



The Road to Your NYCERS Retirement Tier 4

Pension Outreach Programs



Melanie Whinnery, Executive Director





About NYCERS

Function

NYCERS' primary function is to administer the statutory pension benefits of its members, retirees, and beneficiaries through Defined Benefit Retirement Plans.

Defined Benefit retirement plans for public sector employees who join NYCERS are defined in law and protected by the New York State Constitution.

You must meet service and contribution requirements to receive a full pension benefit, based on your *years of service and Final Average Salary*.

Other benefits such as loans, disability and death benefits are also offered and specified in law.



About NYCERS

Funding

NYCERS is a cost-sharing multi-employer public retirement system.

The benefits of the system are financed by employer contributions, employee contributions and earnings on the funds' investments by the System.

- **Employer contributions** are determined annually by the Chief Actuary for the City of New York.
- **Employee contributions** are determined based on the plan a participant is enrolled in and are paid through payroll deductions.
- **Investment earnings** from the investment portfolio are a significant component in the funding of the System.

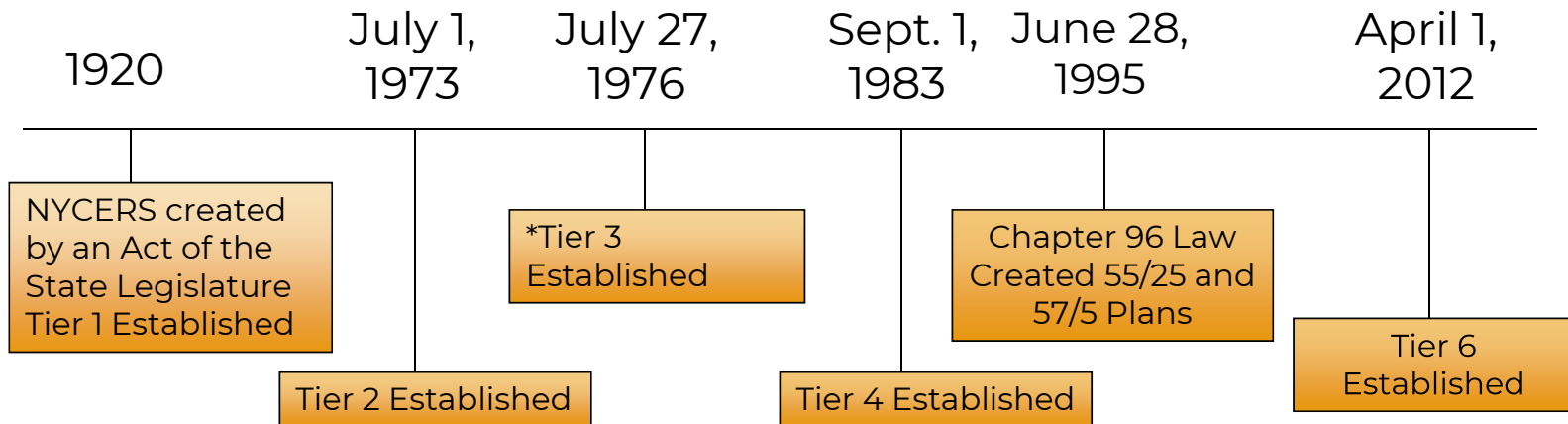
The Comptroller of the City of New York is the custodian of the funds.

NYCERS' Board of Trustees creates and adopts investment policies under which the funds are invested. The Administrative Code of the City of New York authorizes the investment of the system's assets and the NYS Retirement and Social Security Law establishes the criteria for permissible investments.



What is Your Tier?

Your Tier is generally determined by the date you joined NYCERS:



You are a Tier 4 member if you joined NYCERS after July 27, 1976, but before April 1st 2012, except for Correction Officers, Uniformed Sanitation Force and DA Investigators.

Members that joined between 7/27/76 and 9/1/83 are Tier 4 members who can elect their Tier 3 rights.*



62/5 - Basic Tier 4 Plan

62/5

- This is the original Tier 4 plan.
- You joined after 7/27/76, but prior to 6/29/95, and did not elect the 55/25 plan.
- You pay Basic Member Contributions equal to 3% of your gross wages for 10 years.
- You may retire as early as 55 (Tier Equity), but beware of the penalty, AND You MUST be on ACTIVE PAYROLL to retire under Tier Equity.
- You can vest with at least 5 years of service.



