



A Message from Comptroller Thomas P. DiNapoli

New York's retirees are vital to our economic health. In the fiscal year ending March 31, 2012, the Retirement System paid out \$8.86 billion to retirees, many of whom rely on pension benefits to continue to live in the State. New York resident public service retirees buy locally and their purchases of goods and services help small businesses create and maintain thousands of jobs. New York's retirees also pay taxes, volunteer and contribute to the overall well-being of their communities.



Our national economy remains sluggish, but the New York State Common Retirement Fund continues to perform solidly. The annual rate of return for the Fund in the fiscal year that ended on March 31, 2012, was 5.96 percent. As of September 30th, the Fund's assets totaled \$150.1 billion. This represents a steady increase since the recent recession, and is also approaching the Fund's all-time highest level. As a result, the Fund remains well-positioned to meet the obligations of our current and future retirees.

As Comptroller, two of my top priorities are ensuring that New York's pension system remains one of the best-funded public plans in the country and that it continues to provide cost-effective benefits to its more than 1 million members, retirees and beneficiaries.

I hope you find this newsletter a useful way to learn more about your retirement benefits. Please feel free to contact my office with any questions or concerns you may have.

Sincerely,

Thomas P. DiNapoli
State Comptroller

A Strategy You Can Use

As a member of one of the largest, most secure pension systems in the world, you can be confident that your pension will be there for you when you retire. But your pension is only one part of a solid financial plan — your savings will also help make your retirement years more financially secure and enjoyable.



Think you have plenty of time to save for retirement? Perhaps you're only in your twenties or thirties and retirement is more than 30 years away. Besides, you think, you can't afford to save for retirement right now. But really, can you afford not to save? Putting aside even a small amount each month, over time, will add up to a nice nest egg and could provide tax benefits along the way.

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Were you previously a member of one of New York State's or New York City's public retirement systems and want to have your earlier membership tier and service credit reinstated?

Before you make a decision, just remember that reinstating an earlier tier of membership may not always be the best course of action. For example, if you were previously a Tier 1 member and are now a member in a different tier covered by a plan that provides a post-retirement death benefit, your beneficiary would not be eligible for this death benefit if your Tier 1 membership was reinstated. Also, should your death occur while in service, as a Tier 1 member, your ordinary death benefit may be considerably less than the ordinary death benefit provided through another tier. Additionally, if you are reinstated to Tier 1 or 2, your Tier 3, 4, 5 or 6 contributions would not be refundable and you would not be able to borrow against these contributions. (Legislation requires that we keep them, plus interest, to help meet the cost of any benefit improvements.)

The Application to Reinstatement a Former Tier 1 or 2 Membership form (RS5506) contains a helpful chart comparing the various benefits available to members in Tiers 1 through 5. It's a good idea to review this chart before making any decision on tier reinstatement. Regardless of whether or not you have your former tier reinstated, you may still be able to receive credit for previous service (and military service). Submit a Request for Previous Service form (RS5042) and we'll let you know the cost, if any, for this service.

For more detailed information, read our publication, *Getting Credit for Your Service* (VO1854). This publication and the above forms are available on our website and from our Call Center.



Know Your Monthly Benefit Before You Retire

An estimate of what your monthly pension benefit will be when you retire is vital information you should have before you actually file your retirement application. Yet some members fail to take advantage of our pension estimating services:

General Estimate — This is the most accurate estimate we can provide based on the information we have for you in our records. Any member within 18 months of retirement eligibility should submit a Request for Estimate form (RS6030), available on our website and from our Call Center.

Be sure to list your complete public employment history within New York, including any part-time service, and also information about your intended beneficiary.

Benefit Projection — This service is available to you if you are at least 50 and covered by a regular retirement plan (not a special plan). Getting multiple Benefit Projections is a great way for you to compare the pension benefits you would receive based on different retirement dates, which will help you determine the retirement date that works best for you. Call our secure automated information line and follow the prompts. In most instances, your projection will be mailed to you the next business day.

