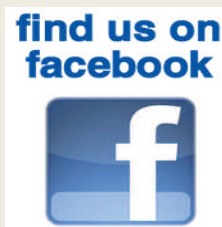


ARIZONA RETIREMENT SECURITY COALITION



twitter.com/azrsco

“Like” Us On Facebook
www.facebook.com/AZRSCo



Website:



**[https://protectpensions.org/
states/arizona](https://protectpensions.org/states/arizona)**

Our Arizona State Retirement System (ASRS) is under attack...



Private interest groups, focused on dismantling secure retirement plans, are planning legislation to move ASRS members into a 401k style Defined Contribution retirement plan.

THE ARIZONA STATE RETIREMENT SYSTEM



594,000 MEMBERS

\$40 BILLION DOLLARS
INVESTED

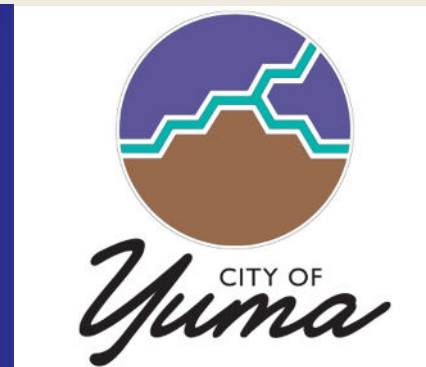
150,000 RETIREES

THE AVERAGE YEARLY
RETIREE BENEFIT IS
\$20,136

CURRENT
FUNDED STATUS
71.2%


ASRS EMPLOYERS INCLUDE ..

**PUBLIC SCHOOLS, STATE AGENCIES,
UNIVERSITIES, COUNTIES AND MANY
CITIES, COLLEGES, AND DISTRICTS**




ARIZONA REVISED STATUTES Title 38-712

The primary intent of ASRS is to:

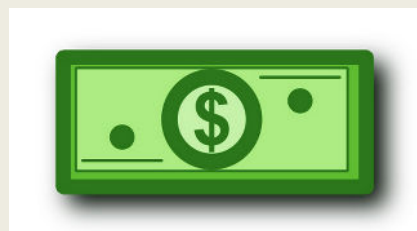
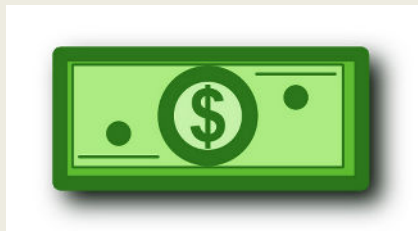
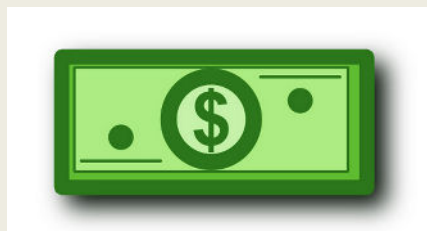
 Provide an incentive in the recruitment and retention of employees of the highest possible quality.



 Provide a retirement system that encourages employees to remain in service for periods of time that will provide public employers with the full benefit of the training and experience gained by the employees.

ASRS IS A DEFINED BENEFIT PLAN

Your pension is a fixed benefit amount after retirement and guaranteed for life.



A 401k STYLE PLAN IS A DEFINED CONTRIBUTION PLAN.

Your pension is determined by the amount contributed and market returns. There is no guarantee that it will be there when you need it or that it will be enough to last your lifetime.

DEFINED BENEFIT vs DEFINED CONTRIBUTION

“ ... a **DB plan** can provide the same level of retirement income **at almost half the cost** of an individually directed **DC plan**.”