62/5 – Basic Tier 4

Early Retirement – Age Reduction

Tier Equity	
62	No Reduction
61	6%
60	12%
59	15%
58	18%
57	21%
56	24%
55	27%



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55/25 - Chapter 96 (Applicable to Tiers 2 & 4) 55/25

- You had to be employed in an eligible position on June 28, 1995 to elect this plan. The 90-day window to opt in was July-September 1995.
- You pay Basic Member Contributions equal to 3% of your gross wages for 10 years.
- PLUS Additional Member Contributions for 30 years (originally 4.35%, then 2.85%, now 1.85%).
- You cannot retire under this plan unless you have at least 25 years of service AND are 55 or older.
- There is no vesting provision with this plan.



57/5 - Chapter 96 (Applicable to Tier 4)

57/5

- This was the only plan available to new members beginning June 29, 1995 until March 31, 2012.
- You pay Basic Member Contributions equal to 3% of your gross wages for 10 years.
- PLUS Additional Member Contributions for 30 years (originally 4.35%, then 2.85%, now 1.85%).
- You are eligible to retire at age 57.
- You can vest with at least 5 years of service.



Chapter 96 - Physically Taxing

50/25

- Participation is MANDATORY for any member of the 55/25 or 57/5 Plan who is employed in a Physically Taxing Position.
- You pay Basic Member Contributions equal to 3% of your gross wages for 10 years.
- PLUS Additional Member Contributions for 30 years (originally 4.35%, then 2.85%, now 1.85%).
- PLUS Physically Taxing AMCs for 30 years 1.98%.
- Eligible to retire at age 50 with 25 years of Physically Taxing service.

The list of Physically Taxing Positions was created by, and may be amended by, the NYC Office of Labor Relations.

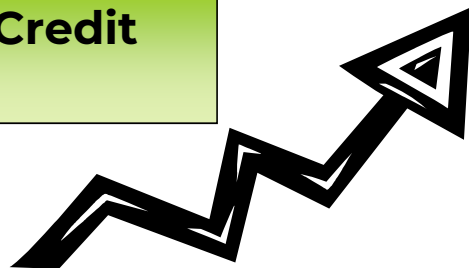


Service Credit

All of these types of credit count towards your retirement:

- Membership Service
- Purchased Service
- Military Service
- Membership Reinstatement
- Transferred Service
- Union Leave
- Part-Time (Lifeguard Law)

**The more Service Credit
you have...**



**...the higher your
pension**



Membership Service

Full-time service is considered 1,827 hours per year.

- 70 hours in a bi-weekly pay period.
- 35 hours in a weekly pay period.

If position has a work week with more hours than 35 hours, then that is the requirement for full service (e.g. TRANSIT).

Anything less is considered part-time service (except for a few titles).

- Service is pro-rated based on the hours actually worked.
- Time is counted per pay period.
- No rollover minutes!

Members CANNOT earn more credit in a week than a week!



Buy-Back Basics

Most previous public service rendered in New York State is eligible for buy-back.

When in doubt: APPLY!!!

Cost:

- 3% Basic Member Contributions, **plus**
- Additional Member Contributions, (If you are a member of 55/25 or 57/5), **plus**
- Interest: 5 percent, compounded annually



Buy-back should be completed before you retire!!!



Military Buy-Back

Federal and state laws allow members to purchase service credit for time spent in U.S. Military service – the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Article 20 of the New York State Retirement and Social Security Law (RSSL), respectively. Interest is NOT factored into either cost.

- Under USERRA, the cost is the equivalent of the contributions required if you had never left for military service.
- Under Article 20, the cost is 6% times the number of years of military service being purchased times the salary you earned during the 12 months prior to the date of your application.

For more information, visit www.nycers.org for the Military Buy-Back Brochure.



Applying for Buy-Back


When we receive your online or paper application, we will:


- Verify the service and salary information for the period claimed.
- Send you a cost letter.

Buy-back can be paid via:

- Lump sum;
- Partial lump-sum and payroll deductions;
- Payroll deductions;
- Rollover from 457 or 403(b); or
- MTA Deferred Compensation Plan: May rollover from 457 or 401(k)

Two-Year Rule: Any time purchased will **not** be credited to you until you have two years of membership service.





NYCERS USE ONLY **F241**

**Application to Purchase Credit for Service
 Rendered Prior to Membership Date in NYCERS**

NYCERS now offers you two ways to purchase previous service: by submitting this application or using our new on-line buy back application. Members who register on our website (www.nycers.org) can use an online application and submit it instantly for processing. If you choose to continue with this hard copy form, it is important to note that this is a multi-part form consisting of Form 241 which is to be used to describe your buy-back claim, and Form 242 (for full-time service) or Form 243 (for part-time service) which is the verification of your payroll records for the specific claim. In most cases it is recommended that you allow NYCERS to either supply or obtain the payroll records needed on Form 242 or 243, but you may obtain that information yourself if you wish. NYCERS cannot process your buy-back until all of the information is received. If you have any questions or need help, contact our Call Center at (347) 643-3000.

