

911 Operators 25-Year Plan for Tier 4 Members (PCT-25)



NYC EMPLOYEES'
RETIREMENT SYSTEM

Tier 4

May 2023

This brochure describes the obligations and benefits of the 911 Operators 25-Year Retirement Plan (PCT-25 Plan). The 911 Communications Operators / 25-Year Plan (PCT-25) 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. Collectively these titles define a *Police Communications Member*.

Words that are italicized throughout this brochure have special meaning, and possibly require further explanation. The definitions of these words can be found on pages 2 and 3.

ELIGIBILITY

Participation is **OPTIONAL** for:

- Any person who was a Tier 4 *Police Communications Member* on October 21, 2003 (Participant must've file an election form to participate with NYCERS no later than April 19, 2004)

OR

- Any person who was already a Tier 4 member on October 21, 2003, and becomes a *Police Communications Member* after October 21, 2003 (Participant must file an election form to participate with NYCERS no later than 180 days of appointment as a *Police Communications Member*)

Participation is **MANDATORY** for:

Any *Police Communications Member* who becomes a Tier 4 member after October 21, 2003.

However:

If this mandated *Participant* is older than age 30 upon employment as a *Police Communications Member*, they can elect not to participate by filing Opt-out Form #190 with NYCERS within 180 days of appointment as a *Police Communications Member*. This person will be mandated into the Tier 4, 57/5 Plan.

ONCE AN ELECTION TO PARTICIPATE IN THE PCT-25 PLAN IS FILED WITH NYCERS, IT MAY NOT BE REVOKED

ONCE AN ELECTION TO OPT OUT OF THE PCT-25 PLAN IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

When any *Participant* in the PCT-25 Plan ceases to hold a position qualifying them for participation in the PCT-25 Plan, they shall cease to be a *Participant* and shall not be eligible for the benefits of the PCT-25 Plan.

Any *Participant* in the PCT-25 Plan who terminates service as a *Police Communications Member* and returns to such service at a later date will be mandated into participation in the PCT-25 Plan on that date. (Refer also to the Deficits section.)

ELIGIBILITY TO QUALIFY FOR BENEFITS Service Retirement

A *Participant* in the PCT-25 Plan who has completed 25 or more years of *Credited Service*, and files for retirement at least 30 days before it is to be effective, will be eligible to receive a Service Retirement under the PCT-25 Plan.

Vested Retirement

A Tier 4 *Participant* in the PCT-25 Plan who leaves City service with at least five, but less than 25 years of *Credited Service*, and does not withdraw any part of their accumulated member contributions, will be eligible for a Vested Retirement Benefit under the PCT-25 Plan. The benefit becomes payable on the date the member would have completed 25 years of *Credited Service*.

SERVICE RETIREMENT BENEFIT

The Service Retirement Benefit is computed as follows:

- 50% of *Final Average Salary (FAS)* for the first 25 years of *Credited Service*,
- plus
- 2% of *FAS* for each additional year (or fraction thereof) beyond the first 25 years of *Credited Service*, up to a maximum of 30 years of such service.

VESTED RETIREMENT BENEFIT

The Vested Retirement Benefit is computed as follows:

- 2% of *Final Average Salary* for each year (or fraction thereof) of *Credited Service*.

ONCE AN ELECTION TO PARTICIPATE IN THE 911 COMMUNICATIONS OPERATORS / 25-YEAR PLAN IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

Special Occupation 911 Communications Operators 25 Year Plan #941-Page 1



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UNDERLYING PLANS

Retirement from Underlying 62/5 Plan:

Participants in the PCT-25 Plan, including vested members who have left City service, who became employed in an eligible position before June 28, 1995, and who do not meet the PCT-25 Plan's requirement of 25 or more years of *Credited Service* may retire from the Basic 62/5 Plan, assuming service requirements have been met for the underlying plan. All requirements and benefits of the Basic 62/5 Plan will apply, including the ability to retire prior to age 62 with a benefit reduction, except in the case of vested members.

Retirement from Underlying 57/5 Plan:

Participants, including vested members, in the PCT-25 Plan who became employed in an eligible position after June 28, 1995 and before April 1, 2012 may retire from the 57/5 Plan **whether or not** the PCT-25 Plan's requirement of 25 or more years of *Credited Service* is met. All requirements and benefits of the 57/5 Plan will apply.

CONTRIBUTIONS

Participants must make *Additional Member Contributions (AMC)* of 6% of pensionable gross *Wages* each payroll period for all *Credited Service* rendered on or after October 21, 2003.

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*. Any pre-existing Chapter 96 *AMC* deficit, however, would still be owed.

AMCs are maintained in the *Retirement Reserve Fund* which is an account maintained separately from the *Member Contribution Accumulation Fund (MCAF)*. The *MCAF* contains only the member's basic contributions.

A Participant shall contribute AMCs until the later of:

- The date they are eligible to retire;
- OR**
- The date the member completes 30 years in the plan;
- OR**
- October 21, 2004

All *AMCs* made from *Wages* earned on and after October 21, 2003 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.

Please note: If participants were previously enrolled in another special plan, *AMCs* may still be required under the previous plan(s).

DEFICITS

Any *Participant* who has not paid in full any contribution deficits, will still be entitled to a Service or Vested Retirement Benefit under the PCT-25 Plan. If the deficit is identified prior to retirement, NYCERS will certify payroll deductions (where applicable) and notify the member so they can resolve the deficit. If there is a deficit at retirement, NYCERS will notify the member of the choice to either pay the deficit in full or apply an actuarial reduction (a lifetime reduction to your pension based on your deficit amount) to resolve the deficit.

Participants who cease to hold an eligible position for any reason whatsoever and have less than five years of *Credited Service* may withdraw their *AMCs* and interest. However, if they return to the PCT-25 Plan at a later date, they will be charged a deficit. This deficit will be calculated as if the *AMCs* had never been made, including the 5% per annum statutory interest. Payment of a deficit 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 their designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficit.

LOANS

A *Participant* in the PCT-25 Plan may borrow from their *AMCs* in the *Retirement Reserve Fund*, under the same rules for loans to Tier 4 members.

REFUNDS

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

A *participant* who has rendered less than 10 years of *Credited Service* and leaves City service may apply for a refund of *BMCs*, plus accrued interest, effectively terminating their membership. Members with between 5 and 10 years of *Credited Service* must also waive their right to a Vested Retirement Benefit. Refunds of *BMCs* are not possible for members with 10 or more years of *Credited Service*.

DEFINITIONS

***Additional Member Contributions (AMCs)*:** Contributions required to be paid each payroll period, in addition to basic contributions. The *AMC* percentage for the PCT-25 Plan is 6%. All *AMCs* are maintained in the Retirement Reserve Fund.

***Credited Service*:** Service that is rendered while a member of NYCERS; service transferred from another New York City or New York State Public Retirement System; and purchased service.



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 retirement. The salary earned during any year included in this three-year average cannot exceed the previous two years by more than **10%**.

Member Contribution Accumulation Fund (MCAF): An account maintained for each member into which the basic contributions are deposited, plus interest.

Participant: A member of NYCERS who elects or is required to contribute to the 911 Communications Operators/25-Year Plan.

Police Communications Member: All members employed by the New York City Police Department as police communications technicians, supervising police communications technicians, or principal police communications technicians.

Retirement Reserve Fund: An account maintained for deposit of the AMCs that are deducted from the member's paycheck, plus earned interest.

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

