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Summary Plan Description (SPD) for Tier 4 Members

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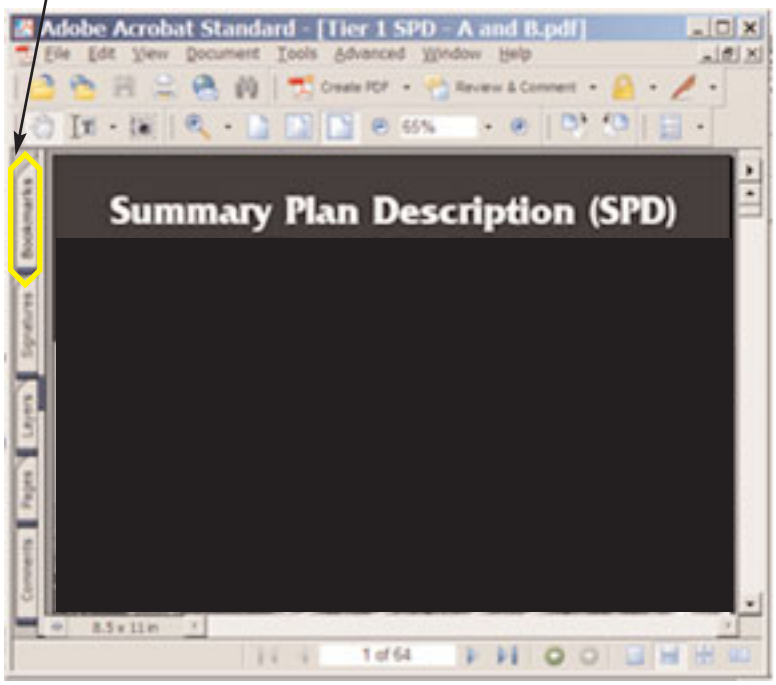

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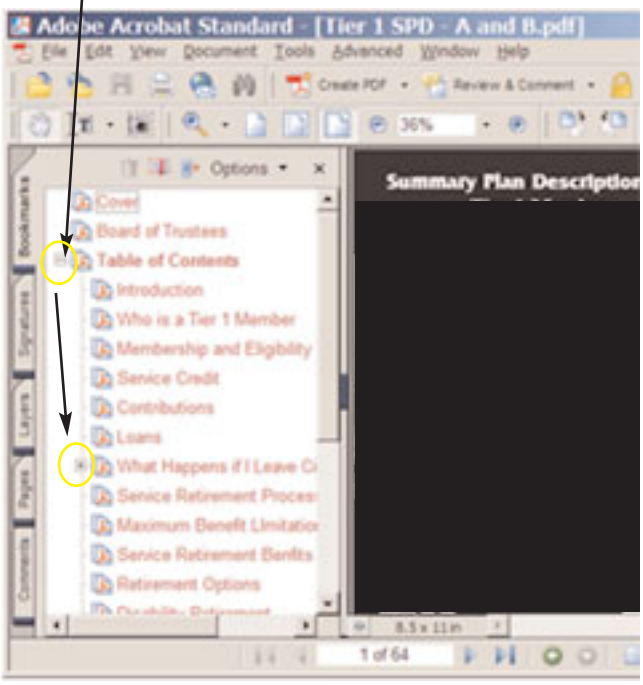

INTRODUCTION

This booklet is called a Tier 4 Summary Plan Description or SPD for short. It is published by the New York City Employees' Retirement System (NYCERS), and is intended to summarize all of the provisions relating to retirement plans, programs and other benefits offered to City employees who become members of the system on and after July 27, 1976. Laws affecting your pension tier or plan can be enacted in any given year, which may result in possible inaccuracies within this SPD. In the event of a conflict between the contents of this booklet and any applicable law and/or rules, including, but not limited to, the Administrative Code of the City of New York, the New York State Retirement and Social Security Law, and the Rules of NYCERS, the applicable Law or Rule will govern.

Membership in NYCERS is available to all New York City employees who are not eligible to participate in the New York City Teachers' Retirement System, the New York City Police Pension Fund, the New York City Fire Department Pension Fund or the New York City Board of Education Retirement System.

NYCERS was established by an act of the New York State Legislature in 1920. The system is responsible for the retirement benefits for most employees of the City of New York. The head of the retirement system is the Board of Trustees. The Comptroller of the City of New York is the Custodian of the funds of the System, and by delegation of the Board of Trustees, has the power to invest those funds.

The Executive Director, appointed by the Board of Trustees, is the chief administrative officer of the agency. The Chief Actuary, also appointed by the Board, provides actuarial services to the system. The Office of the Corporation Counsel provides legal services to the system.

An independent Medical Board reporting to the Board of Trustees conducts examinations of members who file for disability retirement and makes determinations regarding their ability to perform the duties of their job title.

All people holding a permanent civil service position in the competitive or labor class are required to become members of NYCERS six months after their date of appointment, but may voluntarily elect to join the system prior to their mandated membership date. All other eligible employees have the option of joining the system upon appointment or at anytime thereafter.

NYCERS is a defined benefit plan, meaning that a specific benefit is provided at retirement in amounts that are paid either on a fixed-dollar basis or as a percentage of compensation. This plan consists of both employer and employee contributions. The retirement system manages the system's invested assets and pays out benefits according to formulas set forth in the NY State law.

NYCERS is a cost-sharing, multiple employer public employee retirement system. In addition to the various departments of the City of New York, members are also employed by Participating Employers (see the Glossary for a complete listing).

INTRODUCTION (continued)

In general, Tier 4 members are governed by ARTICLE 15 of the New York State Retirement and Social Security Law (RSSL), the Administrative Code of the City of New York, the Rules of NYCERS and certain other applicable laws, including ARTICLE 14 of the RSSL for persons who last became members prior to September 1, 1983 (see page 71).

If you have any questions, we want to answer them for you.
Our mailing address is:

NYCERS,
335 Adams Street, Suite 2300,
Brooklyn, N.Y. 11201-3754,

or visit our web site at:

www.nyc.gov/html/nycers

Our Customer Service Center is located on Mezzanine level at:

340 Jay Street,
Brooklyn, NY 11201

Or

you can call NYCERS AT:

(347) 643-3000 - if you are calling from a NYC area code
1-877-669-2377(1-877-6NYCERS) - if you are calling from outside NYC
(347) 643-3501 - TTY (hearing impaired)

WHO IS A TIER 4 MEMBER?

If you become a NYCERS member after July 26, 1976, you are a Tier 4 member, unless

- you are a member of the uniformed-force of the NYC Department of Correction, in which case you are a Tier 3 member, or
- you are an Investigator employed in a District Attorneys' office, in which case you are a Tier 2 member

If you became a member of NYCERS after July 26, 1976 but before September 1, 1983, you were originally a Tier 3 member, but have since become a Tier 4 member effective September 1, 1983. However, you continue to retain your Tier 3 rights - (see Tier 3 Rights for Certain Tier 4 Members section in this booklet for an explanation). Due to more recent legislation, Tier 3 rights are seldom better than Tier 4 rights, and in most cases, provide for substantial benefit reductions.

THE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS

This SPD contains sections that are applicable to all Tier 4 Plans or Programs; sections that are applicable only to the three General Membership Plans/Programs (62/5, 57/5, 55/25); and sections that are applicable only to the eight "Special Occupational Group Programs" (Sanitation, Transit, TBTA, Dispatcher, EMT, Deputy Sheriff, Automotive Service Worker, Special Officer). Any provision unique to a Plan or Program will be found within that specific section of the SPD. Words that are italicized throughout this booklet have special meaning, and possibly are further explained in the GLOSSARY.

Chapter 96 Programs

The RSSL was amended by Chapter 96 of the laws of 1995 establishing two additional Tier 4 Programs. The 25-year Early Retirement (55/25 and the Age 57 Retirement Program. These enable members the right to retire prior to age 62 without a reduction in their benefit. The term "Chapter 96" is used in various instances throughout this booklet, but the two retirement programs that were created by this law are described only in the "General Membership" Plans/Programs section. Most new NYCERS members are eligible for the Age-57 Retirement Program. Members who were in an eligible position on June 28, 1995 could have elected to participate in the 55/25 Program- the timeframe to elect that option has expired.

GENERAL MEMBERSHIP PLANS/PROGRAMS

The 62/5 Plan

Commonly referred to as the Basic Tier 4 Plan, in order to retire under this plan, you must be age 62 with at least five years of Credited Service. There is a provision for retiring as early as age 55, but it means a reduction in your annual retirement benefit. This plan is for employees of the City of New York or a Participating Employer who became a member of NYCERS after July 26, 1976 but prior to June 29, 1995, and who **did not elect** to participate in the 55/25 Program (described on next page).

The 57/5 Program

The 57/5 is an Age 57 **AND** five years of *Credited Service* Program. This Program is for new employees or members who were not employed in an Eligible Position on June 28, 1995. Aperson who was a member of NYCERS or Board of Education Retirement System on June 28, 1995 **but who was not employed in an** *Eligible Position* on June 28, 1995, and becomes employed in an *Eligible Position* after June 28, 1995 has 90 days in which to file an election form with NYCERS to become a *Participant* in the Program.

The Program is **MANDATORY** for any person who was not employed in an Eligible Position on June 28, 1995, **and** becomes a Tier 4 member after that date.

The 55/25 Program

The 55/25 is an Age 55 **AND** 25 years of *Credited Service* Program. This Program is **ONLY** for persons who were members of NYCERS on June 28, 1995, **and** were employed in an *Eligible Position* on that date, **and** filed an election to participate in the *Program* on or before September 26, 1995.

A person who was employed in an *Eligible Position* on June 28, 1995, but was not a member of NYCERS or BERS on that date, **and** becomes a member after June 28, 1995 has 90 days in which to file an election form with NYCERS to become a *Participant* in the Program.
Any *Participant* in the Program, who terminates service in an *Eligible Position* and returns to such service at a later date, will be mandated into participation in the Program on that date.

Refer to the Glossary for a list of Eligible Positions for participation in the 57/5 and 55/25 Programs

SPECIAL OCCUPATIONAL GROUP PROGRAMS

Tier 4 currently has 8 programs that we refer to as Special Occupational Programs

- The 20-Year Retirement Program for Members of the Uniformed Force of the NYC Department of Sanitation *(Sanitation 20-Year Program)*
- The Transit 25-Year and Age-55 Retirement Program *(Transit 25/55 Program)*
- The Triborough Bridge & Tunnel Authority 20-Year and Age-50 Retirement Program *(TBTA 50/20 Program)*
- The 25-Year Retirement Program for Dispatcher Members *(Dispatchers 25-Year Program)*
- The 25-Year Retirement Program for EMT Members *(EMT 25-Year Program)*
- The 25-Year (no age) Retirement Program for Deputy Sheriffs *(Deputy Sheriffs 25-Year Program)*
- The 25-Year and Age-50 Retirement Program for Automotive Service Workers *(Automotive 50/25 Program)*
- The 25-Year (no age) Retirement Program for Special Officer titles *(Special Officer 25-Year Program)*

MEMBERSHIP AND ELIGIBILITY

MANDATORY MEMBERSHIP

Tier 4 membership is mandatory for all employees who are appointed and have completed six months of service in a permanent position in the competitive or labor class. Permanent employees may voluntarily join NYCERS at any time during the first six months of covered employment.

VOLUNTARY MEMBERSHIP

All people employed by the City or a *Participating Employer* who **ARE NOT** appointed from an open-competitive list and **ARE NOT** employed in a labor class position are free to join NYCERS. However, they **ARE NOT** mandated into membership after six months of service. Such people can file for membership at any time after they start employment with New York City or any of NYCERS' *Participating Employers*. They must, however, be on the payroll (either in paid status or leave without pay) of their employer when they file their membership application with NYCERS.

A voluntary membership in NYCERS begins only when a properly completed membership application is filed with NYCERS, not with a participating employer.

SOCIAL SECURITY PARTICIPATION

MEMBERSHIP IN NYCERS FORCES PARTICIPATION IN THE SOCIAL SECURITY PROGRAM.
Once an employee joins NYCERS, either through a mandatory or voluntary membership, the employee must pay the 6.20% FICA tax on covered *Wages* (in calendar year 2002, the maximum salary subject to FICA was $84,900 *times* 6.20% equals $5,263.80).

The medicare program deduction of 1.45% of all earnings (no maximum amount set each year like for FICA deductions) is mandatory for all employees since 1986.

DEFERRED COMPENSATION PLAN (DCP)

Another Citywide retirement plan is the (457) DCP, which is administered by the NYC Office of Labor Relations. It is a defined contribution plan, meaning that a retirement benefit is based on the cumulative value of employee contributions. Members of the Deferred Compensation Plan select how to invest their contributions from among offered choices, and benefits are paid out according to assets available in the individual member's account.

All New York City employees may concurrently join NYCERS and DCP. Those who are not mandated into membership in NYCERS may join the DCP and not NYCERS. Such employees who contribute 7.50% or more of their *Wages* to the DCP are not required to pay the 6.20% FICA tax. Keep in mind, however, that Social Security disability, survivor and retirement benefits are determined according to the amount and duration of your FICA contributions.

If you subsequently join NYCERS, you will be required to pay Social Security contributions, even if you continue to contribute at least 7.5% of *Wages* to the Deferred Compensation Plan.

If you do not join the DCP, you will be required, after one month of employment, to pay all required FICA contributions, whether or not you are a member of NYCERS.

SERVICE CREDIT

Each Tier 4 Plan or Program has a minimum service requirement provision. In order to retire under your specific Tier 4 Plan or Program, you need to have the required amount of either *Credited or Allowable Service*. The specifics for retirement can be found under the **SERVICE RETIREMENT** section. The following provides a brief glimpse of the service and age requirements and the various ways that members can accumulate ***Credited Service***. In order for the Special Occupational Group Programs members to fully understand how service credit is applied, they need to read this section **plus** the service credit information within their specific program section.

TYPES OF SERVICE

Benefits are based in part on how much service credit a member has earned by the time the benefit is payable. The types of service a member may secure credit for are:

1. Membership Service
2. Transferred Service
3. Purchased Service (including transfer of 457 Deferred Comp funds)
4. Membership Reinstatement Service
5. Military Service
6. Union Leave Service

All of these types of services are lumped together and referred to as ***CREDITED SERVICE***.

Membership Service

Membership Service is defined as paid full-time or part-time service performed after you last joined NYCERS, including all service while you are on the payroll of a *Participating Employer* and certain *Military Service*. *Transferred Service* also counts as *Membership Service* for purposes of establishing eligibility and calculating benefits.

Transferred Service

Transferred Service is service which was credited to you while you were a member of another public employee retirement system in the City or State of New York which you transfer to NYCERS.

Purchased Service

Purchased service allows members to purchase retirement service credit for full or part-time public service performed before becoming a member of the pension system. Even though all purchased service will be used in calculating future benefits, the purchase of such service does not change your membership date in NYCERS.

You may file a request to purchase previous service as long as your NYCERS membership is still active. Requests must be filed before your effective retirement date. It is important to note that legislation enacted in October, 2000 eliminated the "continuous service" requirements for buying back time, and allows members of NYCERS to purchase retirement service credit for public service performed before becoming a member. A member is eligible to obtain retirement service credit for previous public service rendered anywhere in New York State:

- if such service would have been creditable in any public employee retirement system in New York State,
- if the individual had been a member of such system at the time the service was rendered.

Upon receipt of your application to purchase previous service, NYCERS calculates the cost and gives you the option of making the required payment in a lump-sum or through payroll deductions. You may cancel your request at any time. However, no refunds can be made for portions already purchased.

If you are currently paying for previous service through payroll deductions and wish to now pay the balance in a lump-sum, you must notify NYCERS of your intent prior to your retirement date.

In order for any purchased Previous Service to be credited to him or her, the member must have credit for at least two years of *Membership Service*,

The cost to purchase previous service is equal to 3% of *Wages* earned during the period(s) claimed, **plus** interest from the dates of such service up to the date that full payment is made to NYCERS, at the rate of 5% per annum, compounded annually.

Effective January 1, 2002, NYCERS members interested in purchasing service, may do so by making a direct transfer of funds from their 457 Deferred Compensation Plan. Examples of such a purchase include, but are not limited to: pre-member service; military service; and tier reinstatement (prior membership portion only). You may not use 457 to make deficit-related payments

The member must submit a copy of the cost letter to the NYC Deferred Compensation Plan, 40 Rector Street, 3rd Floor, New York, NY, within 15 days of receipt of the letter. He/she will be required to complete an "In-Service Distribution Form" at Deferred Compensation. The funds will then be transferred directly to NYCERS as payment of the purchase. Members requiring more information should direct inquiries to Deferred Compensation Plan Client Services at (212) 306-7760.

Transit Authority members who participate in the 457 Deferred Compensation Plan administered by Financial Administrative Services Corporation (FASCorp)and are interested in using their deferred compensation funds for the purposes listed above should call FASCorp directly at 1-866-682-7567 for detailed information.

Health & Hospitals Corporation members who participate in the 403(b) Plan administered by Prudential Retirement Services may also use funds for such purchases. Members requiring more information should direct inquiries to Prudential at 1-800-458-6333.

It should be noted that NYCERS members cannot use their 401(k) plan to purchase service credit.

SERVICE CREDIT (continued)

PLEASE NOTE: *Participants in the 55/25 Program* who were not a member of NYCERS (or BERS) on July 1, 1993, and all *Participants in the 57/5 Program*, must also pay *Additional Member Contributions* for **all** *Credited Service*, including purchased *Previous Service* and Transferred Service. The rates are as follows:

4.35 % December 31, 1997 - January 1, 1998
2.85 % January 2, 1998 - December, 2001
1.85% After December 6, 2001

There is an additional 1.98% *Additional Member Contribution* required if you were employed in *Physically-Taxing Positions* during any of that service.

Payments for Previous Service are not eligible for Federal income tax deferral [IRC Section 414(h)] treatment.

Purchasing Service Credit For Layoff Time (Sanitation only)

Chapter 528 of the Laws of 2001 provides members of the uniformed force of the NYC Department of Sanitation, who were laid-off on or after July 1, 1990 **(for economic reasons)**, and return to service, to be deemed as having been in continuous service (for retirement purposes) as long as the lay-off did not exceed 33 months. However, there are many other provisions associated with purchasing this service credit that you need to be made aware of. If you believe you qualify for this service credit purchase, please call NYCERS to obtain all the details.

Purchased Service Does Not Change Your NYCERS Membership Date

Even though all purchased service will be used in calculating future benefits, the purchase of such service does not change your membership date in NYCERS.

WARNING

If you are a member of a Special Occupational Group Program, check with NYCERS before purchasing any service credit, as it may not be considered *Allowable Service* in your particular program.

Membership Reinstatement

Legislation enacted in 1999 allows former members of a public retirement system in New York State who left public employment and later returned to public service to possibly restore their original membership date and tier status. This is not that same as purchasing service credit, which is explained on a prior page. Membership reinstatement requires that you must have been a member of that former public retirement system. You need to file Form # 181 (Membership/Tier Reinstatement) in order to obtain a statement of any costs associated with reinstatement. A change in membership date or tier status may result in significant changes in your retirement benefits, contribution rates, death benefits, or outstanding loans. However, in most cases the benefits of an earlier membership will outweigh any associated cost. To make an informed decision about your situation, visit our Customer Service Center and speak to a retirement counselor.

SERVICE CREDIT (continued)

Military Service

There are various laws that allow members to purchase service credit for time spent on active duty in the U.S. military. They are sections 242, 243 and 244 of the New York State Military Law, the Federal Veterans Reemployment Rights Act (VRRA) and ARTICLE 20 of the Retirement & Social Security Law as added by Chapter 548 of the laws of 2000. Each law has different provisions for granting, or the cost to secure credit. A member is entitled to receive credit for Military Service under whatever law provides him or her with the greatest benefit. Under all provisions, **Military Service must have been satisfactorily completed and a discharge under honorable circumstances received.** Some of the program specifics are outlined in this section, but for complete details, please obtain and read a copy of NYCERS brochure # 902, Purchasing Credit for Military Service.

WHILE A MEMBER/EMPLOYEE

In order to receive retirement service credit for time spent on active duty military service under the NY State and Federal laws, a member would have had to been: employed by the City of New York or a *Participating Employer* or some other municipality within New York State; be granted a leave of absence for the purpose of serving in active duty; to have actually served in active duty and apply to be returned to their City (or other municipal) position; and, thereafter generally pay the contributions that would have been made during the period of his or her military leave of absence.
Note: Ask NYCERS for contribution details if you served in active duty during Desert Storm.

Under the provisions of State Law, the person had to have been a member of the retirement system at the time he or she entered military service. Under the VRRA, he or she did not need to be a member, but he or she did have to be employed by a municipal employer within New York State.

WHILE NOT A MEMBER/EMPLOYEE

Under Chapter 548 of the laws of 2000 if the member was honorably discharged, he or she can purchase up to three years of military service time even if it was rendered prior to his or her City employment or membership in a retirement system, **and even if he or she was not a resident of New York State.** Active duty Military Service must have been during specified times of war, military conflicts, or rendered in certain combat theatres (see below). To get credit for Military Service under Chapter 548, the member must have five or more years of NYCERS' *Membership Service*.

TO BE PURCHASABLE, THE MILITARY SERVICE MUST HAVE BEEN RENDERED DURING ONE OF THE FOLLOWING PERIODS OF WAR:

- World War II December 7, 1941 - December 31, 1946
- Korean War June 27, 1950 - January 31, 1955
- Vietnam Era February 28, 1961 - May 7, 1975

SERVICE CREDIT (continued)

Or during one of the following military conflicts:

- Lebanon* June 1, 1983 - December 1, 1987
- Grenada* October 23, 1983 - November 21, 1983
- Panama* December 20, 1989 - January 31, 1990

* As established by receipt of the armed forces, Navy or Marine Corps expeditionary medal.

Or during hostilities participated in by the military forces of the United States in theatres of operation, including:

- Iraq, Kuwait, Saudi Arabia, Bahrain, Qatar, United Arab Emirates, Oman, Gulf of Aden, Gulf of Oman, Persian Gulf, Red Sea and the airspace above these locations - from August 2, 1990 tothe end of such hostilities

If you were ever on active duty Military Service, and you wish to purchase credit for that service, you should discuss this matter with one of our Customer Service representatives to determine which section of law would provide you with the best benefit.

Union Leave Service

A member may be granted *Credited Service* for an authorized leave of absence without pay to conduct labor relations activity on behalf of a public employee union, **if** the employer adopts a resolution and files an election with NYCERS to offer this credit **and** NYCERS receives an annual certification that the member is indeed performing union leave activities. This service may be either on a part-time or full-time basis.