Member Number	Last 4 Digits of SSN	Home Phone Number	Work Phone Number
		() ()	() ()
First Name		M.I.	Last Name
Address		Apt. Number	
City		State	Zip Code



Leave Without Pay (LWOP)

Any service rendered during employment that is *UNPAID* will NOT be Credited Service.

This includes any unpaid periods for:

- FMLA
- Medical Leave
- Parental Leave
- Suspension

Generally, members are not permitted to buy back previous service for time spent off payroll.



Transfers and Reinstatements

- NYCERS
- Board of Education Retirement System (BERS)
- NYC Police Pension Fund
- NYC Firefighters Pension Fund
- NYC Teachers' Retirement System (TRS)



- New York State and Local Employees' Retirement System (NYSLERS)
- NYS Teachers Retirement System (NYSTRS)
- NYS Police and Fire Retirement System (NYSPFRS)





What If I Leave City Service Before Eligibility for Retirement?

Vest



If you have put in the service credit required, then you will be entitled to a pension benefit when you reach your plan's payability age, even if you leave City service.

Refund



If you have less than 10 years of Credited Service, you can request a refund. If you withdraw you forfeit your right to any future benefits from NYCERS.

Transfer



If you become a member of one of the other 7 public pension systems in New York State, you can move your time and money to your new system.



Loans

Members may borrow up to 75% of their account balance.

(Chapter 96 members can also borrow up to 75% of the employee portion of their RRF Account)

- One loan permitted every 12 months
- Member must have at least one year of membership service and be on active payroll to apply for a loan
- Loan must be repaid within five years
- Cost: 6% interest rate, .02% insurance premium, plus a \$30 loan processing fee per transaction.





What If I Am Sick or Hurt? Disability Retirement

Disability is defined as an injury or illness that prevents an employee from performing the routine duties of his or her job title.

Ordinary Disability

Members are eligible for a benefit for disability retirement not based on a service retirement benefit formula if they have 10 or more years of *Credited Service*, of which 5 years must be *Membership Service*.

Accidental Disability

Members with less than 10 years of *Credited Service*, may be eligible to apply for disability retirement based on a service connected accident which occurred in the performance of City service.



Death Benefit

Years of Service

- 1 year but < 2 years
- 2 years but < 3 years
- 3 years and beyond

Lump Sum* Equals

- One year's Salary
- Two years' Salary
- Three years' Salary

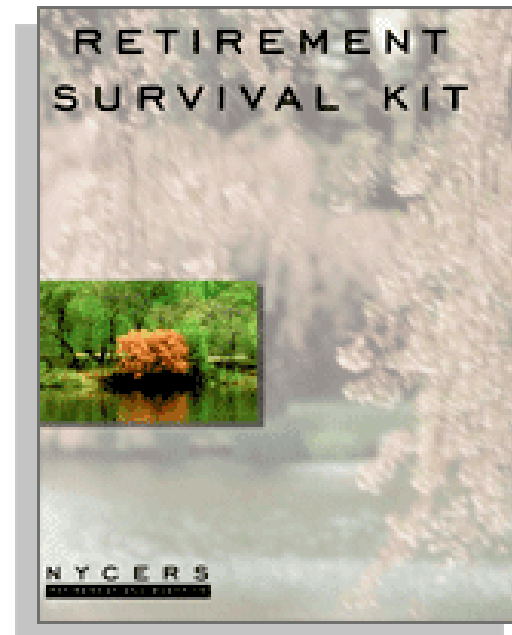
Plus, Refund of BMCs and accrued interest
Plus, Refund of employee share of AMCs accrued interest

*Benefit is reduced for in-service deaths occurring after age 60 (5% reduction each year beyond age 60). Example: 15% reduction for in-service death at age 63.



The Retirement Process

- Tell your employer.
- Establish your last day on City payroll.
- File a Retirement Application with NYCERS.
- Learn how & when you will receive advance payments.
- Select your interim Option.





The Retirement Process

- **File a Retirement Application**
 - NYCERS will need your Last Day on Payroll.
 - You can file your retirement application no earlier than 90 days prior to your retirement date. Please note: **(30-day filing requirement for Special Plan Members!)**
 - Change your mind about retiring? You must withdraw your retirement application *prior* to your retirement date.
- File NYCERS Form #380 for direct deposit.
- **NYCERS will notify NYC Office of Labor Relations of your retirement filing!!!**



Advance Payments

- 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 not receive an advance payment until the end of the following month.

1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



How to Calculate Your Final Average Salary Tier 4

Final Average Salary is the greater of:

The average of wages earned in any three consecutive calendar years.

or