Benefit Projection Calculator — Most members who visit our website can project their retirement benefit by entering requested information. The calculator allows you to enter different retirement dates, final average salaries and service credit totals to get an idea of how much your annual benefit will be based entirely on the data you input. It's a great tool for members planning for retirement, regardless of age. For more precise figures, however, you should request a General Estimate 18 months before you become eligible to retire.

If you have any questions about your estimate, please contact our Call Center — we're happy to assist you.

Note: Our Benefit Projection Calculator is currently not available to the following:

- ERS Tier 5 and 6 members covered by Article 15;
- ERS members covered by a special 20- or 25-year plan; and
- PFRS members who joined after June 30, 2009.

Retirement Benefits — More Than Your Pension

When you think “retirement benefits,” most members think “pension.” While pension benefits top the list, there are other retirement benefits such as disability pensions and death benefits which can help keep you and your beneficiaries financially secure in the event you become disabled and unable to work, or you die. Some of the most significant of these benefits are listed below:*

The **Ordinary Disability Benefit** is available if you are unable to perform your job duties because of permanent physical or mental incapacity which was not incurred as the result of an on-the-job accident.

The **Article 15 Disability Benefit** for Tier 3, 4, 5 and 6 members is available if you have at least ten years of service credit and are unable to perform your job duties because of permanent physical or mental incapacity which was not incurred as the result of an on-the-job accident. It is also available if you have less than ten years of service and your permanent physical or mental incapacity was incurred as the result of an on-the-job accident.

The **Accidental Disability Benefit** is available if you are unable to perform your job duties because of permanent physical or mental incapacity incurred as the direct result of an on-the-job accident.

The **Performance of Duty Disability Benefit** is available to some members covered by a special retirement plan who are unable to perform their job duties because of permanent physical or mental incapacity incurred as the direct result of an on-the-job incident.

The **Ordinary Death Benefit** may be payable to your designated beneficiary if you are an active member who dies and has at least one year of credited service. Some members enrolled in a special plan are covered after 90 days of service. The beneficiaries of members who have accrued at least ten years of service, are no longer employed and meet the eligibility requirements may be entitled to the full amount of the Ordinary Death Benefit.

The **Out-of-Service Death Benefit** may be payable if you have accrued at least ten years of service credit, have not retired, and were otherwise gainfully employed at the time of your death, or if you die after one year of leaving covered employment. Your designated beneficiary may be entitled to receive 50 percent of the Ordinary Death Benefit.

The **Accidental Death Benefit** may be payable if you are a member who dies as the result of an on-the-job accident. This monthly benefit can be paid, as defined by law, only to your spouse, children under a certain age or dependent parents.

***Important:** Depending on your membership date and plan coverage, other benefits may be available to you while some of those listed here may not. Check your plan booklet for more detailed information.

Before any disability or death benefit can be paid, you must meet all eligibility requirements. Disability claims must also be approved by a medical review board. For information on how to file for a disability retirement or the disability retirement process, read our publication, *Applying for Disability Retirement* (VO1802), available on our website and from our Call Center.

A Strategy You Can Use

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There's so much information on financial planning out there it could make your head spin. So where do you begin? We offer a very useful, easy-to-read publication, *Straight Talk About Financial Planning for Your Retirement* (VO1845), available on our website and from our Call Center, which outlines the steps you can take now to develop a realistic financial plan. It also suggests various investment strategies you might consider and provides resource information to help you reach your financial goals, both for the short term and into retirement.

Investing in your future should never be put on the back burner — time has a way of flying by more quickly than you can imagine. Get started today — you won't regret it!

