



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 2011-12 Payroll

In an effort to assist you with 2011-12 budget preparations, we recommend you use an estimated employer contribution rate (ECR) of 11.11% for 2011-12 payroll. This projected rate is consistent with Administrative Bulletin 2010-13, issued in November 2010, in which we estimated a rate of between 11.0% and 11.5%.

Although the funds associated with this ECR will not be collected until fall 2012, we send this alert well in advance to assist with your planning. The Retirement Board will adopt the 2011-12 ECR at its July meeting and an Administrative Bulletin formalizing this rate will be issued soon thereafter.

As previously noted (see Administrative Bulletin 2010-7), the ECR applicable to your 2010-11 payroll will be 8.62%. These funds will be collected in the fall of 2011 and correspond to NYSTRS member salaries for the 2010-11 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 one-year rate of return on System assets for the fiscal year ending June 30, 2010 was 12.1%. The Retirement System uses a five-year smoothed, or average, value of assets for actuarial valuation purposes, in order to reduce volatility in the ECR due to volatility in the capital markets. Although the capital markets rebounded and the System achieved a positive, double-digit rate of return for the fiscal year, the significant loss incurred during the prior fiscal year continues to exert an upward pressure on the ECR.

Although recent capital market returns continue to be encouraging, it is likely that our next year's ECR (applying to 2012-13 salaries and collected in the fall of 2013) will again represent a significant increase.

If you have any additional questions, please call John Cardillo, manager of public information, at (518) 447-4743.

History of the Employer Contribution Rate (ECR)

Salary Year	ECR
1974-75	18.80%
1975-76	19.40%
1976-77	19.40%
1977-78	20.40%
1978-79	21.40%
1979-80	22.49%
1980-81	23.49%
1981-82	23.49%
1982-83	23.49%
1983-84	22.90%
1984-85	22.80%
1985-86	21.40%
1986-87	18.80%
1987-88	16.83%
1988-89	14.79%
1989-90	6.87%
1990-91	6.84%
1991-92	6.64%
1992-93	8.00%
1993-94	8.41%
1994-95	7.24%
1995-96	6.37%
1996-97	3.57%
1997-98	1.25%
1998-99	1.42%
1999-00	1.43%
2000-01	0.43%
2001-02	0.36%
2002-03	0.36%
2003-04	2.52%
2004-05	5.63%
2005-06	7.97%
2006-07	8.60%
2007-08	8.73%
2008-09	7.63%
2009-10	6.19%
2010-11	8.62%

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