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Good Afternoon,

### **Employer Contribution Rate for FY 2024-25**

The employer contribution rate for fiscal year 2024-2025 will be 33.9%, a decrease from the current fiscal year rate of 34.00%. The rate applies to salary and wages earned from July 1, 2024 through June 30, 2025.

The rate was determined by PSERS' actuary and certified by the PSERS Board of Trustees at its meeting on December 15, 2023. A link to the Press Release can be found here: [Press Release](#)

The employer contribution rate for fiscal year 2024-2025 consists of 32.92% for pension costs, 0.63% for premium assistance payments, and 0.35% for defined contribution costs. The defined contribution (DC) rate is an estimated average. The actual employer DC contribution rate will be based on each employer's Class T-G, Class T-H, and Class DC-only membership. Of the 33.9% employer contribution rate, 27.24% represents payment toward the unfunded liability.

A link to the FY 2024-2025 Employer Contribution Rate Fact Sheet can be found here: [Pension Rate Fact Sheet](#).

### **New Shared Risk/Shared Gain Contribution Rate Beginning July 1, 2024**

At its December meeting the PSERS Board also certified the member contribution rates for Class T-E, Class T-F, Class T-G, and Class T-H members effective from July 1, 2024 to June 30, 2027.

Because PSERS investment performance exceeded the target range for the ten-year evaluation period ending June 30, 2023, the Defined Benefit (DB) member contribution rates will decrease by 0.50% or 0.75%, depending on a member's membership class within PSERS (see chart below) until the next evaluation period in three years. This decrease will bring the rate back to the base rate for these membership classes.

Class	Current DB Contribution Rate	Shared Gain Decrease	Total DB Contribution Rate Starting July 1, 2024
Class T-E	8.00%	-0.50%	7.50%
Class T-F	10.80%	-0.50%	10.30%
Class T-G*	6.25%	-0.75%	5.50%
Class T-H**	5.25%	-0.75%	4.50%

\*+2.75% DC Contribution Rate; \*\*+3.00% DC Contribution Rate

More information on the Employer Contribution Rate and Shared Risk/Shared Gain Rate on the [PSERS News](#) page.

Respectfully,

*Public School Employees' Retirement System*