



North Carolina Retirement Systems

Retirement Monitor – Special Edition, July 1, 2009

A monthly newsletter for public sector human resources and payroll specialists from the Retirement Systems Division of the North Carolina Department of State Treasurer.

2009-2010 Contribution Rates for Teachers' and State Employees' Retirement System Employers

The employer contribution rate payable for members of the Teachers' and State Employees' Retirement System has been increased, effective July 1, 2009, from 8.14% to 8.54% of the covered payroll of members. This rate is required under Senate Bill 287. Once remitted to this Division, the contributions will be deposited as follows:

Retirement System Pension Fund	3.36%
Death Benefit Trust Fund	.16
Retirees' Health Plan Reserve	4.50 %
Disability Income Plan	<u>.52</u>
	8.54 %

The rate that is paid for July should be adjusted so that you pay 8.54% to the Retirement Systems Division for the month of July 2009.

Senate Bill 287 also continued the requirement that an additional 5% employer contribution for State-employed law enforcement officers be remitted to their accounts in the Supplemental Retirement Income – NC401(k) Plan. Therefore, the total budgeted employer contribution for law enforcement officers is 13.54%.

Please share this information with your Chief Administrative Officer, Chief Financial Officer, and Personnel/Benefits Officer.

Employer Contribution Rate for Participants in the Optional Retirement Program

The employer contribution rate payable to the Retirement Systems Division for participants in the Optional Retirement Program (ORP) has increased effective July 1, 2009, 5.02% of the covered payroll of participants. This rate is required under Senate Bill 287. Once remitted to the Retirement Systems Division, the contributions will be deposited as follows:

Retirees' Health Plan Reserve	4.50%
Disability Income Plan	<u>.52%</u>
	5.02%

Military Differential Pay

Effective July 1, 2009, military differential pay should be reported as regular salary compensation. Employee contributions should be deducted from military differential pay and employer contributions should be made on military differential pay at the rates shown.

Employer Questions

Please note: *the rates noted above are subject to change again when the North Carolina State budget is completed. We will send another communication when the budget is approved.*

Any questions about the employer contribution rates and military differential pay should be addressed to the NC Retirement Systems Division's Employer Education and Services Unit at EESU@nctreasurer.com or call (877) 807-3131 (for outside Raleigh area) and 807-3131 (Raleigh area only).