

SPECIAL NEWSLETTER — AUGUST 1995

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MEMBERSHIP RENEWAL REMINDER:
 Annual membership dues renewal for June '95 - May '96 is due. If you have overlooked payment for this year, please forward to the PARA address on this FLASH REPORT.

FLASH REPORT

This Special Newsletter is to report to you the status of the Pension Supplementation efforts since our regular last May Newsletter. As we then reported, NY State Comptroller H. Carl McCall was prepared to go to court to oppose the Governor's raid on our pension system and PARA pledged to support the Comptroller. In early July, when the Governor signed into law a bill which continued his budget balancing \$230 million dollar raid on our pension system and at the same time held retirees "hostage" if we opposed the bill, the Comptroller, supported by our retiree organization, brought suit against the Governor.

In an almost unprecedented, rapid time-table, on August 9, N.Y. State Supreme Court Judge Thomas W. Keegan rendered a decision in favor of the Comptroller and co-plaintiffs regarding the "hostage" provisions of the bill. Accordingly, this decision has paved the way for the pension supplement payments to retirees to begin in September out of the Supplemental Reserve Fund at no cost to the State and local tax payers. The following are the salient features of this favorable decision:

- 1- Increases pensions for the first time for those who retired between 1983 and 1989;
- 2- Increases pensions for pre-1983 retirees, with the largest increases targeted to long-term retirees;
- 3- Increases the allowance cap on which supplementation is based from \$10,500 to \$12,500;
- 4- Provides supplementation increases for the first time to service retirees aged 55 who have been retired for at least 10 (ten) years. All disability pensioners and others aged 62 or over continue to be eligible.

In calculating the supplemental retirement allowances the following percentages will be used for each calendar year of retirement up to the first \$12,500 of pension:

Year of Retirement	Old Supplemental Percentage	New Supplemental Percentage
1989	0	0.8
1988	0	1.4
1987	0	2.0
1986	0	2.7
1985	0	3.2
1984	0	4.0
1983	0	5.0
1982	1.5	5.9
1981	2.4	7.5
1980	4.1	10.1
1979	6.6	14.0
1978	9.1	18.0
1977	11.3	21.2
1976	13.4	24.4
1975	15.5	27.6
1974	18.9	32.6

Year of Retirement	Old Supplemental Percentage	New Supplemental Percentage
1973	23.4	39.3
1972	26.7	44.0
1971	29.0	47.2
1970	31.8	50.2
1969	39.8	108.4
1968	51.6	131.1
1967	66.2	153.9
1966	80.7	160.2
1965	96.4	166.2
1964	111.4	169.7
1963	126.3	189.8
1962	144.2	210.5
1961	165.2	231.1
1960	189.2	252.1
1959	218.1	294.4
1958	248.4	334.1

* For those who retired in 1958 and earlier, the percentages increase dramatically since they were not eligible for Social Security benefits.

Admittedly, the Supplemental percentages are about 30% less than our original bill that the Governor vetoed but they are a step in the right direction. This bill has an expiration date of Aug. 1997 and coincides with another bill also signed into law which extends the current supplement for pre-1983 retirees for two more years. This Flash Report capsulizes the efforts of PARA during recent weeks but you can be assured your board will press for still further improved Supplementation during the next legislative session.