

# EMPIRE CENTER

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## **Three in Five New FDNY Pensions Hit Six-Figures**

Nearly two-thirds (264) of the 420 firefighters and fire officers who retired from the Fire Department of New York (FDNY) during 2016 are eligible to collect pensions of at least \$100,000, according to data posted today on SeeThroughNY, the Empire Center's transparency website.

Pensions for 2016 retirees averaged \$117,914, down slightly from the average among 2015 retirees, whose pensions averaged \$120,799. Seventeen new retirees are eligible for pensions over \$200,000.

Out of 15,606 total FDNY retirees, the number with six-figure pensions has risen to 20 percent (3,184), up from 8 percent (1,267) in 2011. A total of 102 FDNY retirees are eligible for pensions over \$200,000.

The 2016 FDNY retirees had an average of 23.1 years of service credit, up from 22.7 among 2015 retirees. Service credit averaged 22.4 years for all retirees now eligible for pensions.

The high average levels of firefighter and fire officer pensions largely reflect a high percentage of retirees receiving line-of-duty disability pensions, which are 75 percent of salary as opposed to the 50 percent available to normal service retirements. Higher benefits also include payments from an optional, guaranteed-return supplemental account supported in part by additional savings contributions by firefighters and fire officers who choose to participate in that plan. Given those factors, the slight decrease in pensions for the latest group of retirees may reflect a decrease in disability retirements, which surged in the years following the 9/11 attack.

The Fire Department retirement system is financially the least robust of New York City's five municipal employee pension funds. As of fiscal 2016, the FDNY funds reported a net liability of \$8.9 billion, with financial assets equal to only 57 percent of liabilities. Even that level is artificially high, because it is based on government accounting standards rejected as too lenient by many private-sector actuaries and economists.

The database providing names of retirees as well as pension benefit levels is available to the public thanks to five years of legal action by the Empire Center. In April 2015, following a legal intervention by the Empire Center, a Supreme Court judge in Brooklyn blocked efforts by the New York City Fire Department unions and the New York City Fire Department Pension Fund to conceal pension payments from the public.

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