As of December 1997, New York City employees, employees of the New York City Health and Hospitals Corporation, the New York City Housing Authority and the New York City Transit Authority are eligible for service credit for union activity.

NOTE: The member must pay his or her basic contributions of 3% of ***Wages***, and if applicable, he or she must also pay all *Additional Member Contributions* required.

Dual Employment Service

Dual Employment refers to concurrent employment in two or more NYCERS eligible positions in City service. Such positions may be either full-time or part-time.

Members in Dual Employment are required to make member contributions based on *Wages* from all concurrently held positions in City service. In return, members who meet certain eligibility requirements may receive retirement benefits based on such Dual Employment.

FOR EXAMPLE: A member may earn service credit from two or more concurrently held part-time positions. However, a member may not earn a greater amount of service credit in any period of time than he or she could have earned during that same period from one full-time position. Similarly, the earnings from two or more Dual Employment part-time positions may be combined for the purpose of calculating the compensation base to be used in computing benefits. This combined compensation cannot exceed the amount of service credit that could have been earned from one full-time position during that period.

For members who joined NYCERS after July 1992, and concurrently held two or more positions (part-time or full-time) in City service for at least ten years, the earnings from the same number of concurrently-held positions may be combined for the purpose of computing benefits.

Under certain circumstances, a retiree may receive a post-retirement refund of member contributions attributable to a Dual Employment position, where the retiree did not receive service credit for that position, and the earnings from that position did not figure into the computation of his or her retirement benefit.

NOTE: No member shall receive credit for more than one year of service in any calendar year. This rule applies without respect to number of positions held, or number of hours worked during the calendar year.

Part-Time Service

Part-time service is service performed while employed in a City job or with a *Participating Employer* in which the employee is regularly scheduled to work fewer than 1,827 hours in a calendar year. NYCERS will prorate credit for past or present Part-time service on the basis of one year of service credit for 1,827 hours worked in a calendar year.

The maximum number of hours that will be credited is 35 hours in any weekly pay period and 70 hours in any bi-weekly pay period.

NOTE: No member shall receive credit for more than one year of service in any calendar year. This rule applies without respect to number of positions held, or number of hours worked during the calendar year.

Physically-Taxing Position Service

Physically taxing positions in City service are included on the Official List of *Physically-Taxing Positions* promulgated and maintained by the NYC Office of Labor Relations.

You do not get any additional credit for service rendered in positions designated as *Physically-Taxing*. However, *Participants* in the 57/5 and 55/25 Programs are eligible for retirement as early as age 50 if they have 25 or more years of *Credited Service* in *Physically-Taxing Positions.*

Refer to Appendix A for a list of *Physically-Taxing* Positions.

Unpaid Leave

Generally, you do not receive *Credited Service* for an *Unpaid Leave* of absence.

Note: Be sure to ask NYCERS about compensation base and service credit prior to your retirement.

SERVICE CREDIT FOR SPECIAL OCCUPATIONAL GROUPS

Members in a Special Occupational Group Program need to review the general Service Credit section (beginning on page 6). If there are any additional service credit provisions, they will be located within the specific Special Occupational Group Program section.

CONTRIBUTIONS

A deficit in any of your contribution accounts, or outstanding loans at retirement, may result in a reduction in your retirement benefit.

All Tier 4 members, except Transit Operating-Force (see * below), are required to make basic Tier 4 contributions of 3% of *Wages*, including overtime, that is paid by a *Participating Employer.*

Tier 4 member's basic contributions of 3% of Wages will cease on the earlier of:

- the member's 10th anniversary of membership in NYCERS, or
- the date the member accumulates 10 years of Credited Service, (which can include any purchased and/or transferred service credit), but
- not before October 1, 2000

NYCERS refers to the account in which the basic Tier 4 member contributions are deposited, and the interest earned on those deposits, as the *Members' Contribution Accumulation Fund (MCAF).* Since January 1, 1977, the interest rate has been fixed by law at 5% per-annum, compounded annually.

In addition, certain Tier 4 Special Programs require that Participants make Additional *Member Contributions (AMCs).*

Members and Participants in some Tier 4 Special Programs can apply for a loan based on their contributions. To see if you qualify, please refer to the section in the booklet entitled **LOANS** for information about borrowing against either your *MCAF* and/or *AMCs.*

*** Chapter 10 of the laws of 2000 reduced all NYC Transit Authority Tier 4 Operating-Force members' basic contribution to 2%. This became effective the first full pay period after December 15, 2000.**

ADDITIONAL MEMBER CONTRIBUTIONS *(AMCs)*

No *AMCs* are required for members of the 62/5 Plan. The details concerning the *AMCs* for Special Occupational Group Program members can be found within the specific Special Occupational Group Program section. Under the General Membership Plans and Programs, only the 57/5 and the 55/25 have *AMC* requirements, as explained below.

Age-57 Retirement Program *(57/5 Program) AMCs*

***AMCs* ARE MANDATORY**

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, the following *AMCs* are required:

- 4.35% for service through December 31, 1997
- 2.85% for service on or after January 1, 1998
- 1.85% for service after December, 2001
- *Participants* employed in Physically-Taxing Positions must contribute an additional 1.98% of their gross *Wages* each payroll period.
- *Participants* who previously were in the Transit 25/55 Program any time from December 15, 2002 until their entry into this Program are not required to pay *AMCs* for that time period

A *Participant* who is otherwise eligible to receive a Service Retirement Benefit but did not, prior to the effective date of retirement, pay the entire amount of a contribution deficiency, or repay the entire amount of a loan of his or her *AMCs*, is still eligible to retire. However, that *Participant's* benefit will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

Any *Participan*t who terminates employment in an *Eligible Position* and returns to *Active Service* as a member employed in an *Eligible Position*, shall again become a *Participant* in the *57/5 Program*. Any refund the *Participant* received of his or her *AMCs* must be paid back with interest.

A Disability Retirement and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

Payment of *AMCs* is by payroll deduction.

***Participants* are required to pay *AMCs* on *Wages* earned from all *Credited Service* (including buy-back, transferred, and non-eligible-position service) prior to the starting date of the 57/5 *Program*.**

PARTICIPANTS MUST PAY *AMCs*
FOR THE FIRST 30 YEARS OF *CREDITED SERVICE*

AMCs are maintained in the *Retirement Reserve Fund*, (RRF) which is an account maintained separately from the *Members' Contribution Accumulation Fund (MCAF)*. The *MCAF* contains only the member's Tier 4 basic contributions of 3% of *Wages*. Both funds earn interest of 5% per-annum, compounded annually.

Upon payment into NYCERS, 50% of the *AMCs* are deemed to be employ**er** contributions, and 50% are deemed to be employ**ee** contributions.

AN ORDINARY RESIGNATION DOES NOT QUALIFY A *PARTICIPANT* FOR A REFUND OF ANY PORTION OF HIS OR HER *AMCs.*

WITHDRAWAL OF *AMCs* WILL TRIGGER A FEDERAL TAX LIABILITY AND MAY RESULT IN A TAX PENALTY.
REPAYMENT OF ANY DEFICIENCY IN *AMCs* IS NOT ELIGIBLE FOR DEFERRED TREATMENT UNDER FEDERAL INCOME TAX RULES [IRC SECTION 414(h)].

Any *Participant* who terminates employment in an *Eligible Position* and returns to *Active Service* as a member employed in an *Eligible Position*, shall again become a *Participant* in the 57/5 Program. Any refund the *Participant* received of his or her *AMCs* must be paid back with interest.

25-Year Early Retirement Program *(55/25 Program) AMCs*

AMCs ARE MANDATORY

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, the following *AMCs* are required:

- 4.35% for service through December 31, 1997
- 2.85% for service on or after January 1, 1998
- 1.85% for service after December, 2001
- *Participants* employed in *Physically-Taxing Positions* must contribute an additional 1.98% of their gross *Wages* each payroll period
- *Participants* who previously were in the Transit 25/55 Program any time from December 15, 2002 until their entry into this Program are not required to pay *AMCs* for that time period

Participants* who were not members of NYCERS or the Board of Education Retirement System (BERS) on July 1, 1993 are required to pay retroactive *AMCs* on *Wages* earned from all *Credited Service* (including buy-back, transferred, and non-eligible-position service) prior to the starting date of the *55/25 Program.

LOANS

SPECIAL NOTICE CONCERNING UNPAID LOAN BALANCE

Non-payment of an outstanding loan may significantly decrease your retirement benefits, will trigger a Federal tax liability, and may result in a tax penalty on the outstanding balance.

Shortly after your retirement date, you will receive a letter from NYCERS stating the taxable amount of your outstanding loan. The letter will remind you that you may defer your tax liability by rolling the taxable amount into an IRA account.

Before you file for retirement, visit NYCERS to learn about the tax and retirement benefit consequences of an unpaid loan and about your repayment options.

This section will provide a thorough explanation of loans and the consequences of an outstanding loan at retirement or resignation. Also refer to the **TAXATION** section of this booklet for additional information.

A Tier 4 member of NYCERS in *Active Service*, who has credit for at least one year of *Membership Service,* may borrow an amount not to exceed 75% of the amount last posted to his or her *MCAF* account (minus any outstanding loans). This is also true of some RRF accounts that are typically associated with the Special Occupational Group Programs. The following restrictions apply to all Tier 4 loans.

- You must be in pay status on the payroll of a *Participating Employer* to be issued a loan
- Only one loan may be issued to you in any 12-month period. **There is no provision in law to allow any exceptions**
- The minimum amount of any loan is $1,000. (You must have at least $1,334 to your credit in your *MCAF* and *RRF* accounts to qualify for the minimum loan amount)
- A service fee of $15.00 is charged for processing each loan. You do not have to pay this separately, as the fee is deducted from the loan check

  EXAMPLE: If you apply for a $1,000 loan, the net amount of your check will be $985.00.

- Once a loan has been properly issued, it may not be canceled
- A member may change the amount of their loan repayment only once in any 12-month period
- The member must file a *Change of Repayment Form* (Form # 301) with NYCERS, and pay a service fee of $15.00 (by money order only)
- The member must pay interest on the loan at a rate equal to 1% less than NYCERS' valuation rate. The current valuation rate, as of July 1, 1999 is 8%. Therefore, the current interest rate on Tier 4 loans is 7%
- When applying for a loan, the amount of your **new** loan becomes consolidated with the present value of any previous loan(s). Your repayment schedule will be based on the total of your new consolidated loan

- The minimum repayment is 2% of your gross salary per payroll period. However, if this repayment rate will not pay off the loan within five years, the repayment rate will be increased accordingly. Once set, the repayment schedule remains the same for each payroll period until the loan is paid in full or a new loan is negotiated. You may elect to repay your loan in a period of less than five years. NYCERS can tell you approximately how much your loan payment will be for the repayment period you elect
- Payments must be made through payroll deductions. However, if you resign, are terminated from City service, or you are not in pay status on the payroll of a *Participating Employer,* you may make arrangements with NYCERS to make periodic direct payments. There is a $5.00 per-payment fee charged for making direct payments
- There is a $20.00 fee for personal checks which are returned uncollectible by the bank

Consequences of Non-Payment

- An outstanding loan balance at retirement will reduce a member's retirement benefit. Since interest continues to accrue on any unpaid loan up to the retirement date, the outstanding balance may increase to such a sizeable amount as to significantly decrease the retirement benefit that may be otherwise payable
- It is important that you contact NYCERS to make arrangements for direct payments, if you are no longer receiving a pay check from which loan payments are being deducted. This is especially true for Vested members
- A loan on which no payments have been made for over 90 days is termed a *Non-Performing Loan*
- If a member has a *Non-Performing* Loan, he or she forfeits all future entitlement to borrow from this system until the outstanding balance is fully repaid
- A *Non-Performing* Loan may have adverse tax consequences. See also the **TAXABILITY** section
- Insurance coverage is discontinued on a *Non-Performing* Loan. However, once a member starts making regular payments again, the loan will be considered to be insured, although it otherwise remains a *Non-Performing* Loan

Insurance

- Insurance coverage is mandatory and applies only upon the death of the member
- All loans (except *Non-Performing* loans) that are fully insured 30 days after being issued
- There is a modest insurance premium (.3%) deducted from every loan payment. **You may not elect to waive the insurance premium**
- A *Non-Performing* Loan is not covered by loan insurance until regular payments resume
- For the first 30 days after a renegotiated loan is issued, the insurance coverage continues on the outstanding balance of the previous loan. The amount of the new loan will not be insured for the first 30 days
- The loan insurance rate is reviewed at least once a year. Loan insurance premiums may change over the life of a loan
- The terms and/or conditions of loan insurance coverage may be modified, or insurance coverage may be discontinued

Taxability

prior to retirement

Tier 4 loans are subject to taxation, if the total outstanding loan is both:

- Greater than $10,000, **AND**
- More than 50% of the member's non-forfeitable accrued vested benefit

Members who apply for a Tier 4 loan will be advised that cumulative loans totaling more than $10,000 may have Federal income tax consequences. The member will be informed of those consequences prior to distribution of a taxable loan.

NYCERS will issue loans that are tax-free, including the tax-free portion of higher requested loans. We will then send the member a letter, which will state one of the following:

1. (a) Part of the loan requested is taxable, AND
(b) A loan has been processed for the tax-free portion of the loan requested, detail the specific tax consequences of taking the balance of the loan requested, and give the member the opportunity to receive a supplemental loan, OR
(c) The loan requested is fully taxable, due to the prior outstanding loans, and if a loan is issued, the prior loan balance will also be subject to taxation on the Federal level.

When borrowing results in a consolidated loan amount over $50,000, the excess over $50,000 is subject to Federal income tax.

If the loan is not repaid within five years, then the outstanding balance at the end of the five-year period will be considered a taxable distribution. In addition, if loan payments are not made for a 90-day period, the IRS considers the loan to be a *Non-Performing* Loan, and all or part of the outstanding balance is deemed taxable. Subsequent loan payments will not negate the fact that a taxable distribution has been reported. Members who are under the age of 59 1/2, and have a taxable distribution due to a *Non-Performing* Loan or an outstanding loan balance at the end of the five-year period, will incur an additional 10% penalty on such distribution.

outstanding loan at retirement

The outstanding loan balance at retirement is subject to federal taxation. Shortly after your retirement date, you will receive a letter from NYCERS advising you of the taxable amount of such outstanding loan. You can make arrangements to roll it over to an IRA, if you desire, thereby delaying the taxability.

- In addition to being taxable at the member's normal tax rate, a member under the age of 55 will incur an additional 10% penalty on such a distribution
- Members who are age 55 or older when they retire are not subject to the 10% penalty on such a distribution
- Members who are under age 59 1/2 and have a taxable distribution due to a *Non-Performing* Loan or an outstanding balance at the end of a five-year period, will incur an additional 10% penalty on such a distribution

Before you file for retirement or resign from City service, visit NYCERS' Customer Service Center to learn about the tax and retirement benefit consequences of an unpaid loan and about your repayment options.

Loans on Additional Member Contributions (*AMCs*)

Any outstanding loan against a *Participant's AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded to the member. If there is no provision for a refund of *AMCs* in the *Participant's Program*, the amount of the outstanding loan against the *Participant's AMCs* will be deducted from the member's *MCAF* account before the refund is processed.

Participants in the 55/25 Program and the 57/5 Program are only eligible to borrow up to 75% of the AMC credited as employ**ee** contributions (plus interest earned thereon).

Participants in the following Special Occupational Group Programs may borrow against their *AMCs* under loan rules that apply to all Tier 4 members:

- Transit 25/55 Program
- TBTA 50/20 Program
- Dispatchers 25-Year Program
- EMT 25-Year Program
- Automotive Service 50/25 Program
- Special Officer 25-Year Program

Participants in the Sanitation 20-Year Program or the Deputy Sheriff 25-Year Program **may not borrow any portion of their *AMCs***.

WHAT HAPPENS IF I LEAVE CITY SERVICE?

REFUNDS

Refunds of the Basic Tier 4 Contributions

There are various types of member contributions and regulations regarding how and when they may be withdrawn or refunded. All Tier 4 members are required to contribute 3% of their Wages. These basic Tier 4 contributions are held in a Member's Contribution Accumulation Fund (*MCAF*) account. Any Tier 4 member resigning or separated from City service with fewer than 10 years of *Credited Service* can request a refund of the amount in their *MCAF* account. However, if a member has at least five but less than 10 years of *Credited Service*, he or she must submit a form to NYCERS waiving their right to a Vested Retirement Benefit before a refund can be processed. This is necessary because any Tier 4 member, who leaves City service with at least five years of *Credited Service*, has the right to a Vested Retirement Benefit under the basic Tier 4, 62/5 or 57/5 Plan.

Refunds of Additional Member Contributions

Participants in the 57/5; 55/25 and Special Occupational Group Programs are required to make *AMCs*. The percentages vary among the programs, and may also include an additional 1.98% for those who are employed in *Physically-Taxing Positions.* These *AMCs* are held in the RRF account, which is separate from the *MCAF* account.

The *AMCs* can be refunded as follows:

The Age-57 Retirement Program (57/5 Program)

Refund of the employ**ee** portion (50%) of the *AMCs*, with interest, is permitted only in the event of:

- Death
- Disability Retirement
- Service Retirement at age 62 or later
- Transfer to another New York City or State retirement system (including BERS, provided the *Participant* does not hold an Eligible Position for BERS' 57/5 Program)
- Refunds are also permitted in the case of resignation or separation from City service with less than 10 years of *Credited Service*
- Retirement entitling them to the physically taxing contribution (see notes following the 55/25 Program below)

The 25-Year Early Retirement Program (55/25 Program)

Refund of the employ**ee** portion (50%) of the *AMCs*, with interest, are permitted only in the event of:

- Death
- Disability Retirement
- Service Retirement at age 62 or later
- Termination for economic reasons, or

- Transfer to another New York City or State retirement system (including BERS, provided the Participant does not hold an *Eligible Position* for BERS' 55/25 Program)
- Refunds are also permitted (employee portion only) in the event of discontinuance of participation within two years of first becoming a Participant, or between 11/1/96 and 1/30/98, whichever is later, (by filing an election form with NYCERS to withdraw from participation in the Program), for members who cannot possibly accumulate 25 years of *Credited Service* by age 62
- Retirement entitling them to the physically taxing contribution (see note below)

NOTE: *Participants* in the 55/25 Program and the 57/5 Program who retire between the ages of 55 and 62, with 25 or more years of *Credited Service* in *Physically-Taxing Positions* (with *Active Service* as a *Participant* immediately prior to retirement, and a total of at least six months of *Active Servic*e as a *Participant* in each of the previous two 12-month periods) may receive a refund of the employ**ee** portion (50%) of their *AMCs* (at the 1.98% rate) that is attributable to *Credited Service* in *Physically-Taxing Positions*.

TRANSFERS

To Another NYS Public Retirement System

If you accept another position with the City or State of New York (or any of its political sub-divisions) that entitles you to membership in another City or State retirement system, you may be eligible to transfer your NYCERS membership to that system. If you wish to transfer, you must do so before you withdraw your *Accumulated Member Contributions*, or your membership is terminated by operation of law (see page 24). In order to transfer your *Accumulated Member Contributions* and your *Credited Service* to another system, you must file a form (Form # 321) with NYCERS within five years of the date you terminate covered employment. Check with NYCERS regarding transfer rules which apply to members who are vested and/or last joined NYCERS prior to July 16, 1989.

From Another NYS Public Retirement System

If prior to becoming a member of NYCERS, you were a member of any other retirement system in New York City or New York State, and that membership has not been terminated, you may be eligible to transfer tha tmembership to NYCERS. You should discuss this matter with a NYCERS' Customer Service Representative and a representative from your prior retirement system to determine your eligibility. If you are eligible to transfer a prior membership to NYCERS, you will have to start the process with your prior retirement system.

Transferred Contributors

If you resign from all positions that entitle you to membership in NYCERS, and you accept another position in NYC service that entitles you to a membership in a different City retirement system, but not NYCERS, you may elect to remain a member of NYCERS as a Transferred Contributor in lieu of a transfer, provided you:

- Accept the other position within 60 days of resigning from your current job **AND**
- Do not withdraw your accumulated contributions **AND**
- Do not become a member of the other retirement system **AND**
- File an affidavit with NYCERS, and inform the other retirement system of your decision

Transfer to another New York City or State retirement system (including BERS, provided the Participant does not hold an *Eligible Position* for BERS' 55/25 Program) Refunds are also permitted (employee portion only) in the event of discontinuance of participation within two years of first becoming a Participant, or between 11/1/96 and 1/30/98, whichever is later, (by filing an election form with NYCERS to withdraw from participation in the Program), for members who cannot possibly accumulate 25 years of *Credited Service* by age 62 Retirement entitling them to the physically taxing contribution (see note below)

WHAT HAPPENS IF I LEAVE CITY SERVICE? (continued)

Your Transferred Contributor status becomes effective as soon as you submit the proper forms to NYCERS, including a completed, irrevocable Transferred Contributor Waiver. As a Transferred Contributor, you continue to contribute a percentage of your pay and accrue benefits with NYCERS.

Please Note: Before making a decision, you should discuss your situation with representatives of both retirement systems. This is important since your rights and benefits with the new system may not be the same as those you have with NYCERS.

POLICE OFFICERS AND FIREFIGHTERS

If you wish to transfer your NYCERS' membership to the NYC Police Pension Fund or the NYC Fire Department Pension Fund, you must apply to NYCERS for a transfer **within one year** from the date of your appointment as a City uniformed police officer or firefighter.

VESTING

Vesting refers to your right to receive plan benefits, even if you terminate employment before you are eligible for payment of a Service Retirement Benefit. Vesting for each of the Special Occupation Group Programs is located within the specific Special Occupation Group Program section of this booklet. The following covers the 62/5, 57/5 Plans/Programs. There is no Vesting provision for the 55/25 Program.

Eligibility

Members in either the 62/5 or the 57/5 Plan are eligible to vest their retirement benefit. For either plan you must have five years of credited service, at least two years of which are membership service, and have made all of your contributions for at least five years. The 62/5 vested retirement is payable at age 62. The 57/5 vested retirement is payable at age 57. However, a participant with 25 or more years of credited service in *Physically Taxing Positions*, with at least five years of which are membership service, can vest before age 50, with benefits payable at age 50.

There is no vesting provision for the 55/25 plan. Members who cannot meet both the age and service requirements of this plan may vest under the 62/5 plan. However, their retirement benefits will not be payable until they reach age 62.

Filing Requirements

If you file a *Notice of Intent to Vest* (Form # 254) with NYCERS when you terminate employment, NYCERS will send you a notice of the approaching payability of your Vested Retirement Benefit and an application form approximately 90 days before your payability date. **You must file an application before you will begin receiving payment of your Vested Retirement Benefit.** You may file the application any time within 90 days before your payability date.