Defined Benefit Savings

10%



Pooling
longevity
risks



11%



Optimal
asset
allocation



27%



Higher
returns and
lower fees



48%



Total cost
savings

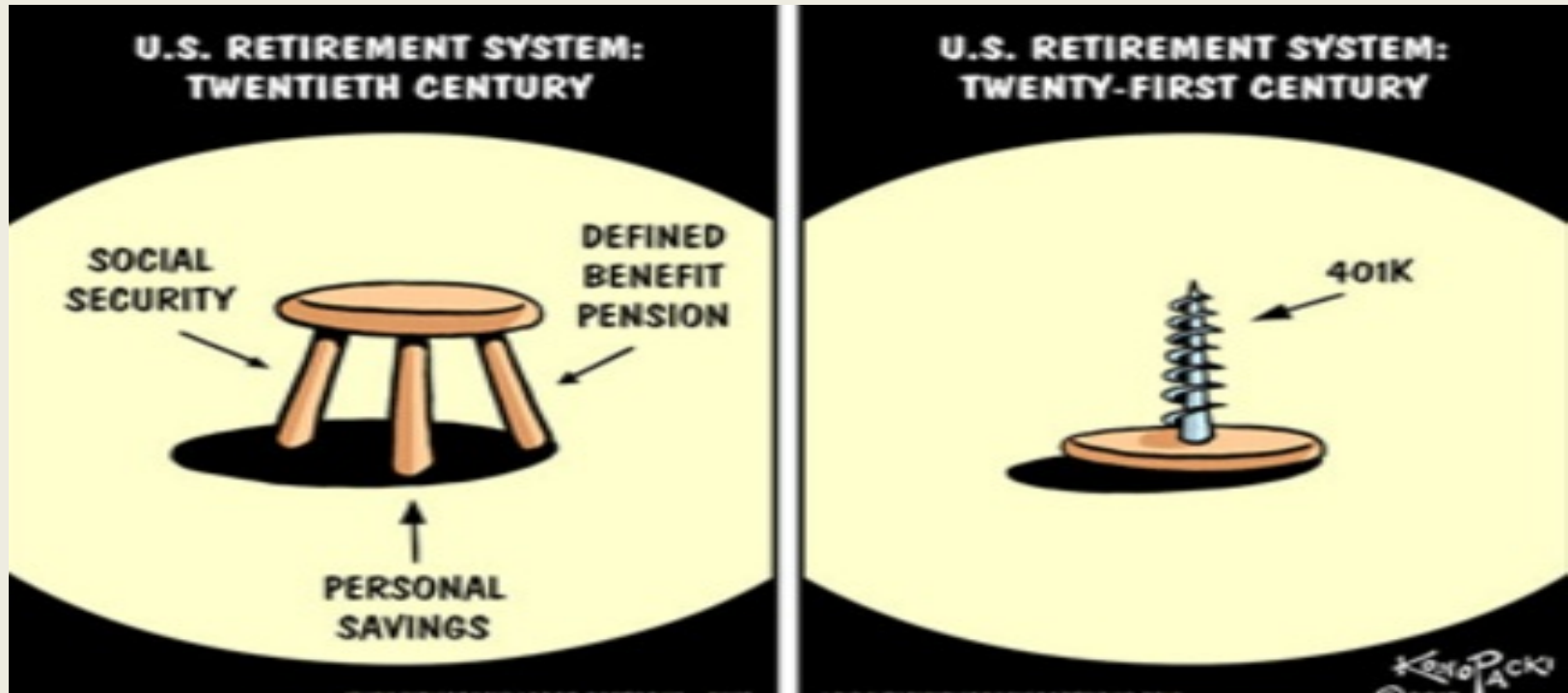


FIND OUT MORE: <https://www.nirsonline.org/resources>

WEST VIRGINIA AND MICHIGAN 1990s

Both switched to 401k Defined Contribution plans and saw costs rise and retirement security plummet.

In 2005 West Virginia allowed workers back into a Defined Benefit plan and 78% of teachers switched back.



Michigan continued with their DC plan. By 2017, the average 401k employee balance was only \$77,000, a fraction of what would be needed for lifetime retirement security.



NEWS FLASH

The Bureau of Labor Statistics shows job quitting rates are lower today than in 2000. The job-hopping millennial, indeed, the job-hopping American, is a myth.

