



## **Prudential: public service employee pensions only a step to retirement security, survey says**

**NEWARK, N.J., June 22, 2017** - Despite a persistent belief that public employees such as teachers, police and firefighters will be taken care of in retirement thanks to the pension plans of old, a survey sponsored by Prudential Retirement shows that today's shifting political and economic landscape may have left them and their employers on shaky ground.

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According to *Getting Back on Track: Financial Wellness in the Public Sector*, a survey conducted by the Economist Intelligence Unit on behalf of Prudential Retirement, a unit of Prudential Financial, Inc. ([NYSE:PRU](#)), only 17 percent of public sector employees are "very confident" they will not run out of money in retirement, with even fewer certain they will be able to cover all of their medical expenses. At the same time, more than one in four say a pension plan "significantly influenced" their decision to pursue a career in the public service sector, raising questions about how states and municipalities forced to cut back pensions will attract talent in the future.

"Those who devote their lives to public service deserve a secure future," said Scott Boyd, Head of Tax Exempt Markets for Prudential Retirement. "Our survey highlights the need for the public sector to offer financial wellness solutions that address the retirement security issues of their workers. We will work with them to help make it happen."

### **Key survey insights: America's public sector workers need more financial security**

- **Public employees are plagued by doubts about retirement.**
  - Only 17 percent are "very confident" they will have enough money to last them through retirement.
  - Less than a third have enough savings to cover surprise expenses.
- **Pensions play a key role in choosing a public service career.**
  - Only 33 percent say pensions didn't influence their decision.
  - Nearly half say a pension at risk would impact their commitment to staying in public service.
- **Public employees are not more financially savvy than anyone else.**
  - Less than one in three feel very confident making retirement decisions.
  - Only 18 percent feel very confident about investing.
- **Those with advisors are more diversified and confident about the future.**
  - 46 percent of those with financial advisors are comfortable with their retirement finances; only 33 percent are comfortable without one.
  - Those with a financial advisor are more than twice as likely to have an investment account than those without one.
- **About half of respondents don't expect they will be able to change saving and spending habits to achieve their financial goals.**

*Getting Back on Track: Financial Wellness in the Public Sector* is the most recent in a series of

surveys commissioned by Prudential Retirement to determine the financial attitudes of the American workforce and employers, which includes a look at the [Taft-Hartley plans of American labor unions](#) and the transformation of the [U.S. health care segment](#).

For more information about the survey, please visit [publicsector.prudentialretirement.com](http://publicsector.prudentialretirement.com).

### **About the research**

In March 2017, the Economist Intelligence Unit conducted a survey sponsored by Prudential, exploring the financial reality of America's public employees. Altogether, the survey included 1,877 public sector workers aged 18 and over, with varied backgrounds, functions, and lengths of tenure throughout the United States. The survey sample includes members of the millennial cohort, Generation X and baby boomer generations.

### **About Prudential Retirement**

Prudential Retirement delivers retirement plan solutions for public, private, and nonprofit organizations. Services include defined contribution, defined benefit and non-qualified deferred compensation recordkeeping, administrative services, investment management, comprehensive employee education and communications, and trustee services, as well as a variety of products and strategies, including institutional investment and income products, pension risk transfer solutions and structured settlement services. With more than 85 years of retirement experience, Prudential Retirement helps meet the needs of 4.2 million participants and annuitants. Prudential Retirement has \$386.2 billion in retirement account values as of Dec. 31, 2016. Retirement products and services are provided by Prudential Retirement Insurance and Annuity Company (PRIAC), Hartford, Conn., or its affiliates.

As of March 31, 2017, Prudential Retirement manages \$59 billion in assets on behalf of public service employees participating in 37 plans, and provides retirement plan solutions for 215 plans in the governmental market, of which 105 have been served by Prudential for more than 15 years.

Prudential Financial, Inc. (NYSE:PRU), a financial services leader, has operations in the United States, Asia, Europe, and Latin America. For more information, please visit [news.prudential.com](http://news.prudential.com).

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