Death Benefits For Vested Members

Tier 4 vested members with 10 or more years of *Credited Service* who die on or after January 1, 1997 are entitled to a death benefit equal to 50% of the benefit that would have been payable if the member had died on his or her last day of *Active Service*. Vested members generally are not eligible for a Post-Retirement Death Benefit.

TO ENSURE THAT YOU RECEIVE APPLICATIONS FOR PAYMENT AND OTHER IMPORTANT NOTICES MAKE SURE TO NOTIFY NYCERS WHEN YOU CHANGE YOUR ADDRESS.

Vested Retirement Benefit

City employees whose employment ends after qualifying for a Vested Retirement Benefit will not be covered by City-paid health insurance until they begin receiving retirement benefit checks.

The 62/5 (Basic Tier 4) Plan

Members enrolled in the 62/5 *Plan* will be eligible for a Vested Retirement Benefit payable at age 62, if they have five or more years of *Credited Service*, at least two years of which are *Membership Servic*e.

The Vested Retirement Benefit is computed in the same manner as the Service Retirement Benefit.
Please refer to that section for details.

The 57/5 Program

Participants in the *57/5 Program* will be eligible for a Vested Retirement Benefit payable at age 57, if they have five or more years of *Credited Service*, at least two years of which are *Membership Service*.

A *Participant* with 25 or more years of *Credited Service* in *Physically-Taxing Positions* can vest before age 50, with benefits payable at age 50.

The Vested Retirement Benefit is computed in the same manner as the Service Retirement. Please refer to that section for details.

The 55/25 Program

There is no provision for vesting or deferring your retirement benefits under this program. Participants must meet both age and service requirements in order to be eligible for a service retirement.

Participants who do not meet the age and service requirements may vest their retirement benefit under the 62/5 Plan (five or more years of credited service payable at age 62).

WHAT HAPPENS IF I LEAVE CITY SERVICE? (continued)
TERMINATING MEMBERSHIP

Terminating Membership

A NYCERS membership can be terminated in one the following ways:

1) A member with less than ten years of Credited Service may request a refund of their member contributions after separating from City service.
2) A member with less than five years of Credited Service with the passage of a five-year period after separating from City service - with or without having formally requested a refund.
3) The member retires.
4) The member transfers his or her membership to another NYS public retirement system.
5) The death of the member.

SERVICE RETIREMENT

The Service Retirement Process

Effective Date of Retirement

All Tier 4 members, other than *Participants* in the Dispatchers' 25-Year Program, EMT 25-Year Program, Deputy Sheriff 25-Year Program, or Special Officers 25-Year Program may file a service retirement application to be payable the day that the application is filed with NYCERS, or the application may be filed for up to 90 days before it becomes effective.

You cannot be paid a retirement benefit from NYCERS while you are still on the payroll of the City or a *Participating Employer,* even if the checks you receive represent payment for accumulated leave or terminal leave, except payment of accumulated leave paid in a lump-sum after your retirement date.

What Happens After I Submit My Application For Service Retirement?

We understand that after you file your retirement papers, you may become anxious as you wait for your first retirement payment. When will that payment arrive? What takes so long for the processing of my application and payment of my full pension?

We thought it might help you to know how each application is processed.

Please try to keep in mind that we can receive hundreds of retirement applications each month. Each one is important to us, and each takes time to process. Missing information, incomplete forms, and other unforeseen problems can lead to delays.

Here is a chronology of what happens to your retirement application:

1. Applications are time-stamped and processed. If you are eligible for a service retirement, your case is processed for an advance payment.
    - If you retire the 1st or 2nd of the month, you will receive an advance payment at the end of the month in which you retire
    - If you retire on the 3rd of the month or later, you will receive an advance payment at the end of the following month

EXAMPLE:

- If your retirement date is January 2, your first advance payment will be made on January 31
- If your retirement date is January 3, your first advance payment will be made on February 28

2. Your file is checked for service and salary records; calculations are made and data is entered into the computer; missing information is requested from your agency and/or you when necessary.
3. A computation of your benefits under various options available to you is done. You are sent a letter together with the appropriate option forms.

    - You will have 60-days in which to choose a permanent option (you should have selected a temporary option when you first filed for retirement)
    - If you do not choose an option in that 60-day period, your retirement benefit will be processed under the option you selected on your retirement application. If no option is selected by you on your retirement application and you do not file an option selection with NYCERS before the 60-day period after your option letter is mailed to you, you will be awarded the Maximum Retirement Allowance - the maximum benefit available to you without optional modification, with all payments ceasing upon your death
    - Your case will be processed on the basis of the last option filed by you with NYCERS
    - After you have selected an option (or one has been awarded to you) your file is processed for final computation of your retirement benefit
    - You are placed on the pension payroll for the full amount of the benefit payable to you under the option selected or awarded. This will include retroactive amounts from the retirement date
    - A letter is sent stating the details of the Retirement Option chosen. Also included is information you will need for Federal income tax purposes

NOTE: Starting with your first advance payment, Federal income taxes will be withheld based on the election you made on your retirement application.

Before filing an application with NYCERS, you must check with your agency to determine if you are entitled to payment of any terminal leave or accumulated annual leave. If it is determined that you are entitled to be paid on the payroll for any leave time due you, the agency will advise you what your last day of pay will be. The effective date of retirement requested on your service retirement application should be the day after the last day you are paid by your agency.

Members who are currently working, meet all eligibility requirements, and wish to retire, must file an application for service retirement with NYCERS. Members who file a properly completed retirement application will elect to be temporarily covered by either Option 1 (100% Joint-and-Survivor), or Option 4 (10-Year Certain). This is a precautionary measure afforded to you should you die before selecting the option of your choice. All of the Retirement Options are described in detail in the Retirement Options section of this SPD.

To follow up on your retirement application, option selection, lost check, direct deposit, withholding tax and other transactions, call NYCERS at (347) 643-3000. Our Call Center Associates are available to answer your questions. For calls outside NYC area codes call 1-877-6NYCERS. TTY (347) 643-3501.

Other Important Information You Should Know

- The sooner you file an option selection, the sooner NYCERS can process your full retirement benefit
- You may not change an option once your first full payment has been sent to you
- If you move, you must notify NYCERS of the change of address in writing
- Taxes will automatically be withheld from all checks you receive from NYCERS based on the Federal tax table for a person who is married claiming three exemptions, unless you elect in writing to have taxes withheld on a different basis, or for no taxes to be withheld.
- Pension checks are dated the last day of each month and are sent two business days before that date. If you do not receive your check by the 10th day of the month, notify NYCERS. A lost check affidavit will be sent to you

NOTE: NYCERS cannot take a report of non-receipt of a pension check until the 10th of the month. But if you receive your pension check and then it is lost or stolen, advise us immediately and we will have a stop payment placed on the check.

- You may elect to have your payments directly deposited into your bank account by Electronic Fund Transfer (EFT). You should contact NYCERS to obtain the proper form for that purpose
- EFT ensures that your payment won't get lost or stolen, and that you won't have to make a special trip to the bank for deposits. Also, you won't have to wait for checks to clear. Funds are available in your bank account on the last day of each month. If the last day of the month is on a weekend or a holiday, the bank will normally credit your payment on the next business day
- NYCERS does not administer health insurance benefits. If you have any problems with coverage or deductions from your pension, you should call one of the following applicable Employees' Health Benefit Programs:

Office of Labor Relations - Health Benefits Division	(212) 513-0470
Transit Authority - Health Benefits Trust	(718) 243-4102
TBTA - Benefits Division	(646) 252-7936

Section 212 Limitations

Section 212 of the Retirement and Social Security Laws (RSSL) sets the amount a retired person may earn in public employment without loss, suspension or diminution of his or her retirement allowance during a calendar year. For example, the maximum earnings in 2001 were $18,500 and $20,000 in 2002. These dollar limits change every year, so please ask NYCERS for a copy of the current legislation.

Withdrawing an Application for Service Retirement

You may withdraw your application for service retirement by filing a written request with NYCERS **up to the day before your effective date of retirement.**

SPECIAL NOTICE CONCERNING IRS PENSION DOLLAR LIMITATIONS

First, and foremost, **your pension will not be limited** by IRS regulation Section 415, **unless specific laws enacted after October 14, 1987 cause your annual pension to be increased beyond the dollar amounts in the table below.** And then only your total retirement benefit with the added amount will be subject to the limits - not your "basic" pension before any "enhancements" are added. It is also important to note that only a very small percentage of NYCERS' members are impacted by this pension limitation.

NYCERS is a defined benefit plan, and is therefore subject to certain IRS rules and regulations concerning limits on your annual pension payments. Your pension computed before any additional amounts added to your "basic" pension [such as an Early Retirement Incentive (ERI), COLA, and others] is **NOT SUBJECT TO IRC SECTION 415 LIMITATIONS**. In other words, if your pension, prior to any ERI, is not in excess of the maximums below, you will still collect your "basic" pension amount. However, if the ERI portion takes you over the limits shown in the table below, it may effectively be negated by these limitations at the time of your retirement.

NOTE:

- Anyone who retired prior to October 14, 1987 is not subject to this limitation
- These limitations do not affect the vast majority of NYCERS members who retire with an ERI or other pension enhancement, because their annual pension does not exceed the dollar limits below

HERE IS AN EXAMPLE OF HOW THE ABOVE LIMITATIONS ARE APPLIED:

AGE	IRS Section 415 LIMITS
55	$ 94,782
56	101,706
57	109,274
58	117,565
59	126,669
60	136,691
61	147,754
62 and over	160,000

Jane Smith is 56 years old and she retires. Her maximum annual "basic" pension is $110,000. The IRS Section 415 limit for age 56 is $101,706. However, the limitation does not apply to the "basic" pension amount, so she would collect the full $110,000. Suppose that Jane Smith retired and she received additional service provided by an ERI (or other law enacted after 10/14/87). The ERI provides her with an additional $5,000 in her pension benefit. She would not be able to collect that additional amount because now her "basic" + ERI benefit exceeds the maximum stipulated by the IRS. She could, however, eventually receive her full retirement benefit, including the ERI benefit, if/when the Consumer Price Index (CPI) increases raise the dollar amount of the Section 415 limits for her age at retirement (56) to at least $115,000.

Service and Age Requirements

The Maximum Service Retirement Benefit payable to you is calculated based on payments to you during your lifetime only. If you elect an option to provide for some type of benefit to your spouse or other beneficiaries, upon your death after retirement, your benefit will be reduced. Retirement Options are described on pages 31and 32.

The provisions regarding service and age requirements, and retirement benefit calculations for the Special Occupational Group Programs can be found within the specific Special Occupational Group Program section. The following applies to the General Membership Plans/Programs (62/5, 57/5, 55/25).

The 62/5 Plan

A member must be at least age 62 and have five or more years of *Credited Service*, of which two years is *Membership Service*, to be eligible to receive a Service Retirement Benefit. Legislation enacted in 2000 allows you to retire earlier than age 62, but no earlier than age 55. There is a lifetime reduction in your retirement benefit if you retire prior to age 62 (refer to the chart on page 30). A member may vest his or her pension, with payability at age 62, if he or she has at least five years of *Credited Service*.

SPECIAL NOTE ON PAYABILITY AGE OF TBTA MEMBERS

TBTA members may be eligible to receive payment of the 62/5 *(Basic Tier 4) Plan* Service Retirement Benefit before reaching age 62, and as early as age 55. Benefit are calculated based on the type and amount of service you have, as explained in the following:

- Six months prior to age 62 for each full year of *Credited Service* in a *TBTA Eligible Position* performed before January 1, 1971, **and**
- Four months prior to age 62 for each full year of *Credited Service* in a *TBTA Eligible Position* performed after December 31, 1970 but prior December 31, 2002.

NOTE: Regardless of the amount of service credit you have, payments cannot be made earlier than age 55

The 57/5 Program

A *Participant* must be at least age 57 and have five or more years of *Credited Service*, of which two years is *Membership Service*, to be eligible to receive a Service Retirement Benefit. A *Participant* with 25 or more years of *Credited Service* in *Physically-Taxing Positions* may retire as early as age 50 with no reduction in benefit due to age.

The 55/25 Program

A *Participant* must be at least age 55 **AND** have 25 or more years of *Credited Service*, of which at least two years is *Membership Service*, to be eligible to receive a Service Retirement Benefit. *Participants* must meet **BOTH** the **AGE** and **SERVICE** requirements of the Program. A *Participant* with 25 or more years of *Credited Service* in *Physically-Taxing Positions* may retire as early as age 50 with no reduction in benefit due to age.

Service Retirement Benefit Calculations

A deficit in any of your contribution accounts, or outstanding loans at retirement may result in a reduction in your retirement benefit.

The 62/5 Plan

- **FOR MEMBERS WITH LESS THAN 20 YEARS OF CREDITED SERVICE:**

  1 2/3 % times *FAS* times years of *Credited Service*

- **FOR MEMBERS WITH 20 OR MORE YEARS OF CREDITED SERVICE:**

  2% times *FAS* times years, up to a maximum of 30 years of such service,

  plus

  1 1/2 % times *FAS* times years of *Credited Service* in excess of 30 years

Members may be eligible to receive payment of the 62/5 Plan Service Retirement Benefit before reaching age 62, and as early as age 55. You must be at least age 55 and filing for retirement. You cannot use this to collect an early Vested Retirement Benefit See the Early Service Retirement Reduction table below.

The following table shows the percentage reduction for various ages:

AGE PAYMENT BEGINS	PERCENT OF BENEFIT REDUCTION
61	6
60	12
59	15
58	18
57	21
56	24
55	27

The 57/5 Program

- **FOR *PARTICIPANTS* WITH LESS THAN 20 YEARS OF *CREDITED SERVICE*:**

  1 2/3 % times *FAS* times years of *Credited Service*

- **FOR *PARTICIPANTS* WITH 20 OR MORE YEARS OF *CREDITED SERVICE*:**

  2% times *FAS* times years of *Credited Service*, up to a maximum of 30 years

  plus

  1 1/2 % times *FAS* times the years of *Credited Service* in excess of 30 years

Participants with 25 or more years of *Credited Service* in *Physically-Taxing Positions* may retire as early as age 50.

The 55/25 Program

- 2% times *FAS* times years of *Credited Service*, up to 30 years of such service,
  plus
- 1 1/2 % times *FAS* times years of *Credited Service* in excess of 30 years

Participants with 25 or more years of *Credited Service* in *Physically-Taxing Positions* may retire as early as age 50.

RETIREMENT OPTIONS

The following Retirement Options apply to all Tier 4 Service Retirements, Vested Retirements or Disability Retirements

When you prepare for retirement, there are several questions you will want to answer:

- ✓ Do you want to provide continuing retirement income to your spouse, partner or survivor after your death?
- ✓ What is the cost of continuing your retirement income?
- ✓ What will be the effect on your retirement allowance?

If you choose, you can provide for continuing income to your designated beneficiary by selecting an option. Electing an option means you will receive a reduced lifetime retirement allowance in exchange for providing some type of continuing payments to your beneficiary. If you do not select an option either on your retirement application or by way of filing an option selection form with NYCERS in a timely manner, as explained previously, you will be awarded the Maximum Retirement Allowance with all payments ceasing upon your death. For further details on options, request NYCERS brochure *Options for Tier 4 Members* (Form # 926).

Maximum Retirement Allowance

If you have no spouse, partner or children who are dependent upon you for financial support, or you need to maximize your retirement income, you may decide not to elect an option. The Maximum Retirement Allowance provides the greatest benefit, payable to you while you are retired, for as long as you live. However, after your death, no further payments will be made.

Option 1 (100% Joint-and-Survivor)

This option is intended for those who wish to insure that after their death, a designated beneficiary will continue to receive a fixed annual lifetime benefit. Option 1 is a reduced benefit that is payable to you for your lifetime. It also guarantees that the same reduced benefit will continue to your surviving designated beneficiary for life. Payments cease upon the death of both you and your beneficiary.

Because Option 1 guarantees two specific people an income for life, the life expectancies of the retiree as well as the beneficiary are taken into consideration. Therefore, under Option 1, once you designate a beneficiary and the option is in force, you cannot change your beneficiary designation. **Even if your designated beneficiary dies before you, you will continue to receive the reduced lifetime allowance**.

Option 2 (25% - 50% - 75% Joint-and Survivor)

Option 2 is a reduced benefit that is payable to you for your lifetime. It guarantees that a percentage of your retirement allowance will be payable to your designated beneficiary for his or her lifetime. Your beneficiary, if he or she survives you, will receive 75% or less (in 25% increments) of the allowance paid to you, depending on the percentage you choose at the time you elect this option. All payments cease after the death of both you and your designated beneficiary.

Because Option 2 guarantees two specific people an income for life, the life expectancies of the retiree as well as the beneficiary are taken into consideration. Therefore, under Option 2, once you designate a beneficiary and the option is in force, you cannot change your beneficiary designation. Even if your designated beneficiary dies before you, you will continue to receive the reduced lifetime allowance.

Option 3 (Five-Year Certain)

This option provides the retiree a reduced lifetime benefit. If the retiree dies within five years of retirement, the reduced retirement benefit will continue to be paid to the surviving primary beneficiary for the unexpired balance of the five-year period. If the designated primary beneficiary predeceases the retiree, the balance of the payments due for the remainder of the five-year period is continued to the retiree's contingent beneficiary, if there is one. If none exists, it is paid in a lump-sum to the estate of the retiree. Should the designated primary beneficiary also die, after having started to receive payments, the balance will be paid in a lump-sum to the retiree's designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary. Unlike Options 1 and 2, you may change your beneficiary with this Option.

Option 4 (Ten-Year Certain)

This option provides the retiree a reduced lifetime benefit. If the retiree dies within ten years of retirement, the reduced retirement benefit will continue to be paid to the surviving primary beneficiary for the unexpired balance of the ten-year period. If the designated primary beneficiary predeceases the retiree, the balance of the payments due for the remainder of the ten-year period is continued to the retiree's contingent beneficiary, if there is one. If none exists, it is paid in a lump-sum to the estate of the retiree. Should the designated primary beneficiary also die, after having started to receive payments, the balance will be paid in a lump-sum to the retiree's designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary. Just like Option 3, you may change your beneficiary with this Option.

Option 5 (50% or 100%)

This option is known as the "Pop-Up" option. You decide if you want your surviving designated beneficiary to receive the same lifetime allowance (100%) as you, or 50% of that allowance. However, should your designated beneficiary predecease you, your retirement allowance will "pop-up" to the Maximum Retirement Allowance, for the remainder of your life. All payments would then cease upon your death. Because this Option guarantees two specific people an income for life, the life expectancies of the retiree as well as the beneficiary are taken into consideration. Therefore, under this Option, once you designate a beneficiary and the option is in force, you cannot change your beneficiary.

DISABILITY RETIREMENT

Eligibility

As a member, you are eligible to receive a Disability Retirement Benefit at any age, if:

You have 10 or more years of *Credited Service* and

NYCERS' Medical Board determines

a) that you are physically or mentally incapacitated to perform the duties of your job title, and

b) that you were so incapacitated at the time you ceased performance of your duties.

Or

You have less than 10 years of *Credited Service* and

The NYCERS' Medical Board determines

a) same as above.

b) same as above, **plus**

c) your disability is the result of an accidental injury sustained while a NYCERS member in City service, in the performance of your duties, and not caused by your own willful negligence.

Definition of an Accident

The term *Accident* has been defined by the courts as: *A sudden, fortuitous mischance, unexpected, out of the ordinary, and injurious in impact.* Not every line of duty injury results in the award of an Accident Disability Retirement Benefit. Injuries sustained while performing routine duties, not resulting from unexpected events, are not *Accidents.* Injuries sustained by sudden, unexpected events which are not a risk of the work performed, are usually considered to be *Accidents*.

FOR EXAMPLE:

- ✓ A disabling injury sustained by a member due to "incidents" which involve routine lifting or bending **would not** qualify as an *accident.*
- ✓ A disabling injury sustained by a member, while in the performance of duty, due to a fall on a slippery substance, (such as oil or ice), generally **would** qualify as an *accident.*

Special Notice Regarding Completing Accident Reports

In order to avoid disputes and ensure timely disposition of your application, a written report should be prepared by you and your supervisor/manager, **at the time of the event. The report needs to** accurately and completely describe all injuries, conditions and the event surrounding them. If there was anything out of the ordinary that caused your injury, or any contributing factor(s), such as weather or a slippery surface (ice, grease, refuse, etc.), make sure to describe them clearly and thoroughly on your accident report, even if it means attaching an addendum due to a lack of space on the form(s). If there were any witnesses to the incident, make sure to list them and have them prepare a written report about the incident.

As a minimum, an accident report should provide all details concerning the object, conditions and/or substance that directly caused the injury.

FOR EXAMPLE:

- ice which was slipped on,
- the machine that struck you, etc.
  and
- the particular job or task being performed at the time of the injury

The report should note any other factor that may have contributed to the injury.

NYCERS' MEDICAL BOARD AND THE BOARD OF TRUSTEES MAKE DECISIONS ON DISABILITY APPLICATIONS. THEY ARE LIKELY TO BELIEVE THAT DISABILITY REPORTS FILED AS SOON AS POSSIBLE AFTER AN ACCIDENT OR OTHER EVENT HAVE GREATER CREDIBILITY THAN REPORTS FILED AFTER A DELAY.

Filing an Application for Disability Retirement

You must file an application for a Disability Retirement Benefit:

a) within three months from the last date you were being paid on the payroll, **OR**

b) if you were placed on a leave of absence without pay for medical reasons, either voluntarily or involuntarily, at the time that you ceased being paid on the payroll, no later than 12 months after the date you receive notice that your employment has been terminated.

The application must be filed by you, **or**

- by a person with legal authority to act on your behalf
- by the head of the agency where you are employed on a form furnished by NYCERS, which must be accompanied by proof substantiating the application, including your Personal Report and a physician's Report of your disability

Filing an Application for Disability Retirement

You will need the following:

- Form # 801 - *Instructions for Members Applying for Disability Retirement*
- Form # 604 - *Application for Disability Retirement for Tier 4 Members*
- Form # 605 - *Applicant's Report of Personal Disability*
- Form # 606 - *Physician's Report of Disability*
- Form # 608 - *General Authorization for Release of Medical Information*
- Form # 609 - *Questionnaire to be Completed by Applicant for Disability Retirement*

You should also request our brochure on Disability Retirement - Form # 922

Withdrawing an Application for Disability Retirement

Provided that NYCERS' Medical Board has not yet finalized its findings, you may withdraw your application for a Disability Retirement Benefit upon written request to NYCERS. You will have to complete Form # 619 in order for your application to be officially withdrawn.

