

THE UPDATE

A semiannual newsletter for members of the Employees' Retirement System (ERS)

Thomas P. DiNapoli, State Comptroller



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A Message from Comptroller Thomas P. DiNapoli

I am pleased to report that the Retirement Fund remains strong and secure. While market volatility may continue in the months to come, the underlying strength of the Fund and the skills of our investment team will help us to weather any turbulence that may lie ahead. More than 1.1 million NYSLRS members, retirees and beneficiaries can continue to rely on the Retirement System for their retirement security.



Throughout the long months of this public health crisis, NYSLRS staff has been here for you, helping you with your retirement benefits and answering your questions. That commitment will continue.

Our recent improvements to *Retirement Online* make it easier for you to conduct business with NYSLRS and get the personalized information you need. Our new pension benefit calculator, which uses your retirement account information, is an especially useful retirement planning tool. You can estimate your pension based on the different retirement dates you enter, which will help you make better decisions about your future. Other *Retirement Online* features enable you to file for retirement, apply for previous service credit, update your beneficiaries and manage loan and service credit payments. If you don't have an account, visit our website (www.osc.state.ny.us/retirement) and sign up today.

If you are nearing retirement, you can review your benefits and pension payment options with one of our information representatives. Whenever you have questions about your retirement plan and the benefits it provides, you can find detailed information on our website or contact us (www.contactNYSLRS.com) for help.

Sincerely,

Thomas P. DiNapoli
State Comptroller

Road Map to Retirement

If you plan to retire soon, you probably have a lot of questions. Where do I start? What do I do next? What if I forget an important step? Where can I get more information?

Fortunately, NYSLRS has laid out a retirement path for you on our website. You can find it at www.osc.state.ny.us/retirement/members/preparing-retirement.

**With its new features
and expanded hours,
Retirement Online is
an essential retirement
planning tool.**

This webpage includes a retirement timeline, starting at 18 months before your planned retirement date, that will guide you through the retirement process step by step. This outline lets you know what you should do at 12 months, 6 months and 3 months before retirement so you can stay on schedule, and it highlights important topics and information you'll need to consider.

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Road Map to Retirement

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So what is the first step on the road to retirement? Sign up for *Retirement Online* if you don't already have an account. With its new features and expanded hours, *Retirement Online* is an essential retirement planning tool. Learn more at web.osc.state.ny.us/retire/retirement_online/customers.php.

One new *Retirement Online* feature can help answer the two biggest retirement questions: When should I retire and how much will my pension be? Most members can estimate their pension amount using the benefit calculator in *Retirement Online*. Our online calculator will estimate your benefit based on information we have on file for you. You can enter different retirement dates to see how they impact your pension amount.

Then, when you're ready, you can file your service retirement application right from your *Retirement Online* account.

Retirement Fund Remains Strong



The Retirement Fund, which holds and invests NYSLRS assets, rebounded in the first and second quarters of the current State fiscal year, after modest losses due to the COVID-19 downturn in late March right at the end of the last fiscal year.

The Fund closed out the fiscal year on March 31, 2020 with an audited value of \$194.3 billion, but strong investment returns have raised the pension fund's estimated value to a new high — \$226.4 billion as of September 30, 2020.

“One of the strongest rebounds in modern history lifted the Fund’s value well above what it was at the close of the State fiscal year,” said DiNapoli, trustee of the Fund and administrator of NYSLRS.

Fortunately, the pension fund entered the COVID-19 crisis in a position of strength. In June, the Pew Charitable Trusts ranked NYSLRS as the second-best-funded public retirement system in the nation, based on 2018 data.

While market volatility may continue in the months to come, the underlying strength of the Fund and the skills of our investment team will help us to weather any turbulence that may lie ahead.



Apply for Retirement Online - It's Easy

More and more NYSLRS members are discovering the ease and convenience of filing for retirement online. In fact, since we introduced this *Retirement Online* feature in February, roughly half of all NYSLRS service retirement applications have been filed online.

The popularity of online filing is understandable. It's quick and easy. Less paperwork. Nothing to be notarized. No trip to the Post Office. The whole process takes a few minutes.

To get started on your online application, just sign in to your *Retirement Online* account, scroll down to My Account Summary and click the green Apply for Retirement button. From there, you'll go through a series of screens where you'll be able to:

- Choose a retirement date;
- Get an estimate of your pension and the payment options available to you;
- Pay off any outstanding loan or service credit purchase balances;
- Select a payment option and beneficiary;
- Sign up for direct deposit;
- Select your withholding allowance;
- Upload required documents, such as proof of date of birth; and
- Submit your application. (You'll get a confirmation message after your application is successfully submitted.)

If you don't have a *Retirement Online* account, go to web.osc.state.ny.us/retire/sign-in.php and click the Sign Up link under the Customer Sign In button.

Retirement Online Tips

Looking to make the most of your *Retirement Online* experience? Then check out the Tools & Tips section on our *Retirement Online* page.

Forgot your user ID or password? We have user guides that will take you step by step through the process of retrieving your user ID or resetting your password.

