribution Rate For the 2013-14 Payroll

In an effort to assist you with 2013-14 budget preparations, we recommend you use an estimated employer contribution rate (ECR) of 16.25% for 2013-14 payroll. This projected rate is consistent with Administrative Bulletin 2012-12, issued in October 2012, in which we estimated a rate of between 15.50% and 16.50%.

Although the funds associated with this ECR will not be collected until fall 2014, we send this alert well in advance to assist with your planning. The Retirement Board will adopt the 2013-14 ECR at its July meeting and an Administrative Bulletin formalizing this rate will be issued soon thereafter.

As previously noted (see Administrative Bulletin 2012-8), the ECR applicable to your 2012-13 payroll will be 11.84%. These funds will be collected in the fall of 2013 and correspond to NYSTRS member salaries for the 2012-13 school year.

The ECR is adopted each July, but the contributions associated with that particular rate are not collected for another 14-16 months. Except for those employers required to pay directly, payments are deducted annually from State Aid apportioned in September, October and November.

The executive state budget contains a proposed alternative employer contribution funding mechanism under which the NYSTRS Board may authorize a program in which employers may elect to pay contributions determined using a flat employer contribution rate in lieu of paying the actuarially determined contribution rate. NYSTRS will thoroughly review this proposal. This review will be weighed along with the System's fiduciary responsibility to ensure the long-term soundness of the plan. To assist the Board, NYSTRS is engaging a third party actuarial firm to thoroughly evaluate the proposal. We will provide an update as more information becomes available.

If you have any additional questions, please call Heidi Brennan, Coordinator of Public Information, at (518) 447-2911.

History of the Employer Contribution Rate (ECR)

Table with 2 columns: Salary Year and ECR. Rows range from 1978-79 to 2012-13.

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