

Explanation of Annual Billing Terms

Tier:

A member's tier is based on his or her date of membership in the Retirement System. Visit our "What Tier Are You In" page to see tier dates for the Employees' Retirement System (ERS) and for the Police and Fire Retirement System (PFRS).

Plan:

These are the retirement plans you offer your employees, identified by the sections of the Retirement and Social Security Law (RSSL) that authorize them. Although all plans provide service retirement, disability retirement and death benefits, there may be differences in the eligibility requirements, filing requirements and calculations among the various plans.

Options:

These are the "extras" or additional benefits (beyond the basic benefits provided in the plans) that an employer can choose to provide to employees. Options 41-j for ERS, and 341-j for PFRS for example, refer to Sections 41(j) and 341(j) of the RSSL, which allow members to receive additional service credit for their unused, unpaid sick leave at retirement.

Projected Salary:

To project your salaries from April 1, 2019 through March 31, 2020, we multiplied their State fiscal year end 2019 salaries by the projection factors below.

Retirement System and Tier	Projection Factor
ERS	
Tier 1	0.80
Tier 2	0.82
Tier 3	0.84
Tier 4	0.98
Tier 5	1.01
Tier 6	1.21
PFRS	
Tier 1	0.71
Tier 2	0.97
Tier 3	1.09
Tier 5	1.09
Tier 6	1.28

Rates:

Rates are expressed as a percentage of salary. Applying these rates to the projected salary results in contributions owed. The Retirement System's actuaries annually determine the rates necessary to properly fund future benefits for members in these retirement plans. The State fiscal year end 2021 rates were calculated using April 1, 2019 information, and reflect the impact of all of the options you offer.

Contributions:

Salary multiplied by the rate equals contributions.

Amortization:

The installment(s) due on the remaining balance for contributions you may have amortized under Chapter 57 of the Laws of 2010 (the Contribution Stabilization Program) and/or Chapter 57 of the Laws of 2013 (the Alternate Contribution Stabilization Program).

Adjustments:

Changes to salaries that were reported. Adjustments can include prior years' adjustments to salaries for which reporting was delayed, or past costs for benefit improvements paid in installments. Your projection only displays timed adjustments.

Deficiency Payments:

Required payments that fund the cost of service before an employer participated in NYSLRS. The amount of the deficiency depends on the employees' years of service, age and salary at the time an employer becomes a participant. The deficiency is paid in annual installments over 25 years.