



## A Message from Comptroller Thomas P. DiNapoli

In May, I announced the New York State Common Retirement Fund's investment returns for the fiscal year ended March 31, 2014, and I am proud to report a 13 percent rate of return, which is well above our long-term earnings assumption of 7.5 percent. The value of the Fund now stands at \$176.8 billion.

As State Comptroller, one of my priorities is to make sure that the Fund continues to remain one of the best-funded and best-run public pension funds in the country. Since 2009, when the Great Recession hit and the Fund value fell to \$108.9 billion, we have diligently examined our investment strategy, capitalized on market opportunities and grown the Fund.

This is good news for the more than one million members, retirees and beneficiaries who rely on the Fund for their retirement security. It is good news for employers, and good news for taxpayers. While other state and city public pension funds are struggling, our Fund is strong and secure.

In this day and age, news travels fast. We're stepping up our efforts to make sure our members have access to the most accurate and up-to-date information about retirement. Check out the Retirement System on Twitter at [www.twitter.com/nyslrs](http://www.twitter.com/nyslrs) and Facebook at [www.facebook.com/nyslrs](http://www.facebook.com/nyslrs). In addition, we've created a new blog to help you receive important information regarding retirement planning, including tips, checklists, milestones and benefit details. You can find our blog at [www.nyretirementnews.com](http://www.nyretirementnews.com).

I'm also happy to announce that we've begun a multiyear project to replace the information technology system used to support the core business of the Retirement System. This effort will create a secure web service that will enable members to change beneficiaries and update personal information online starting in 2015.

As always, I hope the information in this publication proves useful. If you have any questions, we are always here to help.

Sincerely,

Thomas P. DiNapoli  
State Comptroller



## Your Employer and the Fund

### *An Important Relationship*

The New York State and Local Retirement System (NYSLRS) is one of the largest and best-funded pension plans in the country. During the last fiscal year, the New York State Common Retirement Fund (the Fund) earned a 13 percent return on its investments and, as of March 31, 2014, was valued at \$176.8 billion. That's good news — not only for our members, but also for our participating employers.

Your employer, as well as the municipality, county and school district where you live, participates in NYSLRS. Participating employers are billed once a year for their share of the annual cost of paying for their employees' future benefits. The cost is determined by applying a percentage or rate to the salary paid to employees. These rates are set annually and are affected by the Fund's performance. When the Fund's investments earn more than expected, the rates normally decrease, resulting in lower

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News Blog



## Your Employer & the Fund *An Important Relationship*

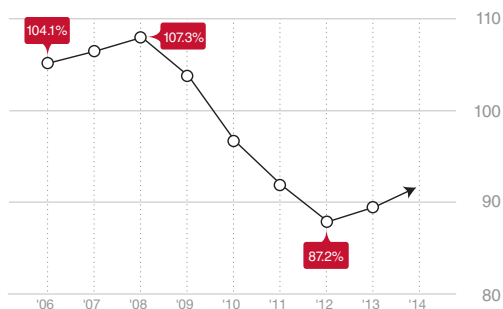
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contributions. Over a 20-year period (1993-2013), 80 percent of the cost of pensions was funded by investment returns. A decrease in the rates helps take pressure off employers, all of whom have had to make tough budgetary decisions since the Great Recession.

After four years of rate increases, our announcement last August that the 2014-15 employer contribution rates for NYSLRS would decline slightly offered some welcome relief. This year we were happy to announce that the 2015-16 rates will also decline. If investment gains continue to be robust, it will help lower rates and provide fiscal relief to our employers and taxpayers.

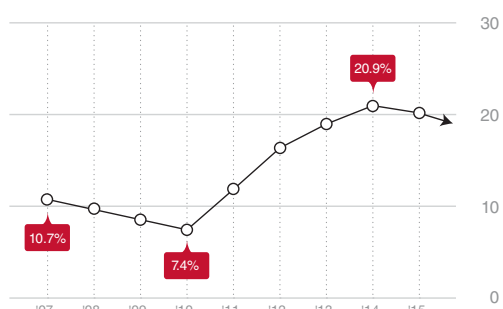
### Funded Ratio

Percentage of accrued liabilities covered by actuarial assets  
Determined on April 1 each year



### Average ERS\* Employer Contribution Rates

Percentage of the salary paid to employees  
Fiscal years 2007 – 2015



\* Employees' Retirement System

## Estimates & Projections *Valuable Planning Tools*

It's surprising how many Retirement System members file for retirement without having a good idea of what their benefit will be.

