

**1. Pensions are “Deferred Compensation” they are not giveaways.**

**2. How did we get to a “pension crisis”?**

- a. Public Employee (including teachers) Pensions are currently about 69% funded.
  - i. In 2000 the pensions were funded at 110%
  - ii. The deficit was caused by the State taking a holiday from contributing to employees deferred compensations and stock market losses.
  - iii. Public Employees and Teachers continued their contribution throughout.

**3. What teachers and public employees’ pensions are at risk?**

- a. ALL EMPLOYEES ARE AT RISK if pensions are not addressed.

**4. GOVERNOR CORBETT’S “SOLUTIONS” WILL COST TAXPAYERS MORE!**

- a. **Switching to 401K-type system or defined contribution** will remove new employees from the retirement system and force taxpayers to pick up the bill.
- b. **Switching to Cash Balance Accounts** forces teachers and public employees to do all of the sacrificing with all the extra money of investments going to the State.

**5. WHAT IS THE SOLUTION?**

- a. Let Act 120 of 2010 Work
- b. The problem wasn’t caused overnight and won’t be solved overnight.
- c. Act 120 was a responsible long term solution with sacrifices from both sides.
  - i. Employers can’t take a holiday from paying its employees their deferred contribution or pensions.
  - ii. New employees multiplier rolled back to 2.0%

**CONTACT YOUR STATE REPRESENTATIVE AND SENATOR**

- Wholesale changes to Public Pensions will cost taxpayers more in the long run.
- Let Pension Reform of 2010, Act 120 do its job.
- Investing in Teachers is an investment in the future of Pennsylvania.

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