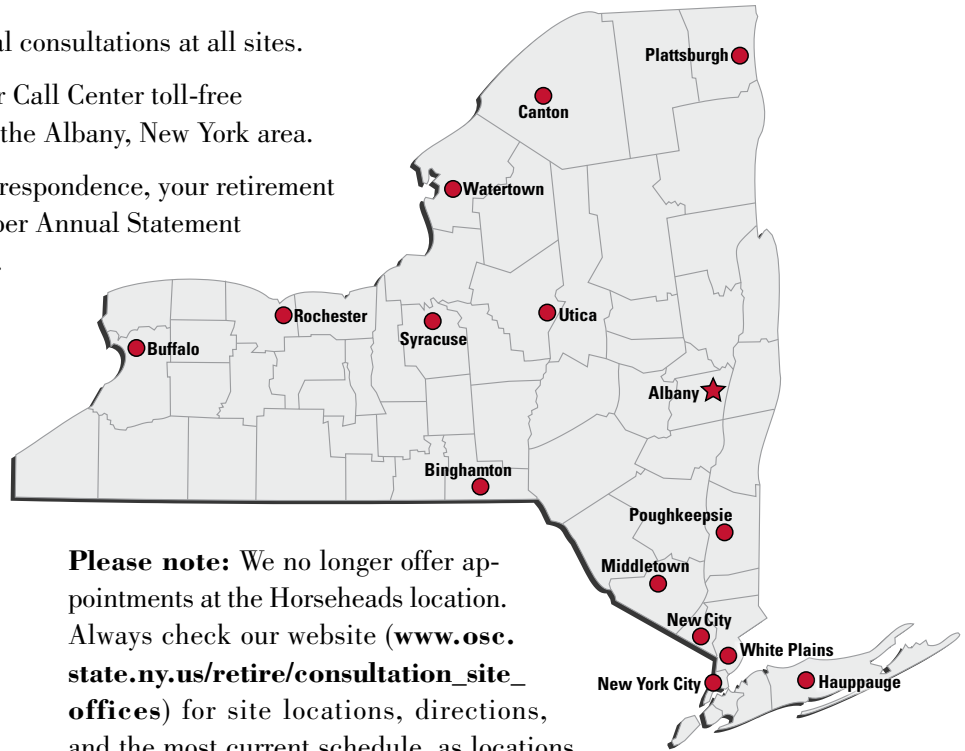


Consultation Site Changes — See Our Website

As part of our commitment to help you plan for a secure financial future, we offer personalized customer service by phone and at consultation sites throughout the State. Most of your retirement questions can be answered by visiting our website or speaking to a Call Center Agent. If you are within three months of your retirement date, however, you may wish to make an appointment to speak with an Information Representative, who specializes in guiding our members through the retirement process. You can speak to an Information Representative in person or by phone.

Please keep the following in mind if you plan to visit one of our consultation offices:

- Appointments are required for individual consultations at all sites.
- To schedule an appointment, contact our Call Center toll-free at 1-866-805-0990 or 518-474-7736 in the Albany, New York area.
- Bring any recent Retirement System correspondence, your retirement estimate and/or your most current Member Annual Statement (and do not forget your list of questions).
- Bring photo identification.
- Except for our New York City site, members do not need an appointment to drop off forms, pick up information or have something notarized.



Please note: We no longer offer appointments at the Horseheads location. Always check our website (www.osc.state.ny.us/retire/consultation_site_offices) for site locations, directions, and the most current schedule, as locations and monthly visiting days can change.

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.

State Comptroller: Thomas P. DiNapoli

Executive Deputy Comptroller:
Kevin F. Murray

Deputy Comptroller: Thomas Nitido

Assistant Comptroller: Melanie Whinnery

Editor: Rob Madeo

Writer: Linda Viola

Graphic Artist: Sonja Tzambourakis

Send your comments by email to:
nysretnews@osc.state.ny.us

Or write to:
NYSLRS
Retirement Communications
110 State Street
Albany, NY 12244-0001



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It's easy to enroll — visit our website, click on the link, "Sign up for *Retirement Online*," and follow the simple directions. Before you know it, you'll be accessing your account.