Appearing Before NYCERS' Medical Board for Examination

You MUST appear before NYCERS' Medical Board when scheduled for an interview and examination, or provide proof that you were medically unable to do so. Failure to do so will result in the suspension or closure of your disability retirement application and depending on your employment status you may not be eligible to re-apply. Please note that you will have to be examined by the Medical Board before a decision can be made on your application for disability retirement.

Disability Retirement Benefit Formula

The disability benefit in both cases * **is the greater of:**

- 1 2/3 % times Final Average Salary *(FAS)* times the years of *Credited Service*.

  OR

- 1/3 of your FAS,

EXCEPT

where a member is eligible to receive a Service Retirement Benefit, and that benefit is greater than either of the above calculations, then the member will receive a Disability Retirement Benefit equal to the Service Retirement Benefit.

* Disability with 10 or more years of *Credited Service* or disability that is due to an accident. EMS personnel see page 38.

The disability retirement date is effective 30 days after the application is filed with NYCERS, or the day after the last day the member was paid on his or her employer's payroll, whichever is **later.**

Re-Examination

In some cases, the Medical Board may approve a disability retirement application contingent on re-examination at a later date. Once a year, any person retired on a Tier 4 Disability Retirement may be required to be re-examined by NYCERS' Medical Board.

If upon re-examination the Medical Board determines that you are no longer disabled, the Department of Citywide Administrative Services will place your name on a list of preferred eligible candidates for appointment to a position in a salary grade not exceeding that from which you were retired. Your Disability Retirement Benefit will be paid to you until such time as you are **offered** a position in public service. If you return to work, or if you fail to return to work when offered a position in public service, NYCERS will discontinue payment of your Disability Retirement Benefit.

Members retired by reason of disability for more than one year may request a re-examination by the NYCERS' Medical Board to establish their ability to return to work. You must contact NYCERS immediately upon your return to work, so that you can be restored to active membership. Failure to do so may jeopardize your rights to future benefits from this system.

Earnings Limitations While Receiving Disability Retirement Benefits

If you are employed while receiving a Disability Retirement Benefit from NYCERS, your *Personal Service Income* is subject to a yearly cap called the *Income Limitation*. The *Income Limitation* changes each year based on increases or decreases in the Consumer Price Index (CPI). If your *Personal Service Income* exceeds the *Income Limitation* in any year, by any dollar amount regardless of how much or how little, your Disability Retirement Benefit will be **suspended** for 12 months.

Personal Service Income

You will be required to file an annual report with NYCERS disclosing any *Personal Service Income* you earned (not including any Disability Retirement Benefit received from NYCERS or Social Security benefits) during the preceding calendar year. In addition to the limitations on your *Personal Service Income*, other rules may apply to your employment while you are disabled . In order to be informed of limitations that may apply to you, you should discuss your plans with NYCERS before accepting employment.

Income Limitation

The *Income Limitation* is a fixed dollar amount that limits your *Personal Service Income* in any calendar year while you are receiving a Tier 4 Disability Retirement Benefit from NYCERS. At the end of each year, the *Income Limitation* is established by adding (or subtracting) the CPI percentage increase (or decrease) for that year to (or from) the *Income Limitation* for the prior year. The *Income Limitation* for past years has been:

YEAR	INCOME LIMITATION
1987	$14,300
1988	14,900
1989	15,600
1990	16,600
1991	17,100
1992	17,600
1993	18,000
1994	18,500
1995	19,000
1996	19,600
1997	19,900
1998	20,200
1999	20,800
2000	21,400
2001	21,700

Final Medical Review

Chapter 607 of the Laws of 1998 gave Tier 4 members the opportunity to contest the findings and recommendation of the NYCERS' Medical Board through a process called Final Medical Review.

In order to elect Final Medical Review, you must sign a waiver notifying NYCERS of your intent. In addition, a request must be made on your behalf by either your bargaining representative or by the head of the agency in which you are employed. The request and the completed waiver must be received by NYCERS within 45 working days from your receipt of the Board of Trustees' letter. Information on Final Medical Review is sent after the Board of Trustees ratifies the Medical Board's recommendation

NYCERS will forward the medical evidence and the Medical Board reports, based on the application upon which you have requested Final Medical Review, to a Special Medical Committee of three independent doctors, that is selected by a Final Medical Review Coordinator. You may not submit any additional medical evidence to these doctors. Your union and the City will pay the fee for each examination.

The findings and recommendation of the Special Medical Committee is final and conclusive. Therefore, you cannot take any legal proceeding in this regard nor can you re-file for Disability Retirement for the same illness.

Line of Duty Disability Retirement for Members employed by EMS

As of March 17, 1996 a member employed in the NYC Emergency Medical Service, as an EMT, Advanced EMT, or a supervisor of such titles, who is disabled as the result of an injury sustained in the line of duty is eligible for a special disability benefit. That benefit is equal to 75% of the member's final average salary **minus** 100% of the annual payment from the Workers' Compensation Board associated with the injury.

There is no requirement that an accident occurred in order to be eligible for this benefit if such disability is caused by one of the following:

1) HIV (where the employee may have been exposed to a bodily fluid of a person under his or her care or treatment, or while the employee examined, transported or otherwise had contact with such person, in the performance of his or her duties).
2) hepatitis, or
3) tuberculosis.

It is presumed to have occurred in the line of duty; unless the contrary is proved by competent evidence.

There is no income limitation on post retirement earnings under this benefit.

SURVIVOR BENEFITS

Your designated beneficiary is entitled to a survivor benefit if you die before retirement, whether death occurs on or off the job.
Benefits are paid as:

- An **ORDINARY DEATH BENEFIT** payable to a *Designated Beneficiary* **OR**
- An **ACCIDENTAL DEATH BENEFIT** payable to an *Eligible Beneficiary*

Ordinary Death Benefit

Ordinary Death Benefits will be paid only if:

- you were being paid on the payroll at the time of your death,
  OR
- you were off the payroll (see NOTE below), or were on an authorized leave without pay at the time of your death, **and**
- you were on the payroll, in service and paid within the last 12 months before death,
  and
- you were not gainfully employed since last on the payroll,
  and
- you had credit for one or more years of continuous service since you last entered the service of your employer

NOTE:

Effective October 1, 2000, a Tier 4 member of NYCERS shall be deemed to have died on the payroll if the death of such member occurs while he or she is on an authorized leave of absence without pay for medical reasons which has continuously been in effect since the member was last paid on the payroll, provided that he or she was in service and last paid on the payroll **within the four-year period prior to his or her death.**

Electing a Death Benefit

If you became a member of NYCERS prior to January 1, 2001, you were required to irrevocably choose between Death Benefit Plan 1 and Death Benefit Plan 2.

SPECIAL NOTE: Pursuant to legislation enacted in 2000, beneficiaries of Tier 4 members who die in service will receive the greater of Death Benefit Plan 1 or Death Benefit Plan 2 **if the member had selected Death Benefit Plan 1.** If, however, the deceased member had selected Death Benefit Plan 2 and Death Benefit Plan 1 would be a greater benefit, Death Benefit Plan 2 is still payable.

Any person who becomes a member of NYCERS on or after January 1, 2001 will automatically be covered by Death Benefit Plan 2.

If you die in *Active Service* and your death is not work related, or if your death is work related and the Ordinary Death Benefit is elected in lieu of the Accidental Death Benefit, your *Designated Beneficiary* will receive the following:

DEATH BENEFIT PLAN 1

The refund of your *Member Contribution Accumulation* Fund (*MCAF*) account,

Plus

If you are a *Participant* in the 57/5 or in the 55/25 *Special Program*, the refund of the employee contributions in your RRF account,

Plus

the greater of:

- one month's salary for each full year of service (up to a maximum of three years' salary after 36 years of service),

OR

if eligible for a Service Retirement Benefit;

- the actuarial reserve (City portion) for the Service Retirement Benefit which would have been payable had you retired on the day before your death

DEATH BENEFIT PLAN 2

The refund of your *MCAF* account,

Plus

If you are a *Participant* in the 57/5 or in the 55/25 the refund of the employee contributions in your RRF account,

Plus

Years of Service	**A Lump-Sum Beneft Equal To**
At least one year, but less than two years	One year's Current Salary*
At least two years, but less than three years	Two times Current Salary
At least three years	Three times Current Salary

* Current Salary : The regular compensation earned during a member's last 12 months of service.

REDUCTIONS IN BENEFIT AFTER AGE 60 AND STILL IN SERVICE

AGE AT DEATH:	**AMOUNT OF BENEFIT**
61	95% of benefit in force
62	90% of benefit in force
63	85% of benefit in force
64	80% of benefit in force
65	75% of benefit in force
66	70% of benefit in force
67	65% of benefit in force
68	60% of benefit in force
69	55% of benefit in force
70 or over	50% of benefit in force

POST-RETIREMENT DEATH BENEFITS PAID UNDER DEATH BENEFIT PLAN 2

IF WHERE DEATH OCCURS:	**AMOUNT OF BENEFIT:**
In the first year of retirement: →	50% of benefit in force before retirement.
In the second year of retirement: →	25% of benefit in force before retirement.
In the third year of retirement and thereafter: →	10% of benefit, if any, in force at age 60, or at the time of retirement, if you retired before reaching age 60.

DEATH BENEFIT FOR MEMBERS OF THE TRANSIT OPERATING-FORCE AND THE UNIFORMEDFORCE OF THE NYC DEPARTMENT OF SANITATION

A member of the Transit operating-force or the uniformed-force of the NYC Department of Sanitation who dies in service is covered by a death benefit upon completion of 90 days of service, provided the member was being paid on the payroll at the time of death.

The amount of the death benefit is equal to three times the member's salary, raised to the next higher multiple of $1,000.

This benefit is in addition to payment of the *MCAF.*

ALTERNATIVE DEATH BENEFIT FOR MEMBERS WHO JOINED NYCERS BEFORE JULY 26, 1986

Alternatively, in the event of the death of a member in *Active Service* who joined NYCERS before July 26, 1986, there may be paid to the member's *Designated Beneficiary* or estate, as the case may be, a lump-sum death benefit or an annuity based thereon, calculated by multiplying one-twelfth of the *Wages* earned by such member during the last 12 months of *Active Service* while a member, by the number of years of *Credited Service.* The years of *Credited Service* may not exceed 36. This benefit may be paid if greater than the Tier 4 death benefit payable under Plans 1 or 2 as described above.

Accidental Death Benefit

If NYCERS determines that your death was the natural and proximate result of an accident not caused by your own willful negligence, sustained in the performance of your duties in *Active Service*, your *Eligible Beneficiary* will be entitled to an annual benefit equal to 50% of the *Wages* you earned during the last year of service, or your annual wage rate if you had less than one year of service.

> **Note: Payment does not include the member's contributions. The Accidental Death Benefit will not be reduced by any Workers' Compensation that may have been collected in conjunction with this accident.**

An Accidental Death Benefit is paid to an *Eligible Beneficiary* in the following order of priority:

- your spouse, until remarriage, unless he or she has renounced survivorship rights
- to each of your children until he or she reaches age 25
- to your parents who depend on you for support
- to any person who qualified as a dependent on your final Federal income tax return, until age 21 **OR**
- anyone you name as your beneficiary for your Ordinary Death Benefit

IMPORTANT NOTE: **Should your death be the result of an on-the-job *accident*, and if no *Eligible Beneficiary* (as listed above) exists at the time of your death, then the Accidental Death Benefit may be paid, upon application, to the person desig nated as the beneficiary to receive payment of your Ordinary Death Benefit.**

In the event a class of your *Eligible Beneficiaries* consists of more than one person, benefits will be divided equally among such persons.

An application for an Accidental Death Benefit must be filed by your beneficiary and received by NYCERS within 60 days after your death. The 60-day period may be waived provided an Ordinary Death Benefit has not been paid.

Based upon the recommendation of NYCERS' Medical Board, the Board of Trustees will make a determination as to whether the requirements for an Accidental Death Benefit have been met in each case.

Prior to the Board of Trustees' determination, the appropriate beneficiary may request a review of the case by a Trial Committee.

Naming Beneficiaries

When you join NYCERS, you are asked to name a beneficiary or beneficiaries. Your current designation is shown in the Annual Disclosure Statement that you receive from NYCERS. You have the option of changing your designation of beneficiary at any time while a member. If you choose to make a change, you do so by filing the appropriate form with NYCERS.

How to File for Death Benefits

Your beneficiary should notify NYCERS of your death.
Upon receipt of a death certificate, NYCERS will:

- calculate any benefits due
- mail claim forms and instructions to your beneficiary
- outline payment choices

SPECIAL OCCUPATIONAL GROUP PROGRAMS

Sanitation

This section contains information that is specific to the Special Occupational Group Program's participation, *Credited Service*, *AMCs*, Vested and Service Retirement Benefits.

Sanitation 20-Year Retirement Program

The *Sanitation 20-Year Retirement Program* is available **ONLY** to people employed in the uniformed-force of the NYC Department of Sanitation.

ELIGIBILITY

Participation is Optional:

- for any person who was a Tier 4 member on July 24, 1992, and was employed in the uniformed force of the Department of Sanitation on that date,
  and
  filed an election to participate in the Program on or before October 21, 1992
  OR
- last became a Tier 4 member of the New York City or State retirement system prior to July 26, 1992, **and** becomes employed in the uniformed-force of the NYC Department of Sanitation after that date, and files an election to participate in the *Program* within 90 days of becoming employed in the uniformed-force of the NYC Department of Sanitation

Participation is Mandatory:

- for any person who becomes employed in the uniformed-force of the NYC Department of Sanitation after July 24, 1992,
  and
- becomes a Tier 4 member after that date

Any person who was a member of NYCERS and employed in the uniformed-force of the NYC Department of Sanitation on July 24, 1992 had the option to become a *Participant* of the *Sanitation 20-Year Retirement Program* by filing an election with NYCERS **no later than** October 21, 1992. **THIS OPTION HAS EXPIRED.**

When any *Participant* in the Program ceases to hold a position qualifying him/her for participation in the Program, he/she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service in the uniformed-force of the NYC Department of Sanitation and returns to such service at a later date, will be mandated into participation in the Program on that date (refer also to the AMC Deficiency section.).

ONCE AN ELECTION TO PARTICIPATE IN THE SANITATION 20-YEAR RETIREMENT PROGRAM IS FILED WITH NYCERS, IT MAY NOT BE REVOKED

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Allowable Sanitation Service

Allowable Sanitation Service includes:

- *Credited Service* rendered as a member of the uniformed-force of the NYC Department of Sanitation
- *Credited Service* rendered in another uniformed-force (NYC Housing Police, NYC Transit Police and the NYC Department of Correction) immediately prior to becoming a member of the uniformed-force of the NYC Department of Sanitation
- *Credited Service* rendered in the uniformed force of the NYC Police Department or NYC Fire Department immediately prior to becoming a member of the uniformed-force of the NYC Department of Sanitation, if the service was transferred to NYCERS pursuant to Section 43 of the RSSL

***AMCs* ARE MANDATORY**

- In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, the following *AMCs* are required:

Participants must contribute an additional 5.35% of their gross compensation from all *Allowable Sanitation Service* rendered on or after July 24, 1992.

PARTICIPANTS MUST PAY *AMCs*
FOR THE FIRST 20 YEARS OF *ALLOWABLE SANITATION SERVICE*

AMCs are maintained in the RRF, which is an account maintained separately from the *MCAF*. The *MCAF* contains only the member's Tier 4 basic contributions of 3% of *Wages*. Both funds earn interest of 5% per-annum, compounded annually.

Deficiency

Any member *Participant who* has not paid in full any deficiency in *AMCs* will not be entitled to a Service Retirement Benefit or Vested Retirement Benefit under the *Program*.

A *Participant* who ceases to be employed in the uniformed force of the NYC Department of Sanitation and withdraws his or her *AMCs* (and earned interest), and later becomes a *Participant* again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* had never been made. Payment of a deficiency can be made in a lump sum or through payroll deductions.

Loans

Participants in the *Sanitation 20-Year Program* are not permitted to borrow against their *AMCs*.

SPECIAL OCCUPATIONAL GROUP PROGRAMS
Sanitation 20-Year (continued)

Refunds

Participants may withdraw their *AMCs* together with accumulated interest, if they have rendered fewer than 15 years of *Allowable Sanitation Service* and cease to hold a position in the uniformed-force of the NYC Department of Sanitation, due to the following:

- Death
- Resignation
- Retirement for disability
- Promotion
- Transfer,
- Dismissal

WITHDRAWAL OF *AMCs* WILL TRIGGER A FEDERAL TAX LIABILITY AND MAY RESULT IN A TAX PENALTY. REPAYMENT OF ANY DEFICIENCY IN *AMCs* IS NOT ELIGIBLE FOR DEFERRED TREATMENT UNDER FEDERAL INCOME TAX RULES [IRC SECTION 414(h)].

ONCE A *PARTICIPANT* HAS CREDIT FOR 15 OR MORE YEARS OF *ALLOWABLE SANITATION SERVICE*, NO WITHDRAWAL OF *AMCs* IS POSSIBLE

If a *Participant* retires on a disability retirement, his or her Disability Retirement Benefit will be reduced according to an actuarial formula that takes into account any deficiency in the member's *AMCs.*

If you die while a *Participant*, all of your *AMCs*, together with interest earned, will be paid to the beneficiary you designated to receive your *AMCs* from NYCERS. If you do not designate a beneficiary, payment will be made to your estate. This refund is made at the time of death **even if you have 15 or more years *of Allowable Sanitation Service.***

no age requirement to qualify for benefits

There is no age requirement to be eligible for a Service Retirement Benefit if the *Participant* has credit for 20 or more years of *Allowable Sanitation Service*. A *Participant* may vest if he or she has credit for at least five, but less than 20 years of *Allowable Sanitation Service*. A *Participant* may vest under the 62/5 Plan if he or she has at least five years of *Credited Service*.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Service Retirement Benefit

A *Participant* with credit for 20 or more years of *Allowable Sanitation Service*, regardless of age, will be eligible to receive a Service Retirement Benefit equal to:

- 50% of FAS for the first 20 years of *Allowable Sanitation Service*,
  PLUS
- 1 1/2 % times Final Compensation* for each year of *Allowable Sanitation Service* in excess of 20,
  PLUS
- 1% times Final Compensation* for each year of *Credited Service* other than *Allowable Sanitation Service*.

* **Final Compensation** is the average compensation earned during:

- the five-year period immediately preceding retirement, **or**
- any consecutive five calendar-year period prior to retirement which would provide the greatest average compensation

Final Compensation is determined using the period which immediately precedes the date of retirement. Any month or months (not in excess of 12) the member was on an authorized leave of absence (at partial pay or without pay) are excluded and an equal number of months immediately preceding the five-year period shall be substituted to provide *Credited Service* totaling five **calendar** years.

PLEASE NOTE: The maximum Service Retirement Benefit (computed without optional modification) under the Sanitation 20-Year Program shall equal that payable upon completion of 30 years of service.

Vested Retirement Benefits

Participants in the *Sanitation 20-Year Program* will be eligible for a Vested Retirement Benefit if they have credit for at least five but less than 20 years of *Allowable Sanitation Service*.

The Vested Retirement Benefit becomes payable on the date the *Participant* could have completed 20 years of *Allowable Sanitation Service*, if he or she had continued in service in the uniformed-force of the NYC Department of Sanitation.

The Vested Retirement Benefit is computed as follows:

- 2 1/2 % times FAS for each year of Allowable Sanitation Service,
  plus
- 1% of *Final Compensation** for each year of Credited Service other than *Allowable Sanitation Service*

* ***Final Compensation*** is the average compensation earned during:

- the five-year period immediately preceding termination of employment in the uniformed-force of the NYC Department of Sanitation, **or**
- any consecutive five **calendar-year** period prior to termination of employment in the uniformed-force of the NYC Department of Sanitation which would provide the greatest average compensation

NOTE: The maximum Service Retirement Benefit (computed without optional modification) shall equal that payable upon completion of 30 years of service.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)
Transit

Transit 25-Year And Age-55 Retirement Program

This Program is available only to members of NYCERS who are employed by the NYC Transit Authority on or after July 27, 1976, and classified by the TA as working in the Transit Operating-Force (TOF). The Program, created by Chapter 529 of the Laws of 1994, originally included only hourly-paid employees and first-line supervisors. As of December 15, 2000 the Program now includes all TOF employees, including upper level supervisors and managers.

ELIGIBILITY

Participation is Mandatory:

- for any person who is a NYC *Transit Authority Member* after December 15, 2000, whether or not his or her membership in NYCERS was before July 26, 1994 (the enactment date of the *Transit 25/55 Program*)

SPECIAL NOTES: If you were a *Participant* in the *57/5 Program* on December 15, 2000, and were mandated into the *Transit 25/55* Plan on that date, you are permitted to remain in the *57/5* Program by filing an election form with NYCERS.

For additional information pertaining to Transit Authority *Participants* see CONTRIBUTIONS Section.

When any *Participant* in the Program ceases to hold a position qualifying him/her for participation in a Program, he/she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service in the TOF and returns to such service at a later date, will be mandated into participation in this Program on that date (refer also to the AMC Deficiency section).

Allowable Service in the Transit Authority

The only service time that will count toward your eligibility and benefit calculation is *Allowable Service* in the *Transit Authority.* That is defined as *Membership Service* while employed by the Transit Authority, including both clerical and TOF service.

Note: Neither *Membership Service* with a *Participating Employer* other than the Transit Authority, nor any purchased service (except purchased Military Service) is considered *Allowable Service* in the Transit 25/55 Plan.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)
Transit

Transit 25-Year And Age-55 Retirement Program

This Program is available only to members of NYCERS who are employed by the NYC Transit Authority on or after July 27, 1976, and classified by the TA as working in the Transit Operating-Force (TOF). The Program, created by Chapter 529 of the Laws of 1994, originally included only hourly-paid employees and first-line supervisors. As of December 15, 2000 the Program now includes all TOF employees, including upper level supervisors and managers.

ELIGIBILITY

Participation is Mandatory:

- for any person who is a NYC *Transit Authority Member* after December 15, 2000, whether or not his or her membership in NYCERS was before July 26, 1994 (the enactment date of the *Transit 25/55 Program*)

SPECIAL NOTES: If you were a *Participant* in the *57/5 Program* on December 15, 2000, and were mandated into the *Transit 25/55* Plan on that date, you are permitted to remain in the *57/5* Program by filing an election form with NYCERS.

For additional information pertaining to Transit Authority *Participants* see CONTRIBUTIONS Section.

When any *Participant* in the Program ceases to hold a position qualifying him/her for participation in a Program, he/she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service in the TOF and returns to such service at a later date, will be mandated into participation in this Program on that date (refer also to the AMC Deficiency section).

