



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 Range for the Next Employer Contribution Rate

Administrative Bulletin 2013-8, issued August 2013, informed you that the Retirement Board adopted an Employer Contribution Rate (ECR) of 16.25% of payroll. This rate is applicable to fiscal year 2013-14 NYSTRS member salaries and will be collected in September, October and November 2014. Based on preliminary estimates, we anticipate the ECR for the next year to be **between 17.25% and 17.75%** of member payroll. This rate will apply to fiscal year 2014-15 NYSTRS member salaries and will be collected in the fall of 2015. An Administrative Bulletin will be provided in February 2014 with a more precise estimate of this ECR.

The one-year net rate of return on System assets for the fiscal year ending June 30, 2013 was 13.7%. The System's five-year annualized rate of return now stands at 5.2%, a substantial increase over last year's 1.1%.

Additionally, for those employers who elect to participate in the Stable Contribution Option (SCO), the SCO rate that will apply to fiscal year 2014-15 NYSTRS member salaries will be **14.0% plus the group life insurance rate**. This rate will be collected in the fall of 2015. **The SCO rate is only applicable to eligible employers that have elected to participate in the SCO.** The window for eligible employers to elect participation in the SCO opened July 1, 2013 and runs through June 30, 2014. Detailed information about the SCO was provided in Administrative Bulletins 2013-2 and 2013-6, and can be found under the Employer Contribution Rate tab on the Employers page at NYSTRS.org. Please review this information carefully before making an election.

While our primary goal is to ensure the plan is properly funded, we recognize this rate has an impact on school district budgets. Our notices are sent as early as possible for planning and budgeting purposes. Future administrative bulletins will provide additional information regarding the ECR.

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)

| <u>Salary Year</u> | <u>ECR</u> |
|--------------------|------------|
| 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% |
| 2011-12 | 11.11% |
| 2012-13 | 11.84% |
| 2013-14 | 16.25% |