



**North Carolina Retirement Systems**

**Retirement Monitor – Special Edition, July 6, 2010**

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

**2010-2011 Contribution Rates for Teachers’ and State Employees’ Retirement System Employers**

The 2010-2011 contribution rates for the Teachers’ and State Employees’ Retirement System (TSERS) were set as a result of the approval of the state budget, Senate Bill 897, signed into law on Wednesday, June 30, 2010.

The employer contribution rate payable for members of the Teachers’ and State Employees’ Retirement System increased, effective July 1, 2010, from 8.75% to 9.15% of the covered payroll of members. Once remitted to this Division, the contributions will be deposited as follows:

Retirement System Pension Fund	3.57%
Death Benefit Trust Fund	.16
Retirees’ Health Plan Reserve	4.90
Disability Income Plan	<u>.52</u>
	9.15 %

An additional 5% employer contribution for State-employed law enforcement officers is required in the Supplemental Retirement Income – NC401(k) Plan. Therefore, the total budgeted employer contribution for law enforcement officers is 14.15%.

The state budget also requires an additional 1.36% contribution to be paid to a reserve in the Office of State Budget and Management (OSBM). We have asked OSBM to provide you with instructions for the handling of the 1.36% contribution. This additional 1.36% contribution should not be paid to the TSERS.

The rates are payable for salary periods paid on or after July 1, 2010. 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) increased to 5.42% of the covered payroll of participants. Once remitted to the Retirement Systems Division, the contributions will be deposited as follows:

Retirees’ Health Plan Reserve	4.90%
Disability Income Plan	<u>.52</u>
	5.42%

**Employer Questions**

Questions about the employer contribution rates should be addressed to the NC Retirement Systems Division’s Employer Reporting line at 877-626-7248.