Allowable Service in the Transit Authority

The only service time that will count toward your eligibility and benefit calculation is *Allowable Service* in the *Transit Authority*. That is defined as *Membership Service* while employed by the Transit Authority, including both clerical and TOF service.

Note: Neither *Membership Service* with a *Participating Employer* other than the Transit Authority, nor any purchased service (except purchased Military Service) is considered *Allowable Service* in the Transit 25/55 Plan.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Additional Member Contributions (*AMCs*)

Prior to enactment of Chapter 10 of the laws of 2000 (that went into effect with the first full pay period after December 15, 2000), ***AMCs*** were **MANDATORY** as follows:

> In addition to the basic contributions of 3%* of *Wages participants* were required to pay an additional 2.30%* of their gross salary from all *Allowable Service* in the Transit Authority rendered on or after August 28, 1994.

***EFFECTIVE WITH THE FIRST FULL PAY PERIOD AFTER DECEMBER 15, 2000 (JANUARY 3, 2001), THE BASIC TIER 4 RATE OF CONTRIBUTIONS OF 3% OF WAGES WAS REDUCED TO 2% AND THE *AMCs* WERE ELIMINATED.**

Deficiency

Any *Participant* who, while in *Active Service*, has not paid in full any contribution deficiency will not be entitled to a Service Retirement Benefit or Vested Retirement Benefit under the Program.
Furthermore, under certain circumstances, the actuarial equivalent of any deficiency may reduce your Basic Tier 4 Plan benefits, such as a Disability Retirement Benefit.
A *Participant* who ceases to be employed in an *Eligible Position* in the Transit Authority and withdraws his or her *AMCs* (and earned interest), and later becomes a *Participant* again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* had never been made. Payment of a deficiency can be made in a lump-sum or through payroll deductions.

Loans

A *Participant* in the TA 25/55 Program may borrow up to 75% of his or her *AMCs* under the same rules as for "regular" *MCAF* loans to Tier 4 members.

Refunds

No *Participant* in the TA 25/55 Program, can withdraw his or her *AMCs*. However, a *Participant* who has rendered less than 25 years of *Allowable Service* in the Transit Authority **and** ceases to hold a position as a *Transit Authority Member*, for any reason whatsoever, may withdraw his or her accumulated *AMCs*, plus interest earned.

WITHDRAWAL OF *AMCs* WILL TRIGGER A FEDERAL TAX LIABILITY AND MAY RESULT IN A TAX PENALTY.

REPAYMENT OF ANY DEFICIENCY IN *AMCs* IS NOT ELIGIBLE FOR DEFERRED TREATMENT UNDER FEDERAL INCOME TAX RULES [IRC SECTION 414(h)].

If you die while a *Participant*, all of your *AMCs*, together with interest earned, will be paid to the beneficiary you designated to receive your *Accumulated Member Contributions* from NYCERS. If you do not designate a beneficiary, payment will be made to your estate.

Loans Against *AMCs*

Any outstanding loan against a *Participant's AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded to the member. If you are eligible for a refund of *AMCs* in the *Participant's Special Program*, the amount of the outstanding loan against the *Participant's AMCs* will be deducted from the member's *MCAF* account before the refund is processed.

Age Requirement to Qualify for Benefits

A *Participant* must be at least age 55 and have 25 or more years of *Allowable Service* in the *Transit Authority* to be eligible to receive a Service Retirement Benefit.

A *Participant* may vest if he or she has credit for at least 25 years of *Allowable Servic*e in the *Transit Authority*, but has not attained age 55. The vested benefit would be payable at age 55. A *Participant* may also vest under the 62/5 Plan if he or she has at least five years of *Credited Service*.

Service Retirement Benefit

AParticipant with 25 or more years of *Allowable Service* in the *Transit Authority*, who has reached age 55 (and has paid all the *AMCs* required), will be eligible to receive a Service Retirement Benefit equal to:

2% of *FAS* for each year of Allowable Service in the *Transit Authority*, up to 30 years of such service,

plus

1 1/2 % times *FAS* for each year of *Allowable Service* in the *Transit Authority* in excess of 30 years of such service

Vested Retirement Benefit

A *Participant* in the *Transit 25/55 Program* with at least 25 years of *Allowable Servic*e in the *Transit Authority*, who has not attained age 55 (but has paid all the *AMCs*), is eligible for a Vested Retirement Benefit which becomes payable on his or her 55th birthday. A *Participant* with five or more years of *Credited Service* but less than 25 years of *Allowable Service* in the *Transit Authority* is eligible for a Vested Retirement Benefit under the 62/5 Plan, (Basic Tier 4) payable at age 62.

The Vested Retirement Benefit is computed as follows:

- 2% of *FAS* for each year of *Allowable Service* in the *Transit Authority*, up to 30 years of such service,

PLUS

- 1 1/2 % times *FAS* times the years of *Allowable Service* in the *Transit Authority* in excess of 30 years of such service

Transit Authority employees whose employment ends after qualifying for a Vested Retirement Benefit should contact the Transit Authority to obtain information on medical benefits after retirement.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)
TBTA

Triborough Bridge & Tunnel Authority (TBTA) 20-Year and Age-50 Retirement Program

The TBTA 50/20 Program is available **ONLY** to people employed in a *TBTA Eligible Position* in the Triborough Bridge & Tunnel Authority **(see Glossary).**

Participation is **OPTIONAL** for any person who:

was a Tier 4 member on August 2, 1995, **and**

- was employed in a *TBTA Eligible* Position on that date, **and**
  filed an election form with NYCERS to participate in the *Program* within 180 days of becoming employed in a *TBTA Eligible Position*
  OR
- last became a Tier 4 member of a New York City or State retirement system prior to August 2, 1995, **and** became employed in a *TBTA Eligible Position* after that date, and filed an election to participate in the Program within 180 days of becoming employed in a *TBTA Eligible Position*

Participation is **MANDATORY** for any person who:

- is employed in a *TBTA Eligible Position* after August 2, 1995, and
- becomes a Tier 4 member after that date

Any person **who was** a member of NYCERS employed in a *TBTA Eligible Position* on August 2, 1995 **had** the option to become a *Participant* of the *TBTA 50/20 Retirement Program* by filing an election with NYCERS **no later than** October 15, 1997. **THIS OPTION HAS EXPIRED.**

ONCE AN ELECTION TO PARTICIPATE IN THE
TBTA 50/20 RETIREMENT PROGRAM IS FILED WITH NYCERS,
IT MAY NOT BE REVOKED.

When any *Participant* in the Program ceases to hold a position qualifying him/her for participation in the Program, he/she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service in a *TBTA Eligible Position* and returns to such service at a later date will be mandated into participation in the *Program* on that date (refer also to the AMC Deficiency section).

SPECIAL OCCUPATIONAL GROUP PROGRAMS
TBTA

AMCs ARE MANDATORY

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, *Participants* must contribute to NYCERS an additional:

- 5.50% if they are a Bridge & Tunnel Officer
- 6.00% if they are a Bridge & Tunnel Sergeant or Lieutenant

AMCs must be paid on all Wages earned from service rendered in a *TBTA Eligible Position* on or after February 3, 1995.

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF.* The *MCAF* contains only the members' basic contributions of 3% of *Wages*. Both funds earn interest of 5% per-annum, compounded annually.

PARTICIPANTS ARE REQUIRED TO MAKE *AMCs* FOR THE FIRST 30 YEARS OF *CREDITED SERVICE* IN A *TBTA ELIGIBLE POSITION*

Deficiency

Any *Participant* who, while in *Active Service*, has not paid in full any contribution deficiency **will not** be entitled to a Service Retirement Benefit or Vested Retirement Benefit under the Program.

A *Participant* who ceases to be employed in a *TBTA Eligible Position*, and withdraws his or her *AMCs* (and earned interest thereon) and later becomes a *Participant* again, will be charged with a contribution deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* never had been made. Payment of a deficiency can be made in a lump sum or through payroll deductions. Chapter 329 of the Laws of 1998 allows pensioners to pay their deficiencies through pension deductions. Under this special provision all payment must be made by June, 2007.

Disability retirement and death benefits payable by NYCERS to a *Participant,* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

Loans

A *Participant* in the *TBTA 50/20* Program may borrow up to 75% of his or her *AMCs* under the same rules as for "regular" loans to Tier 4 members.

Refunds

A *Participant* who has rendered less than 15 years of *Allowable Service* as a *TBTA Member* and who ceases to hold such a position, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

NOTE: Once a *Participant* has credit for 15 or more years of *Allowable Service* as a *TBTA Member*, no withdrawal of *AMCs* is possible.

WITHDRAWAL OF *AMCs* WILL TRIGGER A FEDERAL TAX LIABILITY
AND MAY RESULT IN A TAX PENALTY.

REPAYMENT OF ANY DEFICIENCY IN *AMCs* IS NOT ELIGIBLE
FOR DEFERRED TREATMENT UNDER FEDERAL INCOME TAX RULES [IRC Section 414(h)].

Loans Against *AMCs*

Any outstanding loan against a *Participant's AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded to the member. If you are eligible for a refund of *AMCs* in the *Participant's Special Program*, the amount of the outstanding loan against the *Participant's AMCs* will be deducted from the member's *MCAF* account before the refund is processed.

Age Requirement to Qualify for Benefits

A *Participant* must be at least age 50 with 20 or more years of *Credited Service* to be eligible to receive a Service Retirement Benefit. A *Participant* may vest if he or she has at least five but less than 20 years of *Credited Service*. The Vested Benefit becomes payable on the date the *Participant* reaches age 50 and could have completed 20 years of *Credited Service* if he or she had continued in the service of the TBTA. If a *Participant* has at least five years but less than 15 years of *Credited Service*, he or she can vest under the 62/5 Plan.

Service Retirement Benefit

A *Participant* with 20 or more years of *Credited Service* will be eligible to receive a Service Retirement Benefit, as early as age 50, equal to:

- 50% of FAS for the first 20 years of *Credited Service,*
  PLUS
- 1 1/2 % times *Final Compensation* for each year of *Credited Service* in excess of 20, to a maximum of 30 years of such service

Vested Retirement Benefit

Participants in the *TBTA 50/20 Program* with 15 or more years of *Credited Service* will be eligible for a Vested Retirement Benefit which becomes payable on the date the *Participant* could have retired for service.

That is, **THE LATER OF**:

- the date the member could have completed 20 years of *Credited Service* in a *TBTA Eligible Position,* if discontinuance had not occurred,
  OR
- age 50

The Vested Retirement Benefit is computed as :

- 2 1/2 % times *FAS* for each year of *Credited Service*

SPECIAL OCCUPATIONAL GROUP PROGRAMS
Dispatchers

25-Year Retirement Program for Dispatcher Members
(Dispatchers 25-Year Program)

The *Dispatchers 25-Year Retirement Program* is available **ONLY** to Dispatcher Members **(see below for a list of program titles).**

Allowable Service as a Dispatcher Member:

- Service as a Dispatcher Member,
  and
- All service in the following NYC Civil Service titles:

  Chief Fire Alarm Dispatcher, Administrative Fire Alarm Dispatcher, Bus Operator (Transit), Train Dispatcher (Transit), Firefighter, Police Officer, Correction Officer, Fire Marshal, Probation Officer, Police Communications Technician, Supervising Police Communications Technician, Principal Police Communications Technician, Police Administrative Aide, Senior Police Administrative Aide, Emergency Medical Technician, Advanced Emergency Medical Technician, Emergency Medical Service Specialist, levels 1 and 2, Fire Prevention Inspector, Fire Protection Inspector, Senior Fire Prevention Inspector, Principal Fire Prevention Inspector, Associate Fire Protection Inspector, County Detective, Detective (NYPD), Detective Investigator, Senior Detective Investigator, Deputy Sheriff, Senior Deputy Sheriff, Inspector of Fire Alarm Boxes, Radio Operator, Radio Repair Technician, Supervisor of Radio Repair Operations, Taxi and Limousine Inspector, Senior Taxi and Limousine Inspector, Triborough Bridge and Tunnel Officer,

and

A member of NYCERS who is employed by the City of New York in a title whose duties require the supervision of employees whose Civil Service title is included above.

Any person who **was** a Tier 4 Dispatcher Member on December 8, 2000 **had the option** to elect to become a *Participant* in the *Dispatchers 25-Year Program* by filing an election form with NYCERS no later than June 6, 2001. **THAT OPTION HAS EXPIRED.**

Participation is **OPTIONAL** for any person who

- was a Tier 4 *Dispatcher Member* on December 8, 2000 and had the option to elect to become a Participant in the *Dispatcher 25-Year Program* by filing and election form with NYCERS no later than June 6, 2001. **THAT OPTION HAS EXPIRED**

  OR
- was already a Tier 4 member of NYCERS on December 8, 2000 and became a *Dispatcher Member* after that date (must have filed an election form to participate with NYCERS within 180 days of becoming a *Dispatcher Member*), **provided**
- they are a *Dispatcher Member* on the date such application is filed with NYCERS

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Participation is **MANDATORY:**

- for any Dispatcher member who becomes a Tier 4 Member of NYCERS after December 8, 2000. Such a member shall become a *Participant* in the Program on the date he or she becomes a *Dispatcher Member*

ONCE AN ELECTION TO PARTICIPATE IN THE
DISPATCHERS 25-YEAR PROGRAM IS FILED WITH NYCERS,
IT MAY NOT BE REVOKED

Special Rule Regarding Participation

A person who becomes a Tier 4 Member of NYCERS after December 8, 2000 **who has exceeded age 30** upon becoming employed as a *Dispatcher Member* **SHALL BE EXEMPT FROM PARTICIPATION** in the *Dispatchers 25-Year Program* **IF SUCH PERSON ELECTS NOT TO PARTICIPATE** by filing a duly executed form (Form # 177) with NYCERS within 180 days of becoming a *Dispatcher Member.*

Such person, who elects to be exempt from participation in the *Dispatchers 25-Year Program* will be mandated into the Chapter 96, *Age-57 Program.*

***AMCs* ARE MANDATORY**

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, *Participants* must contribute to NYCERS *AMCs* of 6% of their gross *Wages* each payroll period for all applicable service as a *Dispatcher Member* rendered on and after December 8, 2000.

A *Participant* must contribute *AMCs* **until the later of:**

the date he or she has attained 30 years of *Allowable Service as a Dispatcher Member,*

- ***OR***

December 8, 2001

- These contributions are in lieu of *AMCs* under Chapter 96 of the laws of 1995, and no member paying these contributions is required to pay Chapter 96 *AMCs*. For additional information on Chapter 96, refer to **THE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS** section in the beginning of this booklet.

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF* account. The *MCAF* contains only the member's contributions of *3% of Wages,* plus interest of 5% per-annum, compounded annually.

Deficiency

Where a *Participant* who is otherwise eligible to receive a Service Retirement Benefit did not, prior to the effective date of retirement, pay the entire amount of a contribution deficiency, or repay the entire amount of a loan of his or her *AMCs*, is still eligible to retire. However, that *Participant's* benefit will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

A Disability Retirement and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

Loans

A *Participant* in the *Dispatchers 25-Year Program* may borrow up to 75% of his or her *AMCs* under the same rules for loans to Tier 4 members.

Refunds

A *Participant* who has rendered less than 15 years of *Allowable Service* as a *Dispatcher Member* and who ceases to hold such a position, **for any reason whatsoever,** may withdraw his or her *AMCs*, and interest earned thereon. Any outstanding loan against the *Participant's AMCs* will be deducted from the amount on deposit, before it is refunded to the member.

ONCE A *PARTICIPANT* HAS CREDIT FOR 15 OR MORE YEARS OF
ALLOWABLE SERVICE AS A *DISPATCHER MEMBER*,
NO WITHDRAWAL OF *AMCs* IS POSSIBLE.

Loans Against *AMCs*

Any outstanding loan against a *Participant's AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded to the member. If you are eligible for a refund of *AMCs* in the *Participant's Special Program,* the amount of the outstanding loan against the *Participant's AMCs* will be deducted from the member's *MCAF* account before the refund is processed.

Any *Participant* in the Program, who terminates service as a *Dispatcher Member* and returns to such service at a later date, will be mandated into participation in the Program on that date.

Service Retirement Benefit

A *Participant*, regardless of age, with credit for 25 or more years of *Allowable Service as a Dispatcher Member,* who files an application for retirement at **least 30 days before it is to become effective**, will be eligible to receive a Service Retirement Benefit equal to:

- 50% times *FAS* for the first 25 years of *Allowable Service* as a *Dispatcher Member*,
  PLUS
- 2% times *FAS* for each additional year of *Allowable Service* as a *Dispatcher Member,* up to 30 years of such service

Special Filing Requirement for Dispatcher Members

Participants in the *Dispatchers 25-Year Program* must file a service retirement application with NYCERS at least 30 days before it is to be effective. Such members may file their retirement application up to 90 days before it is to be effective.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Vested Retirement Benefit

Participants in the *Dispatchers 25-Year Program* with at least five but less than 25 years of *Allowable Service as a Dispatcher Member* will be eligible for a Vested Retirement Benefit that will become payable on the date the *Participant* could have completed 25 years of *Allowable City Service*, if he or she had continued in City service. If a *Participant* has at least five years of *Credited Service*, he or she can vest under the *62/5 Plan.*

The Vested Retirement Benefit is computed as :

- 2.20% of *Final Salary* times years of *Allowable Service as a Dispatcher Member*

SPECIAL OCCUPATIONAL GROUP PROGRAMS
EMT

EMT 25-Year Retirement Program

The EMT 25-Year Program is available **ONLY** to *EMT Members* **(see Allowable Service on the next page for list of titles).**

Participation is **OPTIONAL** for any person who:

- was a Tier 4 EMT Member on December 8, 2000 and had the option to elect to become a *Participant* in the EMT 25-Year Program by filing an election form with NYCERS no later than June 6, 2001. **THAT OPTION HAS EXPIRED**
- was a Tier 4 member of NYCERS on December 8, 2000, and became an EMT Member after December 8, 2000. Such a person may elect to become a *Participant* in the Program by filing an election form with NYCERS within 180 days after becoming a *EMT Member*, **provided** they are an *EMT Member* on the date such application is filed with NYCERS

ONCE AN ELECTION TO PARTICIPATE IN THE EMT 25-YEAR PROGRAM IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

Participation is **MANDATORY:**

- For any *EMT Member* who becomes a Tier 4 member after December 8, 2000. Such a member shall become a *Participant* in the Program on the date he/she becomes an *EMT Member*

SPECIAL RULE REGARDING PARTICIPATION

A person who becomes a Tier 4 Member after December 8, 2000 and who has exceeded the age of 25 upon becoming employed as an *EMT Member* SHALL BE EXEMPT FROM PARTICIPATION in the *EMT 25-Year Program* IF SUCH PERSON ELECTS NOT TO PARTICIPATE by filing a duly executed form (Form # 176) with NYCERS within 180 days of becoming an *EMT Member*.

A person, as described above, who elects to be exempt from participation in the *EMT 25-Year Program* will be mandated into the Chapter 96, Age-57 Program.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Allowable Service as an EMT Member

Allowable Service as an EMT Member is service rendered by a member of NYCERS while employed by the City of New York or the NYC Health & Hospitals Corporation in a title whose duties are those of an Emergency Medical Technician (EMT), or Advanced EMT (AEMT) or in a title whose duties require the supervision of employees whose duties are those of an EMT or AEMT,

and

All service while employed by the City of New York or the New York City Health & Hospitals Corporation in the title Motor Vehicle Operator.

Any *Participant* in the Program, who terminates service as an *EMT Member* and returns to such service at a later date, will be mandated into participation in the Program on that date.

***AMCs* ARE MANDATORY**

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, Participants must contribute to NYCERS *AMCs* 6 % of gross *Wages* each payroll period for all service as an *EMT Member* rendered on and after December 8, 2000.

A Participant must contribute *AMCs* until the later of:

- the date he or she is eligible to retire with 30 years of *Allowable Service* as an *EMT Member,*
  OR
- December 8, 2001

These contributions are in lieu of *AMCs* under Chapter 96 of the Laws of 1995, and no member paying these contributions is required to pay Chapter 96 *AMCs*. For additional information on Chapter 96, refer to **THE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS** Section at the beginning of this booklet.

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF* account. The *MCAF* contains only the member's contributions of 3% of *Wages*. Both funds earn interest of 5% per-annum, compounded annually.

Deficiencies

Where a *Participant* who is otherwise eligible to receive a Service Retirement Benefit did not, prior to the effective date of retirement, pay the entire amount of a contribution deficiency, or repay the entire amount of a loan of his or her *AMCs*, is still eligible to retire. However, that *Participant's* benefit will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

A Disability Retirement and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

Loans

A *Participant* in the *EMT 25-Year Program* may borrow up to 75% of his or her *AMCs* under the same rules for loans to Tier 4 members.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Refunds

A *Participant* who has rendered less than 15 years of *Allowable Service* as an *EMT Member* and who ceases to hold such a position, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon. Any outstanding loan against the *Participant's AMCs* will be deducted from the amount on deposit, before it is refunded to the member.

Loans Against *AMCs*

Any outstanding loan against a *Participant's AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded to the member. If you are eligible for a refund of *AMCs* in the *Participant's Special Program*, the amount of the outstanding loan against the *Participant's AMCs* will be deducted from the member's *MCAF* account before the refund is processed.

Service Retirement Benefit

A *Participant,* regardless of age, with credit for 25 or more years of *Allowable Service* as an *EMT Member,* and who files an application for retirement at least 30 days before it is to become effective, will be eligible to receive a Service Retirement Benefit equal to:

- 50% times *FAS* for the first 25 years of *Allowable Service* as an *EMT* Member,
  PLUS
- 2% times *FAS* for each additional year of *Allowable Service* as an *EMT Member*, up to 30 years of such service

Special Filing Requirement for EMT Members

Participants in the *EMT 25-Year Program* must file a service retirement application with NYCERS at least 30 days before it is to be effective. Such members may file their retirement application up to 90 days before it is to be effective.

Vested Retirement Benefit

Participants in the *EMT 25-Year Program* with at least five but less than 25 years of *Allowable Service* as an *EMT Member* will be eligible for a Vested Retirement Benefit that will become payable on the date the *Participant* could have completed 25 years of *Allowable Service* as an *EMT Member*, if he or she had continued in City service. If a *Participant* has at least five years of *Credited Service*, he or she can vest under the 62/5 Plan.

The Vested Retirement Benefit is computed as :

- 2.20% of *Final Salary* times years of *Allowable Service* as an *EMT Member*

SPECIAL OCCUPATIONAL GROUP PROGRAMS
Deputy Sheriff

Deputy Sheriff 25-Year Retirement Program
(25-Year Retirement Program for Deputy Sheriff Members)

The ***Deputy Sheriff 25-Year Program*** is available **ONLY** to members employed by the City of New York as a Deputy Sheriff level one, Deputy City Sheriff level two, Supervising Deputy Sheriff or Administrative Sheriff.