An estimate will give you detailed information about your benefit and help you determine if you are financially able to retire. If you are within 18 months of retirement, you can request one by sending us a Request for Estimate form (RS6030), available on our website at [www.osc.state.ny.us/retire/forms/rs6030.pdf](http://www.osc.state.ny.us/retire/forms/rs6030.pdf). You may request a new estimate as often as your circumstances change.

You don't have to wait until retirement is right around the corner to get information about your benefit. If you are actively employed and age 50 or older, you can request a benefit projection from our Call Center. A projection can include additional service credit based on a date of retirement up to five years into the future. A projection is also a great tool if you're vested and considering leaving the payroll before you're old enough to collect a retirement benefit. In most cases, projections are mailed the next business day.

Remember to take advantage of these tools as you plan your retirement, and contact us whenever you have questions about your benefits.

## Online Services Coming

Beginning in mid-2015, the Retirement System will introduce a new web-based system that will make it more convenient to manage your benefit information.

Our long-term goal is to enable you to perform many tasks online in a safe and secure environment. Instead of making a phone call, mailing in forms or sending a fax, your online account will allow you instant access to your retirement information.

Starting next year, here are a few things that you'll be able to do online:

- View your benefit information;
- Update your personal information, including your address;
- Request a loan; and
- Manage your beneficiaries.

Over time, we will introduce additional features that allow you to obtain estimates of your projected pension benefit, purchase service credit and perform other transactions. These changes will allow you to manage your benefits in a manner similar to the way you use online banking websites. There will be easy-to-follow tutorials available online to help you learn how to use some of these new features.

We hope you'll take advantage of these new services when they become available, but if you prefer not to, you will be able to do business with us the same way you do now. Watch for more information in upcoming Retirement System publications.

We are committed to providing you with the best possible customer service. We are confident that the new system we are developing will give you a safe and secure way to access your pension information and manage your account conveniently.



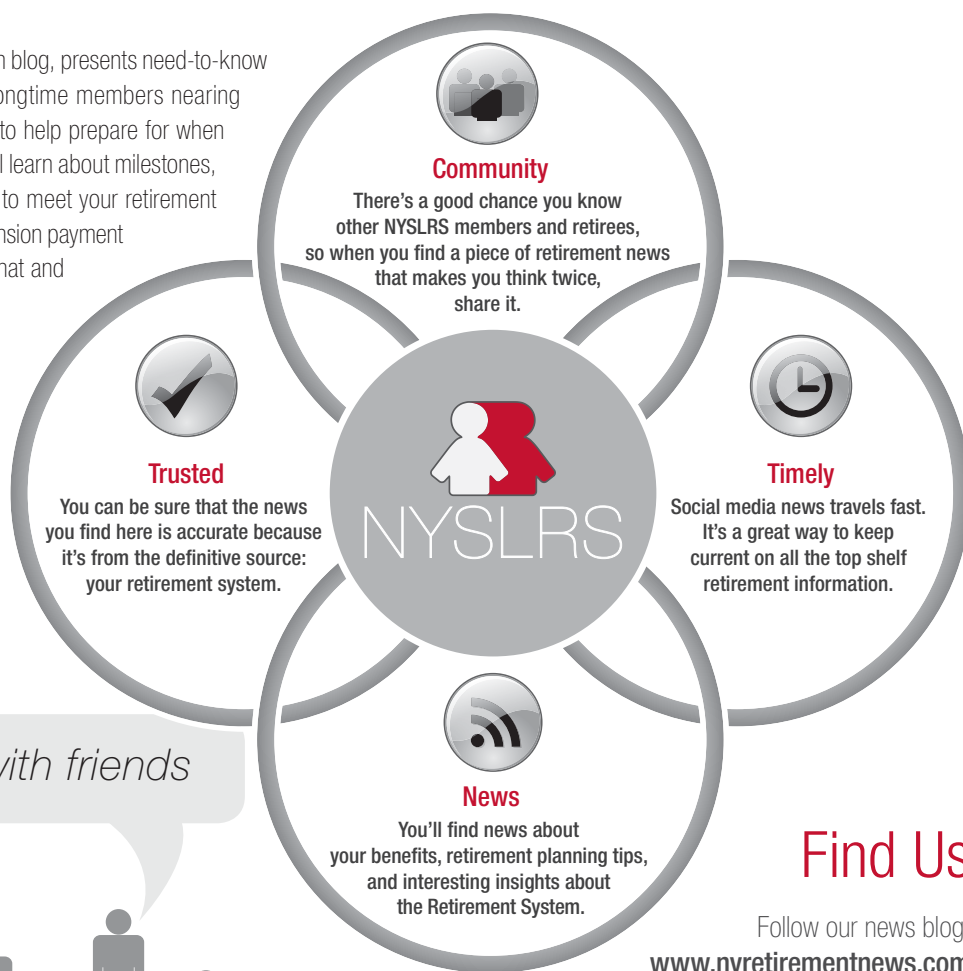
## Follow Our Blog Connect Through Social Media

By following our news blog and connecting with us on Facebook, Twitter and YouTube, you'll keep up-to-date on all the Retirement news that's important to you.

