A Message from Comptroller

Thomas P. DiNapoli

According to a recent study by S&P Global Ratings, the New York State and Local Retirement System (NYSLRS) is the third best-funded public pension plan in the nation. Similar reports from other independent organizations have noted the financial soundness of the New York Common Retirement Fund (the Fund).

Despite volatility in the markets over the last few years, the Fund has continued to post year-to-year positive gains. Our long term, diversified investment strategy has enabled the Fund to achieve a record estimated value of $192 billion, as of March 31, 2017. Close to 75 percent of NYSLRS pensions are paid from the Fund’s investment returns. As trustee, I am committed to preserving the long term financial integrity of the Fund so that all current and future retirees can depend on it to help provide financial security in retirement.

I am also happy to announce the launch of the new Retirement Online.

Retirement Online is a web-based, self-service tool that allows you to conduct business with NYSLRS in real time. The system has enhanced security features to provide you with a safe and secure online experience. Retirement Online is a convenient way to review your benefit information, update your address, manage your beneficiary designations and apply for a loan. Over time, more features will be added.

To register for your new Retirement Online account, visit www.osc.state.ny.us/retire/index.php, or learn more at www.osc.state.ny.us/retire/retirement_online/customers.php.

Sincerely,

Thomas P. DiNapoli
State Comptroller

Retirement Online

The new Retirement Online is here. Whether you want to review account details or update your information in real time, managing your NYSLRS account is now more convenient and secure. In many cases, you’ll be able to use Retirement Online instead of sending forms through the mail or calling us.

Here are some of the things you can do now with Retirement Online:

• Review up-to-date information about your benefits.
• Update your address, phone number and email address.
• Apply for a loan and check loan balances.
• View and update your beneficiary selections.

To register, go to the NYSLRS homepage at www.osc.state.ny.us/retire/index.php and click “Register Now” in the Retirement Online sign-in area.

We recommend that you use Internet Explorer or Google Chrome to access Retirement Online.
Because we’ve incorporated enhanced security measures, you will be asked a series of security questions when you register. These questions are provided to NYSLRS by a trusted third-party source to verify your identity so that your account is protected. NYSLRS does not retain the questions or your answers.

Retirement Online account holders who first signed in before January 4, 2017, will need to create new accounts in order to be protected by these improved security standards. Over time, we’ll introduce additional features to Retirement Online. We hope you’ll sign up today, but Retirement Online is optional. You will still be able to conduct NYSLRS business by phone, mail or email. If you have questions or need help registering, please call 1-866-805-0990 (518-474-7736 in the Albany, New York area), and press 1 for Retirement Online. Our Contact Center is available Monday through Friday, from 7:30 am to 4:15 pm.

Learn more at www.osc.state.ny.us/retire/retirement_online/customers.php, where you’ll find step-by-step guides for registering, signing in for the first time, retrieving a forgotten user ID, adding trusted devices and more.

Overtime Limits

If you are a Tier 5 or 6 ERS member, it’s important to remember that New York State Retirement and Social Security Law (RSSL) limits how much overtime can be used to calculate your pension. The limit changes each year.

- For Tier 5 members, credit for overtime tops out at $18,448.11 in calendar year 2017. That increases to $19,001.55 in 2018.
- For Tier 6 members, the limit is tied to the State fiscal year (April 1 through March 31), not the calendar year. For 2016-2017, the ceiling was $15,721. Starting April 1, 2017, the limit increased to $16,048.

You can earn overtime beyond the limit, but any overtime pay above these caps will not count toward your final average salary, which we use to calculate your retirement benefit. Therefore, you do not need to make contributions for overtime above the cap. Find more information about the overtime limit, final average salary and retirement benefit calculations in your retirement plan booklet, available on our Publications page at www.osc.state.ny.us/retire/publications/index.php.

It’s your retirement; be the first to know

When you follow NYSLRS on social media, you’ll be among the first to hear news about your benefits.
Investing in a Cleaner Future

As trustee of the New York State Common Retirement Fund (CRF), Comptroller Thomas P. DiNapoli seeks sound and sustainable investments in strategies and companies that are developing and using low-carbon technologies.

