



New York State

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www.pef.org

THE REAL FACTS ABOUT NEW YORK STATE PENSIONS

- New York's pension fund is fully funded and is protected from financial manipulations that have led to problems in other pension funds.
- New York's pension fund has been recognized as the "nationwide pension leader" by Governing Magazine. Also, the Pew Center, an independent national research center, and Institutional Investor magazine cite New York's pension fund as one of the strongest in the country.
- Our pensions are not overly generous. The average pension benefit payment for a New York State and Local Employee Retirement System (ERS) retiree for State Fiscal Year 2009-10 was \$18,300.
- As of March 31, 2010 there were 290,979 pensioners or beneficiaries of the ERS.
- State and local pension funds in New York and other states paid a total of \$17 billion in benefits to New York residents in 2006. Retirees' expenditures from these benefits supported a total of \$24 billion in total economic output in the state supporting an estimated 136,914 jobs. Cutting pensions will cause job losses.
- In 2009 the legislature adopted a Tier 5 pension reform that will save taxpayers \$35 billion over the next thirty years. These savings will increase over time.
- The current increase in pension costs for state and local government is due mainly to the sharp decline in the stock market. After the market recovers over the next few years these costs will level out and may decline.
- For many years New York State and local governments in the state pension plan enjoyed very low pension costs. From 1991 to 2003 employer costs for pensions in NYSLERS averaged less than 2% of payroll.

CONNECTING AMERICA'S LEADERS **GOVERNING**

"New York is the nationwide pension leader, with the country's highest-funded public pension at 107 percent...State Comptroller Thomas DiNapoli made it his goal to increase the plan's transparency and ensure it maintains a high level of funding. To make good on this, in 2009, New York passed reforms that raised the retirement age for most new government employees from 55 to 62, and increased the amount public employees are required to contribute to the pension plan."

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