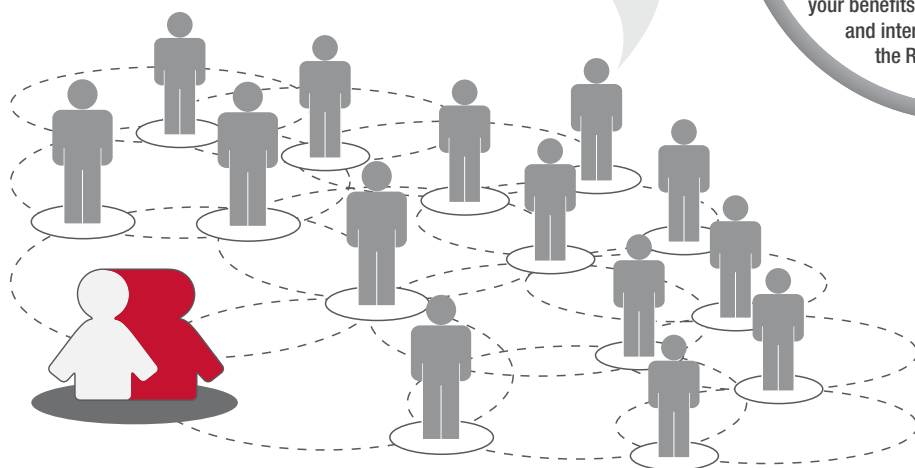
New York Retirement News, our news and information blog, presents need-to-know information for NYSLRS members and retirees. Longtime members nearing retirement will find step-by-step tips and checklists to help prepare for when their retirement date finally arrives. New members will learn about milestones, benefit details and the long-range planning it takes to meet your retirement goals. Retirees who want to stay up to date on tax, pension payment and Cost-of-Living Adjustment information will find that and more at New York Retirement News.

Like our Facebook page and follow our Twitter feed for quick tips and updates on a variety of retirement topics and Retirement System news.

NYSLRS currently has over one million members and pensioners! Perhaps you have friends, family and neighbors who are members who have the same questions you do. We encourage you to share the information you find with other members you may know.



*share NYSLRS news with friends*



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# NYSLRS

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## E-News Keeps You Connected

Don't miss out on the latest Retirement System news. Sign up for our monthly email newsletter, *E-News*.

*E-News* keeps you up to date on important issues that may affect you and your Retirement System benefits. You'll also receive useful tips on planning for retirement.

You can be assured that your email address will be kept confidential — it will not be shared with other organizations. So, visit our website today and click on the Email Sign Up link to subscribe. It's a quick, convenient and free way to stay informed.

Email Sign Up

*The Update* is a semiannual newsletter published by the New York State and Local Retirement System for active members of the New York State and Local Employees' Retirement System.

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## A Long-Term Track Record of Investment Success

The New York State Common Retirement Fund (the Fund) has a long-term, solid track record of exceptional market performance. The Fund's historical success is principally due to a sound investment strategy that is based on the Fund's asset allocation and diversification.

The Fund's primary objective is to provide the means to pay benefits to the Retirement System's participants, including 413,436 NYSLRS retirees and beneficiaries, through an investment program designed to protect and enhance the long-term value of the assets. To accomplish this, Comptroller Thomas P. DiNapoli has implemented a diversified investment strategy designed to obtain optimal returns with as little risk as possible.

Investments are made in a well-balanced variety of asset classes, which include global equity, domestic equity, core fixed income, real estate, private equity and absolute return strategies portfolios, as well as Treasury Inflation-Protected Securities.

The sound investment framework provided by the Fund's asset allocation and diversification strategy enabled it to generate a 13 percent rate of return on its investments during the 2013-14 fiscal year. As of March 31, 2014, the Fund was valued at \$176.8 billion. Prior to the recession, in fiscal year 2006-07, the value of the Fund was \$154.6 billion.

## How Pensions Are Funded

The Fund's assets come from three main sources: member contributions, employer contributions and investment earnings. Over the last 20 years, from April 1, 1993 through March 31, 2013, 80 cents of every dollar paid in benefits has come from investment earnings.

