

## **Public pension sign-ups surge**

Fears over a new tight-fisted Tier V drive eligible workers to join up

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ALBANY -- Public pension costs have drawn notice lately with their investment funds decimated by the Wall Street crash and Gov. David Paterson's push to institute a less-generous "Tier V" program for future employees.

By pulling back on public pensions, which are generally more liberal than plans in the private sector, taxpayers could save \$32.2 billion over the next three decades, the governor has said.

But one of the first concrete responses to the Tier V proposal hasn't come from lawmakers, but from public employees who are joining one of the state's major pension plans in record rates.

Over the course of the 2008-2009 school year, which ended June 30, a total of 4,411 people retired from schools statewide, according to a Times Union analysis of the Teachers Retirement System, which covers teachers as well as other school employees outside of New York City.

But at the same time, 15,711 workers signed up for TRS. They were either newly hired or had been working but hadn't yet joined the system.

Nearly four times as many people entered the retirement system as left it.

"That's not out of the ordinary," said Teachers Retirement System spokesman John Cardillo.

The TRS is exceeded in size only by the separate \$116.5 billion Common Retirement Fund which is for non-school workers, such as employees of state and local governments.

The Common Fund is overseen by Comptroller Tom DiNapoli while the TRS, which stood at \$68 billion as of last May, is controlled by its own board of trustees.

Both rely in part on local property taxes and both would be subject to the new Tier V if Paterson's plan is approved.

For at least five years, Cardillo said, the TRS has been enrolling about 16,000 new members while about 6,500 have been retiring each year.

TRS analysts were still finalizing their numbers, but expected to see retirees total more than 5,000.

The reasons for the massive signups vary, but they shine a light on the dynamics of New York's public sector labor force.

Some of the new enrollees are substitute teachers who are either looking for temporary jobs or trying to get their foot in the door for a permanent teaching post.

In addition, the state's major teachers union, New York State United Teachers, has recently been urging people to sign up for the retirement system as soon as they start working -- even if it means they have to contribute 3 percent of their salary for the first 10 years,

By signing up now, they are assured of a spot in the existing plan rather than the less-generous Tier V, should it be approved.

"They are telling people to join," said Katelyn Bouchard of St. Johnsville, Montgomery County. Expecting that Tier V will become a reality, she signed up when she began working as a substitute last year.

Some of the new TRS members are part-timers who hadn't previously thought it was worthwhile to join the system. "Many have not signed up in the past," said NYSUT spokesman Carl Korn.

The signups also represent the arrival of new teachers and other school employees following a wave of baby boomers who have retired during the past few years, noted Elizabeth Lynam, senior research director at the Citizens Budget Commission.

"There have been lots of retirements for the last four to five years," she said. "You're seeing the effects of that: Those people are being replaced."

One thing that hasn't developed, though, is a shortfall of people looking to become teachers -- as evidenced by the numerous TRS members who work in multiple school districts as substitutes.

Data from last year's records show that more than 6,000 new TRS members work in multiple school systems.

Bouchard did substitute work at 11 school districts -- from Amsterdam to Fort Plain and Broadalbin -- last year as she sought full-time employment.

"It's very competitive," she said.

Good wages, the perceived job security and generous benefits such as pensions and health care have created a flood of upstaters looking for jobs in the schools, even as some districts have had to lay people off.

Bouchard recalled hearing about one job opening for a pre-school teaching spot in Clifton Park that drew 387 applicants. A job in the Dolgeville district in Herkimer County drew 200 applications, she said.

"You're lucky if you get an interview in a public school right now," said Bouchard, who said she's wanted to teach since fourth grade.

Bouchard, who graduated from SUNY Oneonta and earned an on-line masters from Walden University, eventually found a job with Albany's Head Start program. That's not part of the city school system, which would make her eligible to sign up for the TRS. Bouchard said she hasn't decided whether to join the Head Start retirement program.

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More people joining Teachers Retirement System than leaving

In the 2008-09 school year

New members: 15,711

Retirees: 4,411

2008 TRS membership

Total members 274,901

Retirees and beneficiaries 136,706

Source is TRS (2008-09 numbers still subject to TRS's final verification)