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By Danny Hakim

Local governments in New York State face an unprecedented increase in pension costs that will force them to triple their contributions to the state pension system over the next six years, according to an analysis prepared by the comptroller's office.

By 2015, pension costs borne by local governments upstate, on Long Island and in New York City's suburbs will exceed $8 billion a year, compared with $2.6 billion last year, under the analysis, which was circulated to legislative and county leaders and obtained by The New York Times this month.

The analysis predicts that counties will have to contribute an amount equal to nearly one-third of their civilian payrolls to the state pension system and more than 40 percent of their payrolls for police and fire departments.

County leaders fear that the soaring contributions will put heavy pressure on their budgets as they struggle to keep up with retirement promises made in times of prosperity.

And there is no clear strategy to mitigate the damage, as Gov. David A. Paterson and Comptroller Thomas P. DiNapoli have clashed over plans to provide even modest pension relief.

"It's alarming, eye-popping and unthinkable," said Stephen J. Acquario, executive director of the New York State Association of Counties. "To manage that liability in the face of this deep decline in government revenues is going to be a challenge," he said. "Where is this money going to come from?"

A less sharp rate of increase has been forecast for New York City, which has its own pension system, but only because it is more poorly funded than the state pension fund and already requires steeper contributions. Still, Mayor Michael R. Bloomberg suggested in January that the city could face a 50 percent increase in contributions over the next six years, potentially rising to about $9 billion from $6 billion.

Much depends, of course, on how the financial markets perform: The state's pension fund was $109.9 billion at the end of March and $153.9 billion a year earlier. It lost $44 billion in the fiscal year that ended on March 31. The loss represents 26.3 percent when considering the sharp downturn in the stock market, but does not reflect the contributions and payouts into and out of the pension system last year.

Mr. DiNapoli’s office cautioned that the figures it circulated represented only one possible chain of events, and depend in part on a healthy stock market recovery in the first half of the next decade.

The analysis envisions a market rebound similar to the one after the crash of 1987, with a return of 1.5 percent in the current fiscal year, annual returns in excess of 13 percent in the next two years and more than 10 percent in the succeeding three years.

According to the analysis, pension contribution rates for civilian employees in local governments will soar to 30.3 percent by 2015, from 7.4 percent of payroll this year. Contributions to police and fire department retirement plans are expected to increase to 41.1 percent in 2015 from 15.1 percent this year.

“It is staggering,” said Peter Baynes, executive director of the New York Conference of Mayors. “The only way they’re going to deal with it is through property taxes and reductions in the work force.”

If there is any silver lining, the trends appear to have somewhat curbed Albany’s appetite for extending pension enhancements to public employees to placate labor unions, which wield enormous clout and lobbying dollars in the capital.

“I’m alarmed,” said Assemblyman Peter J. Abbate Jr., a Brooklyn Democrat and the chairman of the Assembly’s Labor Committee, who is one of the capital’s more reliable union allies.

“Bluntly,” he said, “I’ve spoken to a lot of the union leaders and their lobbyists and said I don’t want to see bills that will cost the counties and the state millions of dollars.”

The governor and Mr. DiNapoli have wrestled over strategies to address the pension burdens. Mr. DiNapoli has proposed allowing local governments to amortize their payments: They would essentially borrow from the state to ease their payments now, and make interest payments later.

Mr. DiNapoli said his plan would “clearly mitigate the impact of rising rates on the state, local governments and taxpayers.”

But the governor, as well as local officials, have criticized it. Mr. Paterson said in May that increased pension contributions would have “a devastating impact on already overburdened local property tax payers,” adding, “the comptroller’s proposal does nothing to mitigate these additional burdens.”

Mr. Acquario agreed, saying the idea of borrowing from the state was “like buying groceries on a credit card.”

The governor has proposed limiting the pensions offered to new state workers, an idea embraced by many fiscal watchdogs. But he was working on revisions to the bill and

failed to present it to the Assembly before the end of its legislative session last month, which halted action on the measure.

Pension woes are only one financial burden facing New York. This year, the governor and state lawmakers relied on federal stimulus payments and a two-year tax increase on the wealthy to balance the budget in the short term, but left large deficits in the succeeding years. Wall Street, the state's main financial engine, has been severely weakened, and tax revenues across the board have fallen sharply and even more steeply than anticipated. Then there is the stalemate in the State Senate, which has paralyzed capital business.

For all states, sustaining traditional pensions could be difficult. "We've promised more than we can deliver," said Zvi Bodie, a pension expert and a professor of finance at the Boston University School of Management. "Going forward, we're going to have to promise less."