A Tier 4 Deputy Sheriff member who does not participate or discontinues service in the Deputy Sheriff 25-Year Program is eligible for Basic Tier 4 (62/5) plan service retirement benefits.

ELIGIBILITY

Participation is **OPTIONAL** for any person who:

- **was** a Tier 4 Deputy Sheriff Member on December 12, 2001 (must file an election form to participate with NYCERS no later than June 10, 2002),

  OR

- was already a Tier 4 member of NYCERS on December 12, 2001, **and became** a *Deputy Sheriff Member* after December 12, 2001 (must file an election form to participate with NYCERS within 180 days after becoming a *Deputy Sheriff Member)*

  provided

- they are a *Deputy Sheriff Member* on the date such application is filed with NYCERS

ONCE AN ELECTION TO PARTICIPATE IN THE *DEPUTY SHERIFF 25-YEAR PROGRAM* IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

Participation is **MANDATORY:**

- For any *Deputy Sheriff Member* who becomes a Tier 4 member after December 12, 2001. Such a member shall become a *Participant* in the Program on the date he/she becomes a *Deputy Sheriff Member*

When any *Participant* in the Program ceases to hold a position qualifying him or her for participation in this Program, he or she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service as a *Deputy Sheriff Member* and returns to such service at a later date, will be mandated into participation in the Program on that date (refer also to the AMC Deficiency section).

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

AMCs ARE MANDATORY

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, *Participants* must contribute to NYCERS *AMCs* of 6 3/4 % of gross Wages each payroll period for all *Credited Service* rendered on and after December 12, 2001.

A Participant must contribute *AMCs* **until the later of:**

- the date he or she has attained 30 years of *Credited Service* as a *Deputy Sheriff Member,*
  OR
- December 12, 2002

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF*. The *MCAF* maintains only the member's regular 3%, Tier 4 contributions.

These contributions are in lieu of *AMCs* under Chapter 96 of the laws of 1995, and no member paying these contributions is required to pay Chapter 96 *AMCs*. For additional information on Chapter 96, refer to **THE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS** Section at the beginning of this booklet.

AMCs are Tax Deferred

All *AMCs* made from wages earned on and after December 12, 2001 are not included in current gross income for Federal income tax purposes [IRC §414(h)]. However, those contributions are subject to New York City, New York State, and Social Security taxes. Any distribution of these *AMCs* makes them subject to Federal income tax.

Deficiency

Any *Participant*, who is otherwise eligible to receive a Service Retirement Benefit (or a deferred vested benefit), but did not pay the entire amount of a contribution deficiency in his or her *AMCs,* prior to the effective date of retirement (or date of discontinuance), is still eligible to retire (or vest). However, that *Participant's* benefit will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

Disability Retirement and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

A *Participant* who ceases to be employed as a Deputy Sheriff and withdraws his or her *AMCs* (and earned interest), and later becomes a *Participant* again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* had never been made. Payment of a deficiency can be made in a lump-sum or through payroll deductions.

Loans

A ***Participant*** in the *Deputy Sheriff 25-Year Program* shall not be permitted to borrow from any portion of his or her *AMCs.*

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Refunds

A *Participant* who has rendered less than 15 years of *Credited Service* and who ceases to hold such a position, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon.

Service Retirement Benefit

A *Participant,* regardless of age, with credit for 25 or more years of *Credited Service*, and who files an application for retirement **at least 30 days before it is to become effective,** will be eligible to receive a Service Retirement Benefit equal to:

- 55% times *FAS* for the first 25 years of *Credited Service,*
  PLUS
- 1.7% times *FAS* for each additional year (or fraction) of *Credited Service*, up to 30 years of such service

Note: *Participants* may not retire under this Program prior to December 12, 2002.

Vested Retirement Benefit

Participants in the *Deputy Sheriff 25-Year Program* with at least five but less than 25 years of *Credited Service* will be eligible for a Vested Retirement Benefit that will become payable on the date the *Participant* could have completed 25 years of *Credited Service*, if he or she had continued in City service.

The Vested Retirement Benefit is computed as :

- 2.2% of *Final Average Salary* times years of *Credited Service*

SPECIAL OCCUPATIONAL GROUP PROGRAMS
Automotive Service Workers

Automotive Service Workers 25-Year And Age 50 Retirement Program

The Automotive Service Workers 25-Year and Age 50 Retirement Program is available **ONLY** to members employed by the City of New York as senior automotive service workers, automotive service workers, auto body workers, auto mechanics, marine maintenance mechanics, and oil burner specialists.

ELIGIBILITY

Participation is **OPTIONAL:**

- for any person who was a Tier 4 *Automotive Service Worker* on December 12, 2001 (must file an election form to participate with NYCERS no later than June 10, 2002)

  OR

- was already a Tier 4 member of NYCERS on December 12, 2001, and became an *Automotive Service Worker* after December 12, 2001 (must file an election form to participate with NYCERS within 180 days after becoming an *Automotive Service Worker* **provided**
- they are an *Automotive Service Worker* on the date such application is filed with NYCERS

ONCE AN ELECTION TO PARTICIPATE IN THE
***AUTOMOTIVE 50/25 RETIREMENT PROGRAM* IS FILED WITH NYCERS,**
IT MAY NOT BE REVOKED

Participation is **MANDATORY:**

- for any *Automotive Service Worker* who becomes a Tier 4 member after December 12, 2001. Such a member shall become a *Participant* in the Program on the date he or she becomes an *Automotive Service Worker*

When any *Participant* in the Program ceases to hold a position qualifying him/her for participation in the Program, he/she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service in an *Automotive Service Worker Eligible Position* and returns to such service at a later date will be mandated into participation in the *Program* on that date (refer also to the AMC Deficiency section).

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Allowable Service as an Automotive Service Worker

Allowable Service as an Automotive Service Worker is all membership service while employed by the City of New York as a senior automotive service worker, automotive service worker, auto body worker, auto mechanic, marine maintenance mechanic, or oil burner specialist.

AMCs ARE MANDATORY

In addition to the basic contributions of 3% of Wages that all Tier 4 members are required to pay, *Participants* must contribute to NYCERS *AMCs* of 4.83% of their gross *Wages* each payroll period for all *Allowable Service as an Automotive Service Worker* rendered on and after December 12, 2001.

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF*. The *MCAF* contains only the members' regular 3%, Tier 4 contributions.

These contributions are in lieu of *AMCs* under Chapter 96 of the laws of 1995, and no member paying these contributions is required to pay Chapter 96 *AMCs*. For additional information on Chapter 96, refer to **THE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS** Section in the beginning of this booklet.

AMCs are Tax Deferred

All *AMCs* made from wages earned on and after December 12, 2001 are not included in current gross income for Federal income tax purposed [IRC §414(h)]. However, those contributions are subject to New York City, New York State, and Social Security taxes. Any distribution of these *AMCs* makes them subject to Federal income tax.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Deficiency

Any *Participant* who, while in Active Service, has not paid in full any contribution deficiency will not be entitled to a Service Retirement Benefit or Vested Retirement Benefit under the Program.

A *Participant* who ceases to be employed in an *Eligible Position* as an *Automotive Service Worker* and withdraws his or her *AMCs* (and earned interest), and later becomes a *Participant* again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* had never been made. Payment of a deficiency can be made in a lump-sum or through payroll deductions.

A Disability Retirement Benefit and a Death Benefit, payable by NYCERS to a Participant or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

Loans

A *Participant* in the *Automotive 50/25 Program* may borrow up to 75% of his or her *AMCs* under the same rules for loans to Tier 4 members.

Refunds

A *Participant* who has rendered less than 15 years of *Allowable Service* as an *Automotive Service Worker Member* and who ceases to hold such a position, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon.

Age Requirement to Qualify for Benefits

A *Participant* must be at least age 50 with 25 or more years of *Credited Service* to be eligible to receive a Service Retirement Benefit.

A *Participant* may vest if he or she has at least five but less than 25 years of *Credited Service.* The Vested Benefit becomes payable on the date the *Participant* attained age 50 and would have completed 25 years of *Credited Service* if he or she had continued in the service of the *Automotive Service Workers.*

Service Retirement Benefit

A Participant with 25 or more years of *Credited Service* will be eligible to receive a Service Retirement Benefit, as early as age 50, equal to:

- 50% of *FAS* for the first 25 years of *Credited Service*,

  PLUS

- 2% times *Final Salary* for each year of *Credited Service* in excess of 25, to a maximum of 30 years of such service

Note: *Participants* may not retire under this Program prior to December 12, 2004.

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

Vested Retirement Benefit

Participants in the *Automotive Service Worker 50/25 Program* with five or more years of *Credited Service* will be eligible for a Vested Retirement Benefit which becomes payable on the date the *Participant* reaches age 50 and could have completed 25 years of *Credited Service* as an *Automotive Service Worker,* if he or she had continued in City service. You may not have a deficit in your *AMCs* in order to be eligible for the vested benefit. You may not file for a Vested Retirement Benefit prior to December 12, 2004.

The Vested Retirement Benefit is computed as :

- 2% times *FAS* for each year of *Credited Service*

SPECIAL OCCUPATIONAL GROUP PROGRAMS
Special Officer

Special Officer 25-Year Retirement Program

The *Special Officer 25-Year Program* is available **ONLY** to peace officers employed either as special officers by a mayoral agency of the City of New York; parking control specialists employed by the NYC DOT; school safety agents employed by the NYPD; campus peace officers employed by the City University of New York; or taxi & limousine inspectors employed by the NYC Taxi & Limousine Commission.

ELIGIBILITY

Participation is **OPTIONAL:**

- for any person who was a Tier 4 member of NYCERS in a *Special Officer* title on December 19, 2001 (must file an election form to participate with NYCERS no later than June 17, 2002),
  OR
- was already a Tier 4 member of NYCERS on December 19, 2001, and became a *Special Officer Member* after December 19, 2001 (must file an election form to participate with NYCERS within 180 days after becoming a *Special Officer* member) **provided**
- they are a *Special Officer* member on the date such application is filed with NYCERS

ONCE AN ELECTION TO PARTICIPATE IN THE
***SPECIAL OFFICER 25-YEAR PROGRAM* IS FILED WITH NYCERS,**
IT MAY NOT BE REVOKED.

Participation is **MANDATORY:**

- For any *Special Officer* member who becomes a Tier 4 member after December 19, 2001. Such a member shall become a *Participant* in the Program on the date he/she becomes a *Special Officer* member

SPECIAL RULE REGARDING PARTICIPATION

A person who becomes a Tier 4 Member after December 19, 2001 and has exceeded age 30 upon becoming employed as a *Special Officer Member* **SHALL BE EXEMPT FROM PARTICIPATION** in the *Special Officer 25-Year Program* **IF SUCH PERSON ELECTS NOT TO PARTICIPATE** by filing a duly executed form (Form # 186) with NYCERS within 180 days of becoming a *Special Officer Member.* A person, as described above, who elects to be exempt from participation in the *Special Officer 25-Year Program* **will be mandated into the Chapter 96, Age-57 Program.**

When any *Participant* in the Program ceases to hold a position qualifying him or her for participation in this Program, he or she shall cease to be a *Participant* and shall not be eligible for the benefits of the Program.

Any *Participant* in the Program, who terminates service as a *Special Officer Membe*r and returns to such service at a later date, will be mandated into participation in the Program on that date (refer also to the AMC Deficiency section).

Allowable Service as a Special Officer

All service while employed (as a peace officer) by the City of New York, Health & Hospitals Corporation, Board of Education, City University of New York, or Taxi & Limousine Commission.

***AMCs* ARE MANDATORY**

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, *Participants* must contribute to NYCERS *AMCs* 6 % of gross *Wages* each payroll period for all service as a *Special Officer Member* rendered on and after December 19, 2001.

A *Participant* must contribute *AMCs* **until the later of:**

- the date he or she has attained 30 years of *Allowable Service* as a *Special Officer Member*, **OR**
- December 19, 2002

These contributions are in lieu of *AMCs* under Chapter 96 of the Laws of 1995, and no member paying these contributions is required to pay Chapter 96 *AMCs*. For additional information on Chapter 96, refer to T**HE VARIOUS TIER 4 RETIREMENT PLANS AND PROGRAMS** section at the beginning of this booklet.

AMCs are maintained in the *RRF*, which is an account maintained separately from the *MCAF* account. The *MCAF* contains only the member's contributions of 3% of *Wages.* Both funds earn interest of 5% per-annum, compounded annually.

***AMCs* are Tax Deferred**

All *AMCs* made from *Wages* earned on and after December 19, 2001 are not included in current gross income for Federal income tax purposes [IRC §414(h)]. However, those contributions are subject to New York City, New York State, and Social Security taxes. Any distribution of these *AMCs* makes them subject to Federal income tax.

Deficiency

Where a *Participant* who is otherwise eligible to receive a Service Retirement Benefit (or Vested Benefit) did not, prior to the effective date of retirement (or date of discontinuance), pay the entire amount of a contribution deficiency, or repay the entire amount of a loan against his or her *AMCs*, that *Participant*, nevertheless, shall be eligible to retire (or vest). However, that *Participant's* benefit will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

SPECIAL OCCUPATIONAL GROUP PROGRAMS (continued)

A *Participant* who ceases to be employed in a *Special Officer* title and withdraws his or her *AMCs* (and earned interest), and later becomes a *Participant* again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if such *AMCs* had never been made. Payment of a deficiency can be made in a lump-sum or through payroll deductions.

A Disability Retirement and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs.*

Loans

A *Participant* in the *Special Officer 25-Year Program* may borrow up to 75% of his or her *AMC*s under the same rules for loans to Tier 4 members.

Refunds

A *Participant* who has rendered less than 15 years of *Credited Service* and who ceases to hold such a position in a covered title, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon. Any outstanding loan against the *Participant's AMCs* will be deducted from the amount on deposit, before it is refunded to the member. With 15 or more years of *Credited Service*, no withdrawal is possible. There are tax consequences with respect to such a refund.

Service Retirement Benefit

A *Participant,* regardless of age, with credit for 25 or more years of *Allowable Service* as a *Special Officer Member,* is eligible to receive a Service Retirement Benefit. No *Participant* may retire under this plan prior to December 19, 2002. The member must have paid all *AMCs* prior to the effective date of retirement, and file an application for retirement at **least 30 days before** it is to become effective. The early Service Retirement Benefit will be equal to:

- 50% times *FAS* for the first 25 years of *Allowable Service* as a *Special Officer Member,*
  PLUS
- 2% times *Final Salary* for each additional year of *Allowable Service* as a *Special Officer Member*, up to 30-years of such service

Vested Retirement Benefit

Participants in the *Special Officer 25-Year Program* with at least five but less than 25 years of *Allowable Service* will be eligible for a Vested Retirement Benefit that will become payable on the date the *Participant* could have completed 25 years of *Allowable Service,* if he or she had continued in City service. If a *Participant* has at least five years of *Credited Service*, he or she can vest under the 62/5 Plan.

The Vested Retirement Benefit is computed as :

- 2% of *FAS* for each year (or fraction thereof) of *Allowable Service* as a *Special Officer Member*

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

Eligibility

If you last joined a public employee retirement system of the City or State of New York after July 26, 1976 and **prior** to September 1, 1983, you are eligible to elect Tier 3 benefits. Tier 3 benefits may be more advantageous to you than Tier 4 benefits, or they may be the only benefits to which you are entitled.

IF YOU LAST JOINED A PUBLIC EMPLOYEE RETIREMENT SYSTEM OF THE CITY OR STATE OF NEW YORK AFTER AUGUST 31, 1983, YOU ARE COVERED ONLY BY TIER 4 BENEFITS AND DO NOT HAVE THE OPTION OF ELECTING TIER 3 BENEFITS.

Prior to Chapter 553 of the Laws of 2000, there was no early retirement provision for Tier 4 members, thus, if you wanted to retire prior to age 62, you would invoke your Tier 3 rights. Currently, Tier 4 generally provides greater benefits than Tier 3. However, depending on the circumstances, there may be individual situations where Tier 3 benefits are preferable, or are the only benefits to which you are entitled.

You may not mix the provisions of Tiers 3 and 4 to change the eligibility requirements for a benefit under either plan. Many Tier 3 features are either similar or identical to Tier 4. The more significant differences are explained below.

Contributions

Both Tier 3 and Tier 4 members are required to contribute 3% of *Wages.* However, under Tier 3, the 3% contribution is not required after 30 years of *Credited Service.*

Service Credit

As with Tier 4, Tier 3 Credited Service includes:

- X *Membership Service*, (see page 6)
- X *Military Service,* (see page 9)
- X *Part-Time Service*, (see page 11)
- X *Previous Service,* (see page 6)
- X *Transferred Service*, (see page 6)

Tier 3 members, unlike Tier 4 members, cannot purchase previous service credit earned while a member of a New York State or another City (non-NYCERS) retirement system.

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

Service Retirement

Tier 3 permits you to elect to receive a **reduced** Early Service Retirement Benefit beginning between ages 55 and 62. Since legislation enacted in 2000, the *Basic Tier 4 Plan* also has this early service retirement provision.

If you are a Tier 4 member with Tier 3 rights, with at least ten years of *Credited Service*, including at least five years of *Membership Service*, and reached age 55, you are eligible to receive a Tier 3 Early Service Retirement Benefit. In addition to a reduction due to age, your benefit amount will be further reduced by 50% of the Primary Social Security Benefit[+] paid to you when you reach age 62.

[+] **PLEASE NOTE:** For offset purposes, your Primary Social Security Benefit is calculated only on the basis of your earnings in covered employment for which you also received *Credited Service* in NYCERS.

Tier 3 Service Retirement Benefit

Your Service Retirement Benefit (at age 62) is calculated as follows:

- **If you have less than 20 years of *Credited Service:***
  1 2/3 % times *Final Average Salary (FAS*) times the years of *Credited Service,*
  minus
  50% of your Primary Social Security Benefit, as noted above

- **If you have 20 or more years of Credited Service:**
  2% times FAS times the years of Credited Service (up to a maximum of 30 years of *Credited Service),*
  minus
  50% of your Primary Social Security Benefit, as noted above

Tier 3 Early Service Retirement Benefit

Your Early Service Retirement Benefit (between ages 55 and 62) is calculated and reduced as follows:

- **If you have less than 20 years of Credited Service:**
  1 2/3 % *times Final Average Salary times* the years of *Credited Service*

- **If you have 20 or more years of Credited Service:**
  2% times Final Average Salary times the years of *Credited Service* (up to a maximum of 30 years of Credited Service)

NOTE: A deficit in your *MCAF* will result in a reduction in benefit in the Tier 3 Service Retirement Benefit and the Tier 3 Early Service Retirement Benefit.

YOUR BENEFITS WILL BE SUBJECT TO THE FOLLOWING REDUCTIONS AT RETIREMENT	
AGE AT RETIREMENT	**PERCENTAGE OF BENEFIT REDUCTION**
61	6.7%
60	13.3%
59	16.7%
58	20.0%
57	23.3%
56	26.7%
55	30.0%

After your 62nd birthday, your Maximum Retirement Benefit (before reduction for a survivor option) will be further reduced by 50% of the Primary Social Security Benefit paid to you, as noted on pg. 72.

SPECIAL NOTICE CONCERNING UNPAID LOAN BALANCE

Non-payment of an outstanding loan may significantly decrease retirement benefits due you, will trigger a Federal tax liability, and may result in a tax penalty on the outstanding balance.

Two to three months after your retirement date, you will receive a letter stating the taxable amount of your outstanding loan. The letter will remind you that you may defer your tax liability by rolling the taxable amount into an IRA account.

Before you file for retirement, visit NYCERS to learn about the tax and retirement benefit consequences of an unpaid loan and about your repayment options.

Escalation: **Post-Retirement Increases**

If you retire on or after age 65, your Service Retirement Benefit increases by up to 3% a year, if the cost of living increases by 3% or more the preceding year. If the cost of living decreases in the preceding year, your benefit will be reduced by a corresponding percentage, but never by more than 3% in any year. In no event will your benefit be reduced below the amount of your initial benefit at retirement.

If you retire between ages 62 and 65, your Escalation will be reduced by 1/36 for each month your retirement precedes age 65. In order to qualify for full post-retirement increases, you may postpone receipt of your Service Retirement Benefit until your 65th birthday. **Tier 4 does not provide for post-retirement increases.**

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

In Summary

Tier 3 Service Retirement Benefits:

- are payable at a reduced rate as early as age 55;
- are further reduced by 50% of your Primary Social Security benefit, after your 62nd birthday, and include automatic post-retirement increases (or decreases) in percentages which vary according to your age when you begin to receive retirement benefits

Vesting

Vesting refers to your right to receive future plan benefits. If you terminate City employment with five or more years of *Credited Service*, including at least five years of *Membership Service*, you are entitled to receive an unreduced Vested Retirement Benefit after your 62nd birthday, or on a reduced basis as early as age 55, provided you made all required 3%, Tier 4 contributions. A deficit in your *MCAF* will result in a reduction in your benefit.

Filing Requirements

If you file a Notice of Intent to Vest with NYCERS when you terminate City employment, NYCERS will send you a notice and an application form (approximately 90 days) before you reach the date you have selected to begin receiving payment of your Vested Retirement Benefit (between ages 55 and 65). You must file an application before you will begin receiving payment of your Vested Retirement Benefit. You may file an application at any time within 90 days of the date you have selected to begin receiving benefits.

Vested Retirement Benefit:

- **If you have less than 20 years of *Credited Service*:**
  1 2/3 % times *FAS* times the years of *Credited Service*
- **If you have 20 or more years of *Credited Service:***
  2% times *FAS* times the years of *Credited Service* (up to a maximum of 30 years of *Credited Service)*

If you elect to receive your Vested Retirement Benefit prior to age 62:

- your benefit will be reduced by 50% of the Primary Social Security Benefit paid to you when you reach age 62, and
- benefits are immediately reduced according to the following schedule:

AGE AT PAYABILITY	PERCENTAGE OF BENEFIT REDUCTION
61	6.7%
60	13.3%
59	16.7%
58	20.0%
57	23.3%
56	26.7%
55	30.0%

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

You may postpone receipt of your Vested Retirement Benefit until your 65th birthday, in order to be eligible for full post-retirement escalation or until the age 62 for partial post-retirement Escalation (see page 73).

NOTE: Vested members are generally not eligible for Post Retirement Death Benefits.

PLEASE NOTE: City employees whose employment ends after qualifying for a Vested Retirement Benefit will not be covered by City-paid health insurance until they begin receiving retirement benefit checks.