The CRF’s investments in New York-based companies such as Crystal IS in Green Island and the High Sheldon wind farm in Sheldon are examples of low-carbon investment opportunities that provide solid returns for the Fund, create jobs and generate local tax revenues, while helping promote a cleaner economy with reduced carbon dioxide emissions.

As an investor, DiNapoli continually seeks improvements in environmental practices and lower carbon emissions from the companies in the CRF’s portfolio. For example, he has asked Exxon Mobil and other portfolio companies to explain how they can adjust their business models to respond to the worldwide effort to limit global warming, and has urged the U.S. Securities and Exchange Commission to ask fossil fuel companies to explain how they are addressing climate change.

The CRF has created a $2 billion public equity index that excludes or reduces investments in the worst carbon-emitting corporations, and increases the CRF’s investments in companies that are lower emitters. In addition, DiNapoli has increased the CRF’s total commitment to sustainable investments to $5 billion to take advantage of the growing low-carbon economy.

The Comptroller’s sustainable investment strategy is crucial to the long-term health of the CRF. Addressing investment risks presented by climate change is a major part of that strategy. Rising seas, severe storms, floods and droughts are likely to disrupt the global economy. Moving toward a low-carbon future reduces risk to the CRF’s investments, spurs innovation and opens new investment opportunities.

529 College Savings Program

College is expensive — often tens of thousands of dollars in annual tuition — and prices are only expected to increase with time. Add in room and board and other costs, and it’s easy to see how 2016 college graduates entered the workforce with an average debt of about $35,000.

New York State’s 529 College Savings Program is a smart way to save for tuition, room and board, books, fees and other higher-education expenses. Money invested in a 529 account — up to $5,000 a year; $10,000 if filing jointly — doesn’t count toward your New York State taxable income.

When the time comes to use the money, your initial investment and your accumulated earnings remain exempt from state and federal taxes. (Qualified uses include postsecondary trade and vocational schools, two- and four-year colleges and postgraduate programs. Non-qualified withdrawals are subject to taxes and a 10-percent early withdrawal penalty.)

Anyone who wants to can contribute — grandparents, other relatives and even friends are welcome to chip in. It’s easy to get started. You can even open an account for yourself. Visit [www.nysaves.org](http://www.nysaves.org) to start an account with as little as $25. Call 1-877-NY-SAVES with any questions.

This program is overseen by the Comptroller in partnership with the New York State Higher Education Services Corporation.
Leaving Public Service Before Retirement

Are you thinking of leaving public employment, but you’re not quite ready to retire? If so, make sure you understand what could happen to your NYSLRS membership and benefits, your responsibilities, and how to contact us with any questions.

First, if you go off the payroll of a public employer, you will no longer receive service credit. If you are vested and eligible for a pension, you can apply for it when you reach retirement age, even if you are off the payroll of a public employer. Members in Tiers 1, 2, 3 and 4 need five years of service credit to be vested; Tier 5 and 6 members need ten years.

If you are not vested, have not voluntarily withdrawn from NYSLRS and have been off the payroll for seven years, your membership will automatically end and any contributions you have on account will stop earning interest. If you have less than ten years of service credit, you can withdraw your contributions and end your membership.

After You Leave

Keep your address and beneficiaries up-to-date. Sign in to your Retirement Online account if you need to make any changes after you’ve left public employment.

Apply for a retirement benefit when you become eligible. You will not begin receiving benefits automatically. Refer to your retirement plan on our Publications Page (www.osc.state.ny.us/retire/publications/index.php) to see when you are eligible.

Pay your loan balance. If you have outstanding loans with NYSLRS when you leave public employment, you must make payments directly to us since you cannot make payroll deductions. For more information, go to www.osc.state.ny.us/retire/members/loans.php. Outstanding loans at retirement can permanently reduce your pension.

Stay informed. Visit our NYSLRS website for important news and updates.

Know how to contact us. Visit our Contact Us page at www.contactNYSLRS.com.

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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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