



Retiree Notes

Thomas P. DiNapoli
State Comptroller



A Message from Comptroller Thomas P. DiNapoli

As the trustee of the New York State Common Retirement Fund, I am responsible for the retirement security of one million New Yorkers. It is a responsibility that I take seriously. For more than 90 years, the Fund has been able to deliver a benefit that has provided income for retirees and helped support our State's economy.

Defined benefit plans like ours are the most cost-effective way to provide secure retirements for the fire fighters and police officers who keep our streets safe and secure, and for the State and local government employees who provide the valuable services that are vital to our communities. Despite

what you may have heard in the media, defined benefit plans make economic sense. The Fund provides a retirement benefit at half the cost of a 401(k)-style plan without subjecting retirees to the volatility of the stock market.

What is often overlooked is the benefit of a stable retirement benefit on local economies. Defined benefit plans provide reliable income to retirees who spend that money in our cities, towns and villages, helping to keep our economy sound. Pension benefits not only provide assets for investment and keep retired Americans out of poverty, they boost tax collections and support thousands of local jobs.

These are difficult economic times, but the Fund is helping to keep our State moving forward. Our investment strategy for the Fund has always taken the long view, which has enabled us to withstand turmoil in the markets before.

I encourage you to read this newsletter for information about your benefits and please feel free to contact my office with any questions or concerns you may have.

Sincerely,

Thomas P. DiNapoli
State Comptroller

New Law Helps Monitor Post-Retirement Earnings

Thanks to the recent enactment of a new State law, Retirement System staff will be able to identify retirees working for local governments who exceed the State's post-retirement earnings limitation.

Chapter 206 of the Laws of 2011 authorizes the Office of the State Comptroller to access the New York State Department of Taxation and Finance's wage reporting system in order to match Retirement System records with information reported by local gov-

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ernments to Tax and Finance. The comparison will show any retirees collecting both a service retirement benefit and a local government salary that exceeds the post-retirement

earnings limit set by Retirement and Social Security Law (RSSL).

Each year, we compare information for State employees with the Comptroller's Division of Payroll to identify retirees who have returned to the State payroll. In addition, since October 2008, school districts and BOCES have been required to report all public retirees on their payroll during the previous year, including independent contractors and consultants.

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The Common Retirement Fund — Strong and Secure

Despite what you may have heard recently about troubled pension funds, your benefits from the New York State and Local Retirement System remain safe and secure.

This fact was reinforced by a Pew Center on the States study that found New York to be one of the best-funded state pension systems in America. Pew said this was due to prudent investments, sound management and discipline, which the report termed “key to effectively managing long term costs.” Comptroller Thomas P. DiNapoli is committed to keeping the Fund strong and upholding his responsibility to you.

As a retired public employee, your retirement benefits are guaranteed under the New York State Constitution and can never be diminished.

The Comptroller has instituted significant reforms that improved oversight of the Fund and increased transparency. He is also developing new regulations and proposing legislation to prevent abuse by businesses and by candidates seeking the office of Comptroller.

As a retired public employee, your retirement benefits are guaranteed under the New York State Constitution and can never be diminished. You can take comfort in knowing you will always receive the benefits you have earned. The Fund has the assets to pay your retirement benefit for your lifetime and, if you chose a continuing benefit, the lifetime of your beneficiary.

You can be confident that your pension Fund is managed according to the highest ethical standards, and that investment decisions are made exclusively for the benefit of pensioners and members.

Our Publications Can Help

If you have a retirement question, we may have a publication that can help you. Here are a few:

- **Permanent COLA** (VO1863)
Explains cost-of-living adjustments (COLA), who’s eligible and how they are calculated.
- **Life Changes: A Guide for Retirees** (VO1705)
Outlines your benefits, the services we offer and your responsibilities.
- **Getting Your Affairs in Order and A Guide for Your Survivors** (VO1874)
Includes steps you can take so your loved ones are prepared if something happens to you, as well as a form you can fill out so your survivors have the information they will need.
- **What if I Work After Retirement?** (VO1648)
Details how working after retirement could affect your benefits, and the important sections of Retirement Law that you should know.



These and other helpful publications are available on our website at www.osc.state.ny.us/retire. Click on “Publications” at the top of the page for a complete list. If you need a publication mailed to you, call us during business hours toll-free at 1-866-805-0990, or 518-474-7736, in the Albany, New York area and speak with one of our agents.

