



**North Carolina Retirement Systems**

**Retirement Monitor – Special Edition, August 14, 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.*

**REVISED 2009-2010 Contribution Rates for Teachers’ and State Employees’ Retirement System Employers**

**Effective August 7, 2009**

The 2009-2010 contribution rates for the Teachers’ and State Employees’ Retirement System are revised as a result of the approval of the state budget, signed into law on Friday, August 7.

The employer contribution rate payable for members of the Teachers’ and State Employees’ Retirement System has been increased, effective July 1, 2009, from 8.54% to 8.75% of the covered payroll of members. This rate is required under the 2009 budget bill, Senate Bill 202. 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	4.50 %
Disability Income Plan	<u>.52</u>
	8.75 %

Since the new rate is effective retroactive to July 1, 2009 , the rate that is paid for July should be adjusted so that you pay 8.75% to the Retirement Systems Division for the month of July 2009. **A rate change invoice will be sent to you from the N.C. Retirement Systems.**

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 13.75%.

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) remains the same as reported in our July 1, 2009, Retirement Monitor - Special Edition at 5.02% of the covered payroll of participants. This rate is required under Senate Bill 202. 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%

**Employer Questions**

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