Transit Authority employees whose employment ends after qualifying for a Vested Retirement benefit should contact the Authority to obtain information on medical benefits.

Retirement Options

Tier 3 provides almost the same benefit payment choices as Tier 4 (see pages 33 through 34) except Option 2 which is as follows:

Option 2:

Other Joint-and-Survivor Option

You receive a reduced monthly lifetime benefit. After your death, your surviving beneficiary receives 90% or less (you decided on the amount in increments of 10%) of your reduced benefit. You can name only one beneficiary, and cannot change the beneficiary you name. If your beneficiary dies before you do, your reduced benefit remains unchanged and for your lifetime, but ceases upon your death.

In-Service Survivor Annuity Option

Tier 3 members may be eligible to elect a special In-Service Survivor Annuity Option. If you are in *Active Service*, or if you have deferred receipt of benefits and have reached age 55, you may elect to provide financial protection for your beneficiary should you die before your retirement benefits commence. Under this option, you can elect to provide your beneficiary with a joint and survivor annuity under Options 1 or 2 to be payable should you die between ages 55 and 62, or at any later time before your retirement benefit begins.

If you elect this option, you pay the cost of this protection. Tier 3 benefits payable to you, or your survivor, are actuarially reduced to finance the cost of the survivor annuity. Moreover, the survivor annuity will be paid in lieu of any other death benefit available, unless such other benefit is greater.

If you are eligible to elect the In-Service Survivor Annuity Option, you should contact NYCERS to discuss the advantages or disadvantages of making this election.

Disability Retirement Benefits

If you are a Tier 4 member with Tier 3 rights (you became a member of NYCERS on or after July 27, 1976 but before September 1, 1983), you may be eligible to receive a Tier 3 Ordinary or Accidental Disability Retirement Benefit, even if you are not eligible for a Tier 4 Disability Retirement Benefit. You are entitled to apply for all three benefits simultaneously, as explained below. If you apply for and are awarded all three benefits, you must select the one benefit you want to receive.

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

EXAMPLE: You are eligible for a Tier 3 Ordinary Disability Retirement Benefit if:

- If you are awarded Primary Social Security Disability Benefits, **and**
- you have at least five, but less than ten years of service

Tier 4 Disability Retirement Benefits, which are not reduced by Primary Social Security Disability Benefits, often provide a higher benefit than Tier 3. However, a Tier 3 Disability Retirement Benefit may be the only benefit available to a member whose disability is not the result of a service-connected accident, and who does not have credit for enough years of service to qualify for a Tier 4 Disability Retirement Benefit.

Ordinary Disability Retirement Benefits Eligibility

- You qualify for an Ordinary Disability Retirement Benefit if you meet **ALL** of the following eligibility requirements:
- you have at least five years of Service (defined as any combination of *Credited Service* as a NYCERS member or Prior Service), **and**
- you have been found disabled by the Social Security Administration and are awarded Primary Social Security Disability, **and**
- your application for Ordinary Disability Retirement is filed while you are in *Active Service* (see definition below)

If at the time of your retirement you are eligible for an Ordinary Disability Retirement Benefit, NYCERS will pay the greater of either your Service Retirement or Ordinary Disability Retirement.

You will be considered to be in *Active Service,* for the purpose of filing an application for Tier 3 Ordinary Disability Retirement if:

- you are on an authorized leave of absence without pay, **and**
- your leave was granted for medical reasons, **and**
- your leave has been in effect continuously since you were last paid on the payroll, **and**
- two years have not elapsed from the date you were being paid on the payroll

Benefit Formula

If your application for Ordinary Disability Retirement is granted, you will receive an annual benefit equal to the greater of:

A 33 1/3 % times your *FAS*

OR

B 2% times your *FAS* times the years of *Credited Service*

Both A and B are reduced by:

- 50% of your Primary Social Security Disability Benefits

AND

- 100% of any Workers' Compensation payments

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

Escalation: Post-Retirement Increases

Tier 3 Ordinary Disability Retirement Benefits increase up to 3% a year if the cost of living increases 3% or more each year. If the cost of living decreases in the preceding year, your increased Ordinary Disability Retirement Benefit will be reduced by a corresponding percentage, but never by more than 3% per year. In no event will your Ordinary Disability Retirement Benefit be reduced below the amount of your initial benefit at retirement. Escalation begins on the first of the month after the effective date of your Ordinary Disability Retirement.

Accidental Disability Retirement

There is no minimum service requirement for Accidental Disability Retirement. You qualify provided you meet **ALL** of the following requirements:

- your application for Accidental Disability Retirement is filed while you are in *Active Service*,
- you have been found disabled by the Social Security Administration and are awarded Primary Social Security Disability, **and**
- NYCERS' Medical Board determines that your disability, as established by the Social Security Administration, is a result of an accidental injury sustained while in City service and while a member of NYCERS, and not due to your own willful negligence. NYCERS' Medical Board makes a recommendation to the Board of Trustees that you be retired due to accidental disability

Benefit Formula

If your application for Accident Disability Retirement is approved, you will receive an annual benefit equal to:

- 60% times your *FAS*
  LESS
- 50% of your Primary Social Security Disability Benefits
  AND
- 100% of any Workers' Compensation payments

Escalation: **Post-Retirement Increases**

Tier 3 Accidental Disability Retirement Benefits are escalated just like Tier 3 Ordinary Disability Retirement Benefits (see above).

Notify NYCERS of Your Social Security Benefit

If you apply for benefits with NYCERS under Article 14, and have not applied for primary Social Security disability benefits, you will be required, within 60 days, to submit proof to NYCERS that you have applied for primary Social Security disability benefits. NYCERS will hold your application open for a maximum of two years pending a Social Security disability award (extended by any time necessary to complete any and all appeals to the Federal courts). If you receive a primary Social Security disability award, you must notify NYCERS within the shorter of:

- 60 days after the date of the award, or
- the two-year period described above, as extended by any appeals

If you do not follow these procedures, you will not be eligible to receive disability benefits under Article 14.

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

A member who is eligible for an Accident Disability Retirement Benefit, who is subsequently determined to be eligible for a Service Retirement Benefit, will not lose the right to the Accident Disability Retirement Benefit.

If You Are Not Eligible for Primary Social Security Disability Benefits

You may be eligible to receive a Tier 3 Ordinary or Accidental Disability Retirement Benefit even if you are not eligible for Primary Social Security Disability Benefits because of age (65 or greater) or because of lack of the required number of quarters. Upon approval of the Board of Trustees, NYCERS' Medical Board will examine you. If the Medical Board determines that you are disabled, you will be retired and eligible for a Disability Retirement Benefit.

Effective Date

The effective date of your Tier 3 Ordinary or Accidental Disability Retirement Benefit is either:

- the effective date set by the Social Security Administration in awarding you Primary Social Security Disability Benefits,

  Or

- if you are ineligible for Primary Social Security Disability Benefits, and NYCERS' Medical Board determines that you are disabled, your effective date will be six months from the date your application for disability retirement was filed with NYCERS

Optional Forms of Payment

As in the case of a Service Retirement Benefit, an Ordinary or Accidental Disability Retirement Benefit is payable as a Maximum Retirement Benefit or as one of the available retirement benefit options, if you elect to choose one.

Suspension of Tier 3 Disability Retirement Benefits

NYCERS will discontinue your Tier 3 Disability Retirement Benefits if, prior to your 65th birthday:

- The Social Security Administration determines that you are no longer eligible for Primary Social Security Disability Benefits,

  OR

- You were ineligible for Primary Social Security Disability Benefits, and the NYCERS' Medical Board determines that you are no longer disabled

If you are otherwise eligible, the Department of Citywide Administrative Services will place your name on a list of preferred eligibles for appointment to a position in a salary grade not exceeding that from which you retired. Your Tier 3 Disability Retirement Benefits will be continued until you are **offered** a position in public service.

You should contact NYCERS immediately upon your return to work so that you can be restored to active membership. Failure to do so may jeopardize your rights to further retirement benefits from this system.

TAXATION

IMPORTANT INFORMATION FOR NYCERS MEMBERS REGARDING FEDERAL INCOME TAXES AND NYCERS BENEFITS

NYCERS benefits are subject to Federal income taxes, but are exempt from New York State and local income taxes. NYCERS benefits may be subject to state and local income taxes in states other than New York. You should retain any records that identify NYCERS as the source of funds that have been rolled over, in order to avoid New York State income tax on future withdrawals.

TIER 3 AND TIER 4 LOANS

Please refer to the LOANS section on Page 16 in this SPD for detailed information about loans prior to and after retirement.

REFUNDS

Withdrawal of your accumulated salary deductions and/or *AMCs* may result in a Federal income tax liability. The taxable distribution, if any, is outlined on your Election of Payment Notice, along with an explanation of the Federal income tax consequences. You may temporarily avoid the Federal income tax consequences by rolling over the taxable portion of the distribution into an IRA account or employer plan, if your new employer's plan allows such rollovers. If you do not elect to roll it over, NYCERS is required by the Internal Revenue Code rules and regulations to withhold 20% of the taxable portion of the distribution.

The Election of Payment Notice contains three options, under which you can elect to receive or roll over the taxable portion of your refund:

- Direct refund, including the taxable portion, subject to 20% Federal income tax withholding
- Rollover of the taxable portion of the refund into an IRA account or employer plan
- Rollover of a portion of the taxable distribution, designated by you, into an IRA account or employer plan

Members have 30 days to complete and return their Election of Payment Notice to NYCERS. If you do not return the notice to us within 30 days of the date of our letter, we will process your full refund, less 20% Federal income tax withholding on the taxable portion of your distribution. Upon a member's obtaining a refund after resignation, the outstanding balance on a loan may be at least partially taxable. The refund check you receive from NYCERS may be less than the total taxable distribution, if you have an outstanding loan at the time of the refund. In addition to being taxable at the member's normal tax rate, a member under the age of 55 will incur an additional 10% Federal income tax penalty. Members who are age 55 or older are not subject to the 10% penalty.

In addition to a Federal income tax liability, partial withdrawals of your contributions prior to your separation from City service before you attain age 59 1/2 may result in an additional 10% Federal income tax penalty.

PENSIONS

Your monthly retirement allowance is subject to Federal income taxes, but part of it may be excludable. Your Retirement Resolution indicates the amount of Non-414 Contributions included in the calculation of your pension. The I.R.S. considers this amount to be your "Investment in Contract" (Cost) for the purpose of determining the excludable part of your monthly retirement allowance. (Non-414 Contributions were deducted from your paychecks after tax, and, therefore, are not subject to taxation a second time.) Use the Simplified Method detailed in your 1040 instruction booklet or in I.R.S. Publication 575, or consult your tax preparer, in order to make that determination.

The I.R.S requires taxpayers to remit tax payments on a "pay as you go" basis. In order to avoid a penalty at year-end for non-prepayment of the tax on your pension, you must either make payments of Estimated Taxes quarterly, or have income tax withheld from your monthly check or electronic payment. You may request income tax withholding when you file your Retirement Application. Subsequent changes can be made by filing I.R.S. Form W4P, mailed to you by NYCERS annually, or simply by providing NYCERS with a signed letter that indicates your instructions for income tax withholding.

DEATH BENEFITS

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) requires NYCERS to withhold taxes on death benefits that are subject to Federal taxation, unless the beneficiary files an election to be exempted from such withholding. NYCERS cannot pay any taxable death benefit to a beneficiary, until the beneficiary returns their election regarding tax withholding.

Beneficiaries who are the spouses of deceased members of NYCERS may choose from three options under which they can elect to receive or roll over the taxable portion of their lump sum death benefit:

- Direct payment of the taxable portion, subject to 20% Federal income tax withholding
- Rollover of the taxable portion into an IRA account
- Rollover of a portion of the taxable distribution, designated by them, into an IRA account

Basic Tier 4 contributions and *AMCs* made to NYCERS through payroll deduction are not included as current gross income for Federal income tax purposes [IRC Section 414(h)], but they are subject to current Social Security and Medicare deductions and to New York State and local income taxes.

ALL NYCERS' BENEFIT PAYMENTS AND REFUNDS ARE SUBJECT TO FEDERAL INCOME TAXATION IN THE YEAR(S) DISTRIBUTIONS ARE MADE, BUT THEY ARE NOT SUBJECT TO NEW YORK STATE AND LOCAL INCOME TAXATION.

DOMESTIC RELATIONS ORDERS

Under the equitable distribution laws of the State of New York, pension benefits are considered a marital asset. As a result, the Supreme Court of the State of New York may assign a portion of your current and/or future pension benefits to an ex-spouse under a Domestic Relations Order.
By law, NYCERS is bound to execute the order of the court.

NY State Estate Powers of Trust Law (EPTL) provides that if you are married and you change your beneficiary after 1992 to someone other than your spouse, your spouse retains a right to a portion of your pension.

NYCERS FORMS FOR TIER 4 MEMBERS AND HOW TO GET THEM

NYCERS offers three easy ways to obtain forms:

1. Visit our Customer Service Center on Jay Street, in downtown Brooklyn.
2. Use our "Conversant" system by dialing into our Call Center @ (347) 643-3000.
3. Go on-line and download the most commonly used forms from our web site www.nyc.gov/html/nycers.

The following are the most commonly used forms:

Form Number	**Form Name**
103	Application for Membership Tier 4
133	Designation of Beneficiary for Tier 3 Correction Officers and Tier 4 Members
134	Designation of Primary & Contingent Beneficiary for Tier 3 Correction Officers and Tier 4 Members
137	Designation of Guardian when naming a minor as a Beneficiary
241/242/243	Application to Purchase Credit for prior service
244	Application to Purchase Credit for Military Service
254	Notice of Intention to File an Application for Payment of a Tier 3 or Tier 4 Deferred Vested Retirement Benefit
290	Change of Address Form
291	Name Change Affidavit
302	Application for Loan Tier 3 and Tier 4
331	Application for Refund of Member's Accumulated Salary Deductions
399	Affidavit Concerning Lost Check
521	Application for Service Retirement Tier 2, 3 and 4
554	Retirement Option Election Form for Tier 2, 3 and 4 (5 yr. and 10 yr. Certain)
556	Retirement Option Election Form for Tier 4 (Options 1, 2 and 5)

NYCERS also produces informative brochures on specific, complex topics. The following are the most commonly used:

926	Retirement Options for Tier 4 Members
927	Calculating Your Retirement Benefits (62/5, 57/5, 55/25)
929	How to Calculate Your *FAS*

GLOSSARY

The following terms will appear in italics throughout this booklet:

Accumulated Member Contributions
The total of all basic Tier 4 contributions (3% of Wages) plus interest earned on such contributions, which are maintained in the Members' Contribution Accumulation Fund (*MCAF*) account.

Active Service
Service rendered while the employee is on the payroll and being paid by the City of New York or a Participating Employer.

Additional Member Contributions (AMCs)
Contributions that are in addition to the Basic Tier 4 contributions of 3% of Wages, and are required to be paid each payroll period by Participants in any of the Tier 4 Special Programs (listed below). The Additional Member Contribution percentages differ in each Program. Refer to the Contributions section in this booklet. All *AMCs* are maintained in the Retirement Reserve Fund or Contingent Reserve Fund.

Allowable Sanitation Service
Credited Service rendered in any of the following:

- Uniformed force of the NYC Department of Sanitation
- Another uniformed force (such as NYC Housing Police, NYC Transit Police or NYC Department of Correction) immediately prior to becoming a member of the uniformed force of the NYC Department of Sanitation
- The uniformed-force of the NYC Police or Fire Departments immediately prior to becoming a member of the uniformed force of the Department of Sanitation, if service was transferred to NYCERS pursuant to Section 43 of the RSSL

Allowable Service as an Automotive Service Worker
Allowable Service as an Automotive Service Worker is all membership service while employed by the City of New York as a senior automotive service worker, automotive service worker, auto body worker, auto mechanic, marine maintenance mechanic, or oil burner specialist.

Allowable Service as a Dispatcher Member
Service as a Dispatcher Member - service rendered by a member of NYCERS while employed by the City of New York as a Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, levels 1 and 2, Director of Dispatch Operations or Deputy Director of Dispatch Operations,
and
All service in the following NYC Civil Service titles:
Chief Fire Alarm Dispatcher, Administrative Fire Alarm Dispatcher, Bus Operator (Transit), Train Dispatcher (Transit), Firefighter, Police Officer, Correction Officer, Fire Marshal, Probation Officer, Police Communications Technician, Supervising Police Communications Technician, Principal Police Communications Technician, Police Administrative Aide, Senior Police Administrative Aide, Emergency Medical Technician, Advanced Emergency Medical Technician, Emergency Medical

Service Specialist, levels 1 and 2, Fire Prevention Inspector, Fire Protection Inspector, Senior Fire Prevention Inspector, Principal Fire Prevention Inspector, Associate Fire Protection Inspector, County Detective, Detective (NYPD), Detective Investigator, Senior Detective Investigator, Deputy Sheriff, Senior Deputy Sheriff, Inspector of Fire Alarm Boxes, Radio Operator, Radio Repair Technician, Supervisor of Radio Repair Operations, Taxi and Limousine Inspector, Senior Taxi and Limousine Inspector, Triborough Bridge and Tunnel Officer,

and

A member of NYCERS who is employed by the City of New York in a title whose duties require the supervision of employees whose Civil Service title is included above.

Allowable Service as an EMT Member

All service as an EMT Member - service rendered by a member of NYCERS while employed by the City of New York or the NYC Health & Hospitals Corporation in a title whose duties are those of an Emergency Medical Technician (EMT), or Advanced EMT (AEMT) or in a titles whose duties require the supervision of employees whose duties are those of an EMT or AEMT,

and

all service while employed by the City of New York or the New York City Health & Hospitals Corporation in the title Motor Vehicle Operator.

Allowable Service as a Special Officer

All service while employed (as a peace officer) by the City of New York, Health & Hospitals Corporation, Board of Education, City University of New York, or Taxi & Limousine Commission.

Allowable Service in the Transit Authority

Credited Service rendered in the operating-force of the New York City Transit Authority, and some managerial service.

Automotive Service Workers 25-Year And Age 50 Retirement Program

The Automotive Service Workers 25-Year and Age 50 Retirement Program is available **ONLY** to members employed by the City of New York as senior automotive service workers, automotive service workers, auto body workers, auto mechanics, marine maintenance mechanics, and oil burner specialists.

Basic Tier 4 Plan

Generally refers to the 62/5 Plan. It can also mean the plan benefits that are available to Tier 4 members, excluding those benefits that are available only to Participants in the Special Programs described in this booklet. A Participant in one of the Special Programs who does not meet all of the qualifications for a Service Retirement or Vested Retirement Benefit in their Program may still qualify for a benefit under the Basic Tier 4 Plan. Wherever that is the case, it will be noted in this booklet.

Participants in Special Programs are still always eligible for other Basic Tier 4 benefits that are not provided for in their Program such as Survivor Benefits, Disability Retirement Benefits, etc.

Credited Service

Includes:

Service rendered while a member of NYCERS, and

- Service rendered while a member of another retirement system within New York City or New
- York State and transferred to NYCERS, and
- Service purchased under applicable laws and rules for Buy-Back, which can include:
    - Military Service
    - Part-time Service
    - Previous Service
    - Pre-Membership Service
    - Previous Part-time Service

Refer to page 6 for a more detailed explanation of each type of service credit.

Deputy Sheriff 25-Year Retirement Program

The *Deputy Sheriff 25-Year Program* is available **ONLY** to members employed by the City of New York as a Deputy Sheriff level one, Deputy City Sheriff level two, Supervising Deputy Sheriff or Administrative Sheriff.

A Tier 4 Deputy Sheriff member who does not participate or discontinues service in the Deputy Sheriff 25-Year Program is eligible for Basic Tier 4 (62/5) plan service retirement benefits.

Designated Beneficiary

Any person whom a member has named, by filing a properly completed form with NYCERS, to receive a survivor benefit upon the death of the member in Active Service.

Dispatcher Member

A member employed by the City of New York as Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, level one and level two, Director of Dispatch Operations or Deputy Director of Dispatch Operations.

Eligible Beneficiary

A person who is eligible to be paid an Accidental Death Benefit, in the following order of priority:

- a surviving spouse who has not remarried
- dependent child up to age 25
- dependent parents, or
- any person up to age 21 who qualified as a dependent on the member's final Federal income tax return **OR**

An *Eligible Beneficiary* must make application for an Accidental Death Benefit, and NYCERS' Medical Board and Board of Trustees must approve the application.

In the event that a class of Eligible Beneficiaries consists of more than one person (for example, two or more children under the age of 25), benefits will be divided equally among such persons.

Eligible Member

A member in one of NYCERS' Special Programs who is employed in an *Eligible Position.*

Eligible Position

FOR THE 25-YEAR EARLY RETIREMENT PROGRAM (55/25 PROGRAM) AND THE AGE- 57 RETIREMENT PROGRAM (57/5 PROGRAM):

- an Eligible Position is ANY position in City service EXCEPT:

Any position held by a Transit Authority Member eligible to participate in the 25-Year and Age-55 Retirement Program (whether or not such a Member is a Participant in that Program*)

- Any position in the uniformed forces of the NYC Departments of Correction and Sanitation
- The positions of Bridge & Tunnel Officer, Bridge and Tunnel Sergeant, Bridge and Tunnel Lieutenant, Assistant Bridge and Tunnel Maintainer, Bridge and Tunnel Maintainer, Senior Bridge and Tunnel Maintainer, and Laborer with the Triborough Bridge and Tunnel Authority
- Any positions in the Division of Housing and Urban Renewal
- Any position in the Unified Court System
- Any teaching position with the City University of New York (CUNY), and
- Investigators employed in a District Attorneys' office

* The exception is any Transit Authority Member who was enrolled in the 57/5 Program prior to enactment of Chapter 10 of the laws of 2000, and thereafter elected to remain a Participant in that Program.

FOR THE SANITATION 20-YEAR PROGRAM:

A position in the uniformed-force of the NYC Department of Sanitation.

FOR THE TRANSIT 25/55 PROGRAM:

A member employed in the NYC Transit Authority Operating-Force and some managers.

FOR THE TBTA 50/20 PROGRAM:

A position as a Bridge & Tunnel Officer, Sergeant and Lieutenants in a non-managerial position.

FOR THE DISPATCHER 25-YEAR PROGRAM:

A position while employed by the City of New York as a Dispatcher Member - a Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, levels 1 and 2, Director of Dispatch Operations or Deputy Director of Dispatch Operations.

FOR THE EMT 25-YEAR PROGRAM:

A position while employed by the City of New York or the New York City Health and Hospitals Corporation as an EMT Member - a title whose duties are those of an Emergency Medical Technician (EMT), or Advanced Emergency Medical Technician (AEMT), or in a title whose duties require the supervision of employees whose duties are those of an EMT or AEMT.