New Law Monitors Earnings

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Under Section 212 of the RSSL, service retirees under age 65 may return to work and continue to collect their pension until they receive \$30,000 in a calendar year. When they reach the \$30,000 limit, their pension must be suspended.

“I’ve been pushing hard to end pension abuse,” said Comptroller Thomas P. DiNapoli. “Government agencies should be enabled to work together to reduce waste, fraud and abuse. This law will do just that.”

If you have questions about returning to public service and the effect this could have on your pension, please contact us.

Fleeing the Snow? Let Us Know



Whether you're taking off to warmer climates for just a few months, or permanently moving across town, be sure to contact us to update your mailing address.

It's important to keep us updated so we can be sure you receive your 1099R form for federal taxes, your next Retiree Annual Statement and other important information. The Post Office will not forward certain mail if your new address is only temporary.

Notify us of your address change by email, letter or fax, or you can call us toll-free at 1-866-805-0990, or 518-474-7736 in the Albany area. Visit our website at www.osc.state.ny.us/retire and click on "Contact Us" near the top of the page to send an email. You'll also find our fax and phone numbers and mailing address.

If you call or email us, we'll confirm your identity before updating our records. If you're sending a letter or fax, include your name and your old and new addresses, as well as your retirement number and signature. If your new address is a PO Box or a location outside the United States, we will only accept a signed letter.

Late or Lost Check?

If your pension check hasn't been delivered by the eighth of the month, please contact us so we can begin the process of issuing you a replacement. Even if your check usually arrives like clockwork a day or two after the first of the month, you should not contact us any earlier.

When you call, we will contact the bank to stop payment on the check and then issue a replacement — usually within two days. If your original check arrives during that period, do not cash it. Please send it back to us. If you cash both checks, we must hold your next pension check to recover the additional payment.

To report a late check, call us toll-free at 1-866-805-0990, or 518-474-7736 in the Albany area. Press "2" for a menu of Retiree/Beneficiary services, then "3" to report that your check is late.

You can avoid delays in receiving your monthly payment by enrolling in direct deposit. Once you enroll, your pension payment will be deposited directly into your checking or savings

account each month. Regardless of circumstances, you can count on receiving your payment promptly.

At no time is this more evident than when a natural disaster strikes. This summer, Hurricane Irene battered the East Coast, causing extensive damage and historic flooding. Countless Post Offices were inaccessible, deliveries to many areas were suspended, and mail was rerouted and delayed. But direct deposit was not affected. Payments were deposited on time and pensioners enrolled in the program had immediate access to their money.

You can avoid delays in receiving your monthly payment by enrolling in direct deposit.

We know you depend on your pension payment. That's why we hope you will enroll in direct deposit. You can call us to request an enrollment application or download one from our website at www.osc.state.ny.us/retire/forms/eftform.pdf.

The 1-2-3s of Retirement Online

Have you enrolled to use our *Retirement Online* service?

If not, here are three good reasons why you should consider doing so:

- 1. It's secure.** You can safely get the personal retirement information you need, such as any deductions to your latest monthly payment, year-to-date payment totals, and other important data.

- 2. It's fast.** You'll find what you need with just a few clicks of your mouse.

- 3. It's easy to enroll and use.** Visit www.osc.state.ny.us/retire/portal.htm, click on "Enroll/Login," then follow the instructions.

That's why *Retirement Online* is as easy as 1-2-3. If you haven't already enrolled, be sure to check it out.



Income Tax and Your Pension

Your pension is subject to federal income tax. That's why you should review your federal withholding regularly to ensure it is appropriate and up-to-date.

You may change your withholding amount at any time by filling out a W-4P form, available on our website at www.osc.state.ny.us/retire/retirees/tax_services_information.htm. You can also call our automated information line at 1-866-805-0990, or 518-474-7736 in the Albany, New York area, to have a W-4P form mailed to you. Press "4" for Tax-Related Services, then press "3" for a list of forms.

Our website also includes other useful tax-related information.

You can obtain a reprint of your 1099R tax statement, or use our federal tax calculator to estimate the amount that would be withheld for federal income tax based on your exemptions. You can also find answers to the most-frequently-asked tax questions, such as possible implications if you move to another state, or how to have a fixed amount of federal withholding deducted each month.

You can always find up-to-date federal tax information on our website at www.osc.state.ny.us/retire/retirees/tax_implications.php, or you can visit the IRS website at www.irs.gov/individuals for additional information.

Retiree Notes is a semiannual newsletter for retirees of the New York State and Local Retirement System.

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