Department Name	Retirement and Stabilization

Description

The New York State and Local Retirement System Contribution Stabilization Program is an optional program that establishes a graded contribution rate system. If governments elect to participate, it enables them to pay a portion of annual contributions over time, leading to smoother, more predictable pension costs.
In contrast to the normal annual retirement contribution, as the Retirement System's average rates rise, the County's annual contribution under the Stabilization Program would be less than the normal contribution, since the graded rate increase is capped at one percent. When the System's average rates begin to decline, the graded rates will decline in one percent increments. Therefore, it will be possible for the System's average rates to be lower than the graded rates. In such instances, the County will pay the graded rate. Any additional contributions will first be used to pay off existing amortizations. If all amortizations have been paid, any excess will be deposited into a reserve account and will be used to offset future increases in contribution rates.

Year	Total Pension Obligation	$ Change in Total Obligation	Amortization Amount	Retirement Payment	$ Change in Payment
2000	$643,194		-	$643,194	
2001	$1,320,535	$677,341	-	$1,320,535	$677,341
2002	$1,347,950	$27,415	-	$1,347,950	$27,415
2003	$6,835,144	$5,487,194	-	$6,835,144	$5,487,194
2004	$13,588,613	$6,753,469	-	$13,588,613	$6,753,469
2005	$12,826,189	($762,424)	-	$12,826,189	($762,424)
2006	$12,426,562	($399,627)	-	$12,426,562	($399,627)
2007	$11,376,214	($1,050,348)	-	$11,376,214	($1,050,348)
2008	$11,669,562	$293,348	-	$11,669,562	$293,348
2009	$8,991,399	($2,678,163)	-	$8,991,399	($2,678,163)
2010	$15,162,849	$6,171,450	-	$15,162,849	$6,171,450
2011	$18,101,692	$2,938,843	$4,468,997	$13,632,695	($1,530,154)
2012	$22,494,064	$4,392,372	$7,611,788	$14,882,276	$1,249,581
2013	$26,038,368	$3,544,304	$9,453,260	$16,585,108	$1,702,832
2014	$27,014,378	$976,010	$7,329,977	$19,684,401	$3,099,293
2015	$24,119,652	($2,894,726)	$3,135,182	$20,984,470	$1,300,069
2016	$24,941,092	$821,440	$2,212,804	$22,728,288	$1,743,818
2017	$22,741,865	($2,199,227)	$0	$22,741,865	$13,577
2018	$22,048,251	($693,614)	$0	$22,048,251	($693,614)
2019	$22,425,774	$377,523	$0	$22,425,774	$377,523
2020	$22,472,990	$47,216	$0	$22,472,990	$47,216
2021	$25,027,402	$2,554,412	$0	$25,027,402	$2,554,412
2022 Estimate	$23,263,207	$790,217	$0	$23,263,207	$790,217
2023 Projection	$21,811,532	($3,215,870)	$0	$21,811,532	($3,215,870)

As can be seen in the chart above, our retirement system contributions are highly variable from year to year. Since 2009, our retirement system obligation had increased three fold by 2014 and has recently been decreasing from it's high of $25 million in 2021. Unfortunately, even though our yearly pension obligation based on salaries and contribution rates is declining, the full benefit of that decrease is offset by payments from past amortizations.

According to recent trends, Albany County's pension obligation for 2022 is a projected total of $23,263,207. This budget also includes an appropriation of $3,801,506 to pay off all remaining, previously amortized amounts in 2023. This will reduce our liability in the following three years by more than $1 million per year.