EMT Member
A member employed by the City of New York or the Health and Hospitals Corporation in a title whose duties are those of an Emergency Medical Technician (EMT) or Advanced Emergency Medical Technician (AEMT) or in a title that supervises EMTs or AEMTs.

Final Average Salary (FAS)
The greater of the average annual Wages earned during any three consecutive calendar-year periods, or the final 36 months immediately preceding the member's retirement date.

If the salary earned during any year included in the calculation of a member's FAS exceeds the average of the previous two years by more than 10%, the amount in excess of 10% is excluded from the computation. For members who did not work full time, or who had absences without pay in the 36 months immediately preceding retirement, the FAS will be computed by using more than three years' of salary.

Final Compensation
The average compensation earned during the five-year period immediately preceding a member's retirement, or any consecutive five calendar-year period prior to the member's retirement that would provide him or her with the greatest average compensation.

Income Limitation
The fixed dollar maximum amount of Personal Service Income a pensioner receiving a Tier 4 Disability Retirement Benefit can earn in any calendar year. The Income Limitation is established annually and is based on the percentage increase or decrease in the prior year's Consumer Price Index. The Income Limitation chart can be found on page 37.

Members' Contribution Accumulation Fund (MCAF)
An account maintained for each Tier 4 member into which the "basic" contributions of 3% of Wages deducted form the member's paycheck each payroll period are deposited, plus interest earned on such contributions.

Membership Service
Paid full or part-time service performed after you last joined NYCERS, including all service performed while you are on the payroll of a *Participating Employer* and certain *Military Service. Transferred Service* also counts as *Membership Service* for purposes of establishing eligibility and calculating benefits.

Non-Performing Loan
Failing to make loan payment for a 90-day period.

Participant
Any Tier 4 member of NYCERS who elects or is required to contribute to one of the Special Programs described in this booklet.

Participating Employer

In addition to the City of New York, members of NYCERS are also employed by the following Participating Employers:

- NYC Transit Authority
- Triborough Bridge & Tunnel Authority
- NYC Housing Authority
- NYC Health & Hospitals Corporation
- NYC Off Track Betting Corporation
- NYC Rehabilitation Mortgage Insurance Corporation
- NYC Housing Development Corporation
- City University of New York
- NYC School Construction Authority
- Municipal Water Authority
- Departments of the State of New York which had formerly been departments of the City of New York, where members of NYCERS are still employed

Personal Service Income

Any Wages, salaries, tips, professional fees, or other compensation received for personal services actually performed for any employer after the effective date of retirement of a Tier 4 disability retiree.

Physically-Taxing Position

A position in City service that is included on the Official List of Physically-Taxing Positions promulgated and maintained by the NYC Office of Labor Relations. (See Appendix A)

Participants of either the 25-Year Early Retirement Program or the 57/5 Retirement Program who have 25 or more years of *Credited Service* in one or more *Physically-Taxing Positions* are eligible to retire as early as age 50 under their Program. Such *Participants* are required to contribute an additional 1.98% of their Wages in *AMCs*.

Special Officer 25-Year Retirement Program

The *Special Officer 25-Year Program* is available **ONLY** to peace officers employed either as special officers by a mayoral agency of the City of New York; parking control specialists employed by the NYC DOT; school safety agents employed by the NYPD; campus peace officers employed by the City University of New York; or taxi & limousine inspectors employed by the NYC Taxi & Limousine Commission.

Special Programs

- Age-57 Retirement Program (57/5 Program)
- 25-Year Early Retirement Program (55/25 Program)
- Sanitation 20-Year Retirement Program (Sanitation 20-Year Program)
- Transit 25-Year and Age-55 Retirement Program (Transit 25/55 Program)
- Triborough Bridge & Tunnel Authority 20-Year and Age-50 Retirement Program (TBTA 50/20 Program)
- 25-Year Retirement Program for Dispatcher Members (Dispatchers 25-Year Program)
- 25-Year Retirement Program for EMT Members (EMT 25-Year Program)
- 25-Year (no age) Retirement Program for Deputy Sheriffs (Deputy Sheriffs 25-Year Program)
- 25-Year and Age-50 Retirement Program for Automotive Service Workers (Automotive 50/25 Program)
- 25-Year (no age) Retirement Program for Special Officer titles (Special Officer 25-Year Program)

TBTA Eligible Position:
Bridge & Tunnel Officer, Sergeant and Lieutenants in a non-managerial position.

Tier 4 Members with Tier 3 Rights (Tier 3/4 Members)
Tier 4 members who last joined NYCERS after July 26, 1976 and prior to September 1, 1983, or were otherwise made eligible, automatically became Tier 4 members on September 1, 1983. However, these members retain their Tier 3 rights and are eligible to elect Tier 3 benefits.

In the past, a Tier 3/4 Member typically exercised his or her Tier 3 rights when he or she wanted to retire prior to age 62, since there was no such provision under Tier 4. Due to enactment of Tier Equity legislation in 2000, Tier 4 members are now eligible to retire prior to age 62, with a lesser benefit reduction than under Tier 3. Furthermore, Tier 3 Service Retirement and Disability Retirement Benefits impose a significant reduction upon the retiree's attainment of age 62 - i.e. the retirement benefit is further reduced by 50% of his or her primary social security benefit attributable to his or her *Credited* "City" *Service*.

In the vast majority of cases, it is no longer advantageous to revert back to Tier 3 for retirement purposes.

Transit Authority Member
A member employed in the NYC Transit Authority Operating-Force and some managers.

Unpaid Leave
An approved leave of absence during which a member does not receive Wages from his or her employer.

EXAMPLES:

- Sick leave of absence without pay
- Workers' Compensation leave of absence without pay
- Leave of absence without pay for the purpose of engaging in union activities

Wages
Any earnings paid for services rendered to a public employer in New York City or New York State.

APPENDIX A

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Able Seaman
Administrative Superintendent of Water and Sewer Systems
Ambulance Corpsman
Asphalt Steam Roller Engineer
Asphalt Worker
Assistant Bridge and Tunnel Maintainer
Assistant Captain (Ferry Service)
Assistant City Highway Repairer
Assistant Highway Repairer
Assistant Monument Restorer
Assistant Real Estate Repairer
Assistant Real Estate Repairman
Assistant Resident Buildings Superintendent
Assistant Stock Handler
Assistant Stockman
Associate Park Service Worker
Auto Lawn Mower Operator
Auto Machinist
Auto Mechanic
Auto Mechanic (Diesel)
Basin Machine Operator
Blacksmith
Blacksmith's Helper
Boiler Room Operator
Boilermaker
Boilermaker's Helper
Borough Foreman

APPENDIX A

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Borough Foreman (Highway & Sewer Maintenance)
Borough Foreman (Highway Maintenance)
Borough Foreman (Watershed Maintenance)
Borough Supervisor
Borough Supervisor (Highway Maintenance)
Borough Supervisor (Watershed Maintenance)
Bricklayer
Bridge and Tunnel Maintainer
Bridge Painter
Bridge Repairer and Riveter
Bridgeman and Riveter
Building Repairer
Building Repairman
Cable Splicer
Cable Splicer's Helper
Captain (Engineer)
Captain (Ferry)
Captain (Sludge Boat)
Captain (Tugboat)
Caretaker (Housing Authority)
Caretaker (Housing Authority) E
Caretaker (Housing Authority) G
Caretaker (Housing Authority) J
Caretaker (Housing Authority) P
Caretaker (Housing Authority) X
Carpenter
Carriage Upholsterer

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Cement Mason
Chauffeur-Attendant
Chief Caretaker (Housing Authority)
Chief Marine Engineer
Chief Marine Engineer (Diesel)
Chief Mate
Chief of Hospital Transportation Services
City Laborer
City Park Worker
City Parking Meter Service Worker
(Predecessor title Parking Meter Collector)
Climber and Pruner
Coal Handler
Coal Passer
Communication Electrician
Communication Electrician's Helper
Core Drill Operator
Core Drill Operator's Helper
Crane Engineman
Crane Engineman (AMPES)
Crane Operator
Crane Operator (AMPES)
Deckhand
Deckhand (Tugboat)
Deputy City Sheriff
Deputy Sheriff (Deleted 12/10/96 - See Deputy City Sheriff)
Diesel Tractor Operator

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

District Foreman
District Foreman (Highway and Sewer Maintenance)
District Foreman (Highway Maintenance)
District Foreman (Sewer Maintenance)
District Foreman (Water Supply)
District Foreman (Watershed Maintenance)
District Supervisor
District Supervisor (Highway Maintenance)
District Supervisor (Water and Sewer Systems)
District Supervisor (Watershed Maintenance)
Dockbuilder
Driller
Electrician
Electrician (Automobile)
Electrician's Helper
Elevator Mechanic
Elevator Mechanic's Helper
EMS Assistant Borough Chief
EMS Borough Chief1
EMS Division Chief1
EMSS (Level 1)
MSS (Level 2)
Emergency Medical Specialist – EMT
Emergency Medical Specialist – Paramedic
Exterminator
Farmer
First Assistant Marine Engineer (Diesel)

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Flagger
Foreman
Foreman (Exterminators)
Foreman (Highway and Sewer Maintenance)
Foreman (Highway Maintenance)
Foreman (Sewer Maintenance)
Foreman (Traffic Device Maintenance)
Foreman (Water and Sewer Systems)
Foreman (Watershed Maintenance)
Foreman Asphalt Worker
Foreman Auto Machinist
Foreman Auto Mechanic
Foreman Blacksmith
Foreman Boilermaker
Foreman Bricklayer
Foreman Bridge Painter
Foreman Bridgeman and Riveter
Foreman Cable Splicer
Foreman Carpenter
Foreman Crane Engineman
Foreman Crane Engineman (AMPES)
Foreman Dockbuilder
Foreman Electrician
Foreman Elevator Mechanic
Foreman Furniture Maintainer
Foreman Furniture Maintainer (Upholstery)
Foreman Glazier

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Foreman Highway Repairer
Foreman House Painter
Foreman Lineman
Foreman Machinist
Foreman of Gardeners
Foreman of Housing Caretakers
Foreman of Housing Exterminators
Foreman of Mechanics
Foreman of Mechanics (Motor Vehicles)
Foreman of Traffic Device Maintainers
Foreman Painter
Foreman Paver
Foreman Plasterer
Foreman Plumber
Foreman Roofer
Foreman Sheet Metal Worker
Foreman Ship Carpenter
Foreman Steam Fitter
Foreman Water Supply
Furniture Maintainer (including all specialties)
Furniture Maintainer's Helper
Garage Foreman
Gardener
Gas Fitter
Gasoline Engineman (Marine)
Gasoline Engine Operator (Marine)
Gasoline Roller Engineer

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

General Mechanic
General Park Foreman
General Superintendent of Repairs to Distribution
Glazier
Handyman, Grade 1
Handyman, Grade 2
Heating Plant Technician (HA)
High Pressure Boiler Operator (Floating Equipment)
High Pressure Plant Tender
Highway Repairer
Highway Repairer Trainee
Horseshoer
Horseshoer (Fireman)
Hostler
Housepainter
Housesmith
Housing Caretaker
Housing Caretaker (Non-Comp)
Housing Caretaker E
Housing Caretaker G
Housing Caretaker J
Housing Caretaker P
Housing Caretaker X
Housing Exterminator
Housing Fireman
Housing Stock Handler
Housing Stock Worker

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Housing Supply Man
Keystone Shovel Engineer
Laborer
Laborer (City Rent)
Line Repairer
Line Repairer's Helper
Lineman
Lineman's Helper
Loader and Handler
Machinist
Machinist's Helper
Maintenance [Man] Worker
Maintenance Worker
Marble Setter
Marble Setter's Helper
Marine Engineer (Diesel)
Marine Oiler
Marine Sounder
Housing Stock Worker - L1
Housing Stock Worker - L2
Housing Storekeeper
Housing Supply Handler
Marine Stoker (Oil Burning)
Marine Stoker
Mariner
Mason's Helper
Mate

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Mate (Tugboat)
Menagerie Keeper
Metal Lather
Monument Artisan
Monument Restorer
Mortuary Caretaker
Mortuary Technician
Motor Grader Operator
Motor Vehicle Dispatcher
Motor Vehicle Foreman
Motor Vehicle Operator
Motor Vehicle Supervisor
Senior Motor Vehicle Supervisor
Oiler
Oiler (Portable)
Oiler Stationary)
Painter
Paramedic Ambulance Corpsman
Park Foreman
Park Service Worker
Park Supervisor
Parking Meter Collector
Parking Meter Service Worker
(Predecessor title Parking Meter Collector)
Paver
Pile Driving Engineer
Pile Driving Fireman

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Pilot (Tugboat)
Pipe Caulker
Plant Maintainer/Oiler (Hospitals)
Plant Maintainer/Tender (Hospitals)
Plasterer
Plasterer's Helper
Plumber
Plumber's Helper
Principal Mortuary Caretaker
Principal Mortuary Technician
Principal Park Supervisor
Rammer
Real Estate Repairer
Real Estate Repairer (DGS)
Real Estate Repairman
Resident Buildings Superintendent
Rigger
Roofer
Rubber Tire Repairer
Scowman
Second Assistant Marine Engineer (Diesel)
Second Mate
Senior Bridge and Tunnel Maintainer
Senior Building Repairer
Senior Building Repairman
Senior Deputy Sheriff (Deleted 12/10/96 - See
Deputy City Sheriff)

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Senior Garage Foreman
Senior Menagerie Keeper
Senior Mortuary Caretaker
Senior Mortuary Technician
Senior Motor Vehicle Foreman
Senior Motor Vehicle Supervisor
Senior Sewage Treatment Worker
Senior Supervisor (Exterminators)
Senior Supervisor of Communication Electrician
Senior Supervisor of Housing Exterminators
Senior Supervisor of Line Repairers and Cable Splicers
Senior Supervisor of Park Operations
Sewage Treatment Worker
Sheet Metal Worker
Ship Carpenter
Ship Caulker
Sign Painter
Stationary Fireman
Steam Roller Engineer
Steam Fitter
Steam Fitter's Helper
Stock Handler
Stock Man
Stock Worker
Stone Cutter
Superintendent of Repairers to Distribution
Superintendent of Sewer Service

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Superintendent of Sewer Systems
Superintendent of Water and Sewer Systems
Supervising Ambulance Corpsman
Supervising EMSS
Supervising EMSS - EMS Manager (Managerial Detail)
Supervising EMSS (Level 1)
Supervising EMSS (Level 2)
Supervising Foreman of Cable Splicers & Lineman
Supervising Housing Groundskeeper
Supervising Housing Groundsman
Supervising Parking Meter Collector
Supervising Parking Meter Service Worker
(Predecessor title Supervising Parking Meter Collector)
Supervisor
Supervisor (Exterminators)
Supervisor (Highway and Sewer Maintenance)
Supervisor (Highway Maintenance)
Supervisor (Sewer Maintenance)
Supervisor (Water and Sewer Systems)
Supervisor (Watershed Maintenance)
Supervisor Auto Machinist
Senior Foreman (Exterminators)
Senior Foreman of housing Exterminators
Senior Foreman Traffic Device Maintainer
Supervisor Auto Mechanic
Supervisor Blacksmith
Supervisor Boilermaker

OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS

Supervisor Bricklayer
Supervisor Bridge Painter
Supervisor Bridge Repairer and Riveter
Supervisor Cable Splicer
Supervisor Carpenter
Supervisor Communication Electrician
Supervisor Crane Operator
Supervisor Crane Operator (AMPES)
Supervisor Dockbuilder
Supervisor Electrician
Supervisor Elevator Mechanic
Supervisor Furniture Maintainer
Supervisor Furniture Maintainer (Upholstery)
Supervisor Glazier
Supervisor Highway Repairer
Supervisor of Housing Caretakers
Supervisor of Housing Exterminators
Supervisor of Housing Stock Worker, Level 1
Supervisor of Housing Stock Worker, Level 2
Supervisor of Housing Stock Worker, Level 3
Supervisor of Ironworks
Supervisor Line Repairer
Supervisor Machinist
Supervisor of Mechanics
Supervisor of Mechanics (Mechanical Equipment)
Supervisor of Mechanics (Motor Vehicles)
Supervisor of Menagerie

Tier 4 SPD Updates

Updated March 16, 2005

NYCERS
RETIREMENT AND BENEFITS
Bridging the Gap to Tomorrow

This is a glimpse of all that has changed since the last printing of the Tier 4 Summary Plan Description booklet. The most recent version of this update can always be found online under Plans and Updates at www.nycers.org. For more information about recent legislation that has affected NYCERS, please refer to the Legislation page of our website.

Tier 4 SPD Updates

Board of Trustees
Milton Aron replaces John J. Murphy as Acting Executive Director

Pg. 2 - Web Site
NYCERS web site has been changed to: www.nycers.org.

Pg. 3 - Tier 4 Plan
There are now nine Special Occupational Group Programs. The latest Plan added is:
Police 911 Communications (911 Operators)
New Plan eligibility at a glance:

The 911 Communications Operators/25 Year Plan is available only to members employed by the New York City Police Department as: police communications technicians, supervising police communications technicians, or principal police communications technicians.

For more details on this Plan, read NYCERS brochure #941 (Tier 4).

Pg. 5 - Social Security Participation
For the Calendar year of 2005, the maximum salary subject to FICA is $90,000.

Pg. 7 - Service Credit
Transit Authority 457 Deferred Compensation Plan is now administered by FASCorp and can be reached at: 866-682-7567.

Pg. 9-10 - Military Service Credit
The Patriot Plan suspends a member's obligation to repay any loan while the member is absent on Military Status. (update continues on next column)

Pg. 9-10 - Military Service Credit Con't
If you purchase military time under Chapter 548 of the Laws of 2000 and that service credit does not increase your retirement allowance or death benefit, any payments (with interest) will be refunded by NYCERS.

Pg 16-19 - Loans
The updates in this section are too lengthy to capture here. To get the most up-to-date information you can either download the loan brochure or the loan form from our web site, or you can order a hard copy by calling our automated phone system at 347-643-3000.

Pg. 27 - Service Retirement Process
The NYC Transit Health Benefits number has been changed to: 347-643-8550.

Section 212 Limitation
The maximum earnings for 2004 are $27,500.

Pg. 28 - Service Retirement Dollar Limitations
The 2005 IRS Section 415 Limits are:

AGE	IRS Sec. 415 Limits	AGE	IRS Sec. 415 Limits
55	$101,550	59	$135,108
56	$108,850	60	$145,621
57	$116,822	61	$157,205
58	$125,544	62	$170,000

Excess Benefit Plan
An excess benefit plan provides benefits to pensioners whose annual retirement benefit are limited by section 415.

Tier 4 SPD Updates

Pg. 37 - Disability Retirement
The income limitation for Disability Retirement is the following:

2003- $22,600

Pg. 38 - Disability Retirement
¾ Performance of Duty Disability Presumptive Heart Disease for EMTs—Heart Bill provides a presumption that a disease of the heart was incurred in the performance of duty.

¾ Accident Disability for Sanitation—This creates a ¾ Final Average Salary Accident benefit for eligible Tier 4 members.

Heart Bill for Sanitation-- This creates a presumption that eligible members who developed heart disease after appointment incurred that disease in the performance of duty.

¾ Accident Disability for Deputy Sheriffs-- This creates a ¾ Final Average Compensation for certain members employed as Deputy Sheriffs.

Pg. 41 - Survivor Benefits
Eligible vested members receive a death benefit that is one half of the Ordinary Death Benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based.

Pg. 44 - Service Eligibility (Sanitation)
There was a typographical error in the second bullet of the Eligibility. The date should be July 24, 1992.

Pg. 53 - Service Retirement Benefit (TBTA)
Members on or after October 28, 2003 will use their Final Average Salary to calculate each year of Credited Service in excess of 20 years, maximum 30.

The period of time was lengthened for TBTA members to pay off deficits incurred.

The retirement age for certain TBTA members has been reduced. This expands the covered period of employment performed on or before 12/31/06 (previously the covered period ended 12/31/04).

Pg. 57 - Vested Retirement Benefit (Dispatcher)
There was a typographical error the Vested Retirement benefit is computed as 2% of Final Salary times years of Allowable Service as a Dispatcher Member.

Pg. 59 - AMCs are Mandatory (EMT)
There was a typographical error the required amount of AMCs you are required to contribute is 6 ¼ % of gross wages each payroll period for all service as and EMT member rendered on and after December 8, 2000.

Prior EMT Service Transferable to Police Pension Fund: Certain Service immediately preceding service in the police force now counts towards retirement eligibility.

Pg. 60 - Vested Retirement Benefit (EMT)
There was a typographical error The Vested Retirement Benefit is computed as 2% of Final Salary times year as Allowable Service as an EMT member.

Accidental Death Benefit (EMT)
Certain EMT members now have performance-of-duty accidental death benefits.

Final Medical Review (EMT)
Final medical reviewis now available for EMT members who are eligible to receive a performance of duty disability under RSSL §607-b.

Pg. 64 - Service Eligibility (Automotive)
New titles and corresponding new eligibility dates have been added since the printing. For the most up-to-date and thorough explanation, download the Automotive Brochure, #932.

Pg. 66 - Deficiency (Automotive)
A member who has not paid in full any contribution deficiency will still be entitled to a Service Retirement Benefit or Vested Service Retirement Benefit. However, the benefit will be reduced according to an actuarial formula that takes into account any deficiencies in the AMCs.

Refunds (Automotive)
A person who has rendered less than five years of service may withdraw their AMCs.

Tier 4 SPD Updates

Pg. 68 - Service Eligibility (Special Officer)
New titles and corresponding new eligibility dates have been added since the printing. For the most up-to-date and thorough explanation, download the Special Office Brochure, #934.

Pg. 69 - AMCs Mandatory (Special Officer)
There was a typographical error, the required amount of AMCs you must contribute is 6 ¼% of gross wages each payroll period for all service as a Special Officer Member rendered on and after December 19, 2001.

Pg. 71 - Tier 4 with Tier 3 Rights Contributions
Members are required to pay 3% of Wages for first 10 years of service.

Pg. 72 - Tier 4 with Tier 3 Rights Service Retirement
You must have five years of Credited Service to be eligible for a Tier 3 Early Service Retirement benefit.

Pg. 79 - Taxation
The updates in this section are too lengthy to capture here. To get the most up-to-date information you can either download the loan brochure or the loan form from our website or request a hard copy from our automated phone system at 347-643-3000.

Pg. 87 - Glossary
Final Average Salary: If the salary earned during any year included in the calculation of a member's FAS exceeds the average of the previous two years by more than 10% the among in excess of 10% is excluded from the computation.