Other user guides will show you how to:

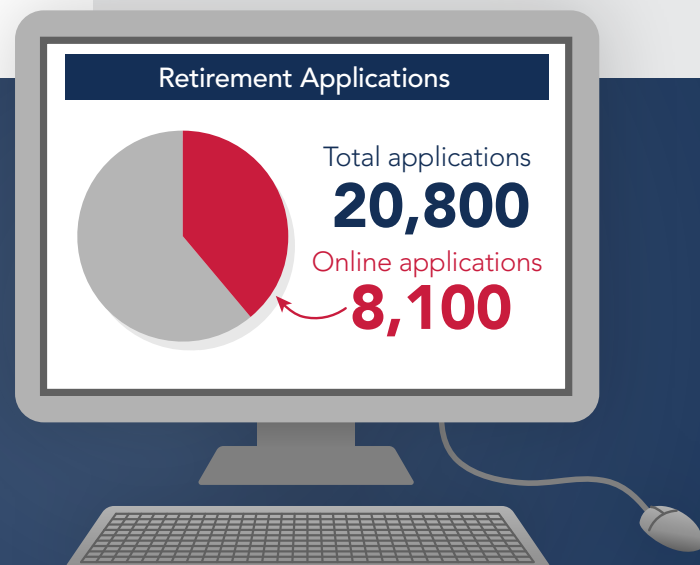
- Register for a new *Retirement Online* account;
- Sign in for the first time after registering for an account;
- Add a trusted device to your *Retirement Online* account. Trusted devices enable you to sign in without having to request and enter a security code each time;
- Clear your browser history so you can load pages faster; and
- Troubleshoot other issues.

You can find *Retirement Online* Tools & Tips at web.osc.state.ny.us/retire/retirement_online/customers.php. Bookmark this link today for a trouble-free online experience.

DID YOU KNOW?

Since we introduced this feature in February, nearly **40 percent** of all NYSLRS service retirement applications have been filed using

Retirement Online



Stay Informed

In uncertain times, it's more important than ever to stay informed about your NYSLRS benefits. Get NYSLRS updates, retirement planning tips and more every month right in your inbox. Sign up for E-News at web.osc.state.ny.us/retire/e-news/sign-up/index.php.

Email Sign Up

Thomas P. DiNapoli
State Comptroller

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The Update is a semiannual newsletter published by the New York State and Local Retirement System (NYSLRS) for active members of the New York State and Local Employees' Retirement System. This newsletter is a summary of benefits, rights and responsibilities. It is not a substitute for New York State or federal law.

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Welcome New NYSLRS Members

Congratulations! By becoming a NYSLRS member, you have taken an important step toward financial security for you and your loved ones.

As a new NYSLRS member, it's likely you are in Tier 6. Your tier is based on the date you joined NYSLRS. Tier 6 members joined on or after April 1, 2012. Your tier determines:

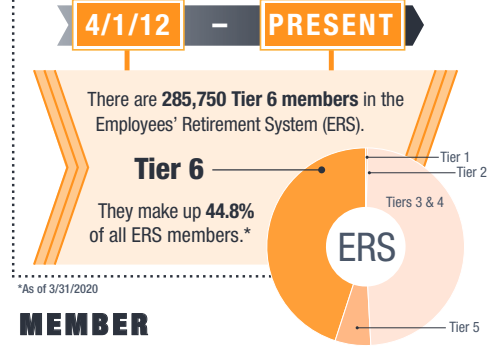
- When you become eligible for benefits;
- The amount you contribute toward your benefits;
- Disability and death benefit coverage; and
- How your benefits are calculated.

Tier 6 members contribute a percentage of their earnings to NYSLRS to help fund retirement benefits. However, the amount of your pension will not be based on your contributions. NYSLRS is a defined benefit pension plan. This means your pension will be a lifetime benefit, based on your years of public employment (service credit), your final average earnings and your age at retirement. For Tier 6 members, final average earnings is the average of your highest five consecutive years of earnings, subject to limitations.

Unlike a NYSLRS pension, defined contribution plans, such as 401(k) plans, do not provide a guaranteed benefit for your lifetime. With a defined contribution plan, the amount you receive at retirement is based on your contributions, any contributions your employer made on your behalf and investment earnings. With a defined contribution plan, it's possible to outlive your savings.

You can learn more about your NYSLRS pension and other benefits of membership by reading your plan booklet, available on our Publications page at www.osc.state.ny.us/retirement/publications. The plan booklet for most Tier 6 members is *Coordinated Plan For Tier 6 Members (Article 15) (VO1530)*.

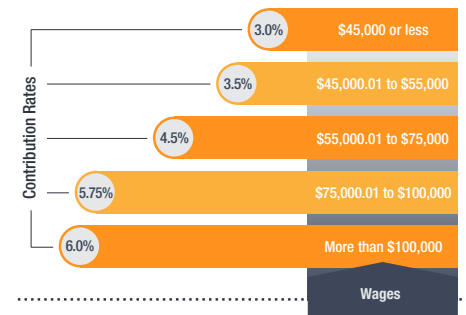
DATES OF MEMBERSHIP



MEMBER CONTRIBUTIONS

Members contribute for all years of public service.

Except for State Correction Officers whose contributions are limited to 30 years.



VESTING

after earning
10 YEARS = VESTED
of service credit

Vesting is important if you leave public employment. Once you are vested, you will still be entitled to a retirement benefit when you reach age 55 based on your service and the salary earned when you were an active member.