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COUNTY LEADERS BACK CUOMO POSITION ON PENSION REFORM
ANDREWS, UPDEGROVE CALL FOR TIER VI PACKAGE

LOCKPORT—Two of Niagara County's top officials weighed in on an ongoing dispute between New York Gov. Andrew M. Cuomo and Comptroller Thomas P. DiNapoli over Cuomo's pension reform proposals, placing county government squarely behind Cuomo's vision.

County Legislature Majority Leader Rick Updegrove, R-Lockport, and County Treasurer Kyle R. Andrews, a Democrat, both of whom have been directly involved in drafting the county's budget plans, said that the current New York state pension system placed unsustainable demands on taxpayers—and backed Cuomo's calls for reform.

"What's transpiring in Niagara County is just a microcosm of what's transpiring in counties across the state," Andrews said. "The current system is unsustainable."

"The pension system in our state has presented significant budgetary problems in recent years, and Gov. Cuomo is doing something to proactively address these issues," Andrews said. Andrews recently attended a briefing by former Assemblyman Sam Hoyt, a top Cuomo administration official, where Hoyt delved into the Governor's pension reform plan.

"Gov. Cuomo's straightforward approach includes three key aspects: it saves taxpayers \$113 billion over 30 years, it does not impact current employees or retirees, and it ensures that future benefit packages will remain competitive," Andrews said. "It's a good plan, and the Governor is offering us a plan where we can make realistic multi-year spending projections."

Andrews noted that annual increases under the current pension system, as projected by the New York State Association of Counties, show county contribution levels across the state reaching nearly 24 percent of payroll by 2015.

What's more, between 2009 and 2011, Andrews saw his own county's contribution level more than double, going from \$5.1 million to \$10.5 million. Niagara County's local pension costs increased again in 2012, climbing to \$12.1 million.

"The phasing-in of a defined contribution approach will help alleviate some of the year-to-year volatility from a budget perspective while continuing to ensure our current employees and retirees benefits remain unchanged," Andrews said.

Under Cuomo's proposal, a Tier VI contribution level would be introduced for future government employees, and the retirement age for these employees would be raised from 62 to 65. The plan also increases employee contributions and eliminates "pension padding," the practice of adding overtime

"I'm confident in Gov. Cuomo's pension plan," Andrews said. "Tier VI reform is needed, and I hope the Governor wins the support of the State Legislature to pass this program."

Updegrave, a fiscal conservative who has long advocated pension reform that fixes local contribution levels and eliminates the volatility in the share of cost borne by local governments, said he welcomed Cuomo's proposals.

"Pension costs—particularly the local share—are unsustainable under the current system," Updegrave said. "New York state's retirement system imposes an oppressive burden on property-taxpayers."

Updegrave has authored a number of government resolutions calling on Albany to enact meaningful pension reforms said he has a generally positive view of Cuomo's proposals, and noted that while DiNapoli has publicly opposed the popular Governor's call to institute reforms, including the institution of a Tier VI contribution level, the Comptroller has yet to offer a reform plan of his own.

"I'd urge Mr. DiNapoli to help lift the burden off of property-taxpayers and back needed relief measures, rather than continue to protect a failing pension system," Updegrave said. "New York needs real pension reform that will give us the flexibility to implement cost-saving measures, as well as eliminate the volatility we've seen under the current system."

Updegrave said doing nothing is not an option, as that course of action would dramatically increase the financial pressure on property-taxpayers.

"Now is the time for leadership on this issue," Updegrave said. "Gov. Cuomo has a plan on the table that addresses several concerns, and is a step in the right direction."

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