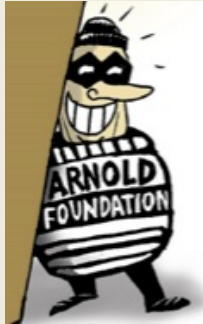
***“ Public Employees
want to live, work
and stay in Arizona
... with an ASRS
pension, not a 401k”***



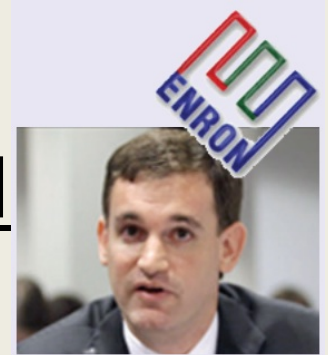
MILLENNIALS

Public schools have employee mobility rates that are roughly half that of practically all other sectors of our economy.

WHO IS BEHIND ATTACKS ON PUBLIC EMPLOYEE PENSION SYSTEMS?



THE ARNOLD FOUNDATION



JOHN ARNOLD,
ENRON BILLIONAIRE



THE REASON FOUNDATION

THE ARIZONA CHAMBER OF COMMERCE



IS THE THREAT TO THE ASRS PENSION PLAN REAL ???

2013 - ELECTED OFFICIALS RETIREMENT PLAN (EORP)

Closed to new members and replaced with a 401k style plan. The state agreed to pay \$8 million a year out of the general fund for 30 years to pay down the unfunded liability.

2016-17 - PUBLIC SAFETY PERSONNEL & CORRECTION OFFICERS RETIREMENT SYSTEM (PSPRS/CORP)

Reformed and now offers new hires a choice of a 401k style Defined Contribution Only Plan or a Defined DB/DC Hybrid Plan.

ASRS Remains as the only **100% Defined Benefit** plan still standing in Arizona.



WHO WILL PAY FOR A 401K OPTION?

RETIREES

Who have not had a
Cost **O**f **L**iving **A**justment since 2005



CURRENT EMPLOYEES

Who will see their contribution
rates increase even more


NEW EMPLOYEES

Who make the wrong choice
and end up without enough
funds for a secure retirement



CAN GOVERNMENT STILL AFFORD THE ASRS PENSION PLAN?



Every  invested in an ASRS Pension, supports **\$6.39** in total economic activity

Every  paid out in pension benefits, supports **\$1.54** in total economic activity

In 2018 retiree spending, from state and local pension plan benefits, supported **49,000** jobs in the state

Pensionomics 2018

OUR GOAL IS TO RAISE AN ARMY OF INFORMED ASRS MEMBERS



Don't let the Legislature trick public employees into making a BAD CHOICE.

Protect the ASRS pension. Keep Arizona public service employees in Arizona jobs.

IT'S NO CHOICE WHEN IT'S A BAD CHOICE



401K PLANS

ARE A BAD CHOICE

HIGHER COSTS

LOWER HIGH RISK

EMPLOYEE TURNOVER

LOWER RETURNS

- **ASRS is the premier public employee pension plan in Az and among the top rated plans in the nation**
- **Defined Benefit pensions attract and keep employees in public service jobs and in Arizona**
- **401k plans risk leaving retirees short of benefits and dependent on government welfare**

Please Join Us



PROTECT ARIZONA PENSIONS



ARSC CORE COALITION MEMBERS

AARA - Arizona Alliance for Retired Americans

AASRA - All Arizona School Retirees Association

ACEP - Arizona Center For Economic Progress

AEA - Arizona Education Association

AEA Retired - Arizona Education Association Retired

AFL - CIO - American Federation of Labor – Congress of Industrial Organizations

AFT – American Federation of Teachers

AFSCME - American Federation of State County and Municipal Employees

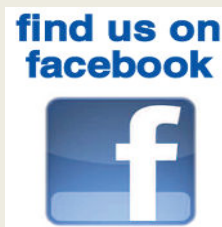
MCCFA – Maricopa Community Colleges Faculty Association

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Website:



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