

# retiree notes

Thomas P. DiNapoli  
State Comptroller



## A Message from Comptroller Thomas P. DiNapoli



This year, as we celebrate the 100<sup>th</sup> anniversary of the Retirement System, NYSLRS can look back with pride at a century of providing pension security for members and retirees.

The pension benefits received by NYSLRS retirees over the years have had a profound impact on the economic strength and stability of New York State. All across the State, retirees have spent their money at local shops, restaurants and other businesses, helping to boost the economies of their communities. In fact, in 2019, your spending generated \$15.2 billion in economic activity in New York State and supported 77,900 jobs.

As we enter NYSLRS' second century, I remain committed to preserving the good standing of the New York State Common Retirement Fund (Fund). I will continue the careful, well-reasoned and diverse investment strategy that has proven so successful for the Fund in the past. In the last State fiscal year, the Fund experienced the best yearly investment return in its history, with an estimated rate of return of 33.55 percent. In the first quarter of this fiscal year, the estimated value of the Fund reached a new record high of \$268.3 billion.

The first 100 years of NYSLRS have been a great success. I'm confident that in the next 100 years, hundreds of thousands of additional retirees will share in this success and enjoy the pension security NYSLRS will provide.

Sincerely,

Thomas P. DiNapoli  
State Comptroller

## Providing a Century of Pension Security

This year, NYSLRS celebrates 100 years of service to New York's public employees.

Today, the Common Retirement Fund (Fund) is widely recognized as one the best-funded and best-managed public pension funds in the nation. But strong retirement systems don't happen overnight.

More than a century ago, NYSLRS' founders established the framework for a sustainable retirement system capable of providing long-term pension security for its members and retirees.

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## Retirement Online – Important Information at Your Fingertips

Our retirees who already use *Retirement Online* know it's a speedy and secure way to access their NYSLRS-related retirement information, as well as a variety of other useful services.

They know they can quickly check and update their contact and personal information if necessary. Keeping contact information up to date is important so we can send you your retiree annual statement, 1099-R tax form and other important information.

Retirees can immediately generate and print an income verification letter if they need to provide proof of pension income. This letter, on NYSLRS letterhead, details their gross and net monthly benefit, the amount withheld for taxes and other information a business or lender may need.

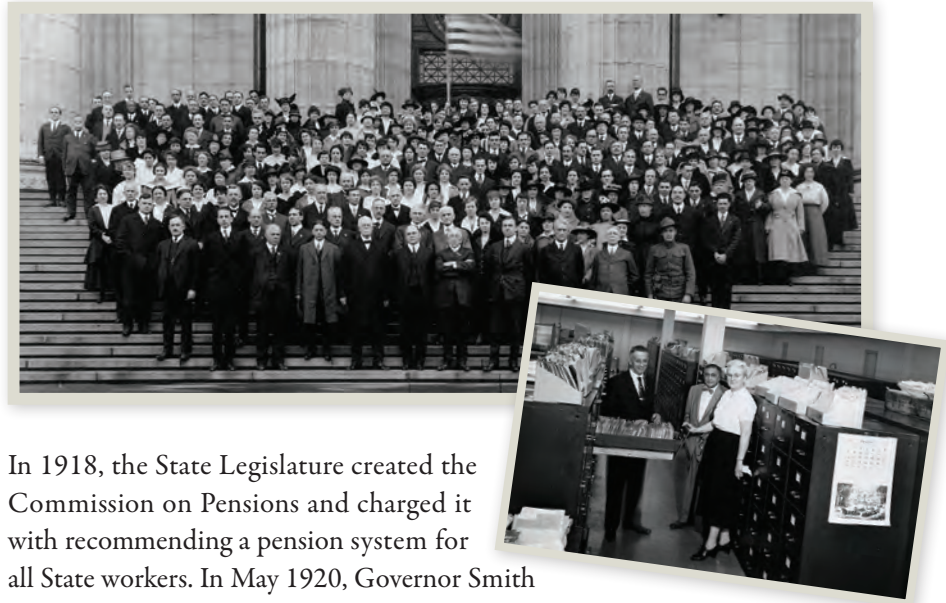
Retirees can also change their beneficiaries and review their account information, including a breakdown of their most recent pension payment, and see any deductions or credits.

So, if you haven't yet signed up, why wait? *Retirement Online* uses the same security safeguards used for online banking to protect your identity and signup is quick and easy. To register, learn more or find additional resources, check out our *Retirement Online* webpage at [web.osc.state.ny.us/retire/retirementonline/customers.php](http://web.osc.state.ny.us/retire/retirementonline/customers.php).



## NYSLRS: Providing a Century of Pension Security

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In 1918, the State Legislature created the Commission on Pensions and charged it with recommending a pension system for all State workers. In May 1920, Governor Smith signed legislation creating the Retirement System and on January 1, 1921, NYSLRS opened its doors.

That year, the pension fund held several million dollars and provided benefits to just a few dozen State employees, with 43 retirees drawing annual pensions totaling \$17,420.16.

The security and stability of the Fund were built in from the start. The System's founders recognized the need to calculate the cost of the pension plan through actuarial calculations, which take into account such things as employees' salaries and how long they are expected to be retired. To help cover costs, they recommended a plan supported by the contributions of employers (New York State and, eventually, local governments) and employees.

The last century saw a number of key events that contributed to the stability of the Fund. Several 1938 amendments to the State Constitution guaranteed that a public pension benefit cannot be "diminished or impaired." The Fund was allowed to begin investing in the stock market in 1961, opening the door for growth opportunities. Other historic milestones occurred in 1993, when a State court ruling threw out a law that threatened pension funds, and in 2004, when a minimum employer contribution was set.

Today, under the stewardship of Thomas P. DiNapoli, the Fund's value is an estimated \$268.3 billion, a record high. As of March 31, 2021, there were 496,628 NYSLRS retirees and beneficiaries, and the Fund's investment returns cover the majority of the cost of retirement benefits. So, rest assured, after more than a century of service, NYSLRS is still well-positioned to continue providing you with the pension security you have earned.

## Power of Attorney — A Powerful Tool

To ensure your wishes are met and that your loved ones will remain informed, consider appointing someone who can act on your behalf should you become incapacitated or seriously ill. A durable Power of Attorney (POA) form allows an “agent,” usually a trusted friend or family member, to act on your behalf in your legal, financial and business matters.

Under usual circumstances, NYSLRS won’t release benefit information without your permission, but we can discuss your information with the agent you name in your POA. Your agent could ask for details about your pension payments, obtain copies of your retirement documents or call us for clarification if you don’t understand a letter you received. Your agent could also change your address, request account details and change your tax withholding.

The law governing the requirements for a POA was amended effective June 13, 2021. Any POA executed on or after that date must comply with new legal requirements. NYSLRS created a POA form for retirement benefit transactions that meets New York State’s current legal requirements. If you use our form, and your agent is your spouse, domestic partner, parent or child,

then your agent will also have “gifting authority,” including the authority to designate himself/herself as your beneficiary and change your direct deposit information. You can find the form at [www.osc.state.ny.us/retire/forms/poa.pdf](http://www.osc.state.ny.us/retire/forms/poa.pdf).

**If you already have an approved POA on file with NYSLRS, you do not need to send a new one.**

If you plan to appoint an agent to act on your behalf, it is important that you provide your POA form to NYSLRS so it can be reviewed and noted in your account. We will accept a photocopy. You can mail it to:

NYSLRS  
110 State Street  
Albany, NY 12244-0001

A POA gives your agent the power to act **with or without your consent** so we strongly urge you to consult an attorney before you execute this document. You may revoke your POA at any time by sending us a signed, notarized statement. You can find more information on our POA webpage at [www.osc.state.ny.us/retirement/members/power-attorney](http://www.osc.state.ny.us/retirement/members/power-attorney).

## Defined Pension Plans Benefit Our State and Country

Defined benefit pension plans, including the New York State & Local Retirement System’s (NYSLRS), provide retirement security for millions of Americans.

Currently, there are more than 390,000 NYSLRS retirees and beneficiaries living in New York State. In every corner of the Empire State, NYSLRS retirees shop at local stores and patronize local businesses, contributing to local economies and supporting thousands of jobs.

That’s mirrored across the country. According to a study released by the National Institute on Retirement Security in 2021, defined benefit pension plans paid \$578.7 billion to 23.8 million retired Americans, and those payments had a significant impact on the nation’s economy. Those pension payments generated spending that supported 6.9 million American jobs with paychecks totaling \$394.2 billion. The study also found that each pension dollar paid had a \$2.19 multiplier effect, which resulted in nearly \$1.3 trillion in economic output. Real estate, food service, healthcare, and wholesale and retail trade were the sectors most impacted.



NYSLRS retiree and beneficiary spending in New York State:  
**\$13.3 billion**



Estimated jobs supported by that spending:  
**77,900**



Property taxes paid by NYSLRS retirees and beneficiaries:  
**\$2 billion**



State and local sales tax paid by NYSLRS retirees and beneficiaries:  
**\$759 million**

NYS Retirees and Beneficiaries  
Total Economic Impact:

**\$15.2  
BILLION**

New York State statistics as of December 31, 2019.





New York State & Local Retirement System

110 State Street, Albany, New York 12244-0001



*Thomas P. DiNapoli*  
**State Comptroller**

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Send your comments by email to:

[nysretnews@osc.ny.gov](mailto:nysretnews@osc.ny.gov)

Or write to:

NYSLRS

Retirement Communications

110 State Street

Albany, NY 12244-0001.

## Taxes and Your Pension

Our Taxes and Your Pension webpage is your source for information on taxes and your pension. It also provides helpful resources. You can:

- Request a reprint of your 1099-R form from any of the past three years;
- Print a blank W-4P form to change your federal income tax withholding; or
- View our interactive 1099-R form tutorial.

Be sure to bookmark the webpage at [www.osc.state.ny.us/retirement/retirees/taxes-and-your-pension](http://www.osc.state.ny.us/retirement/retirees/taxes-and-your-pension), and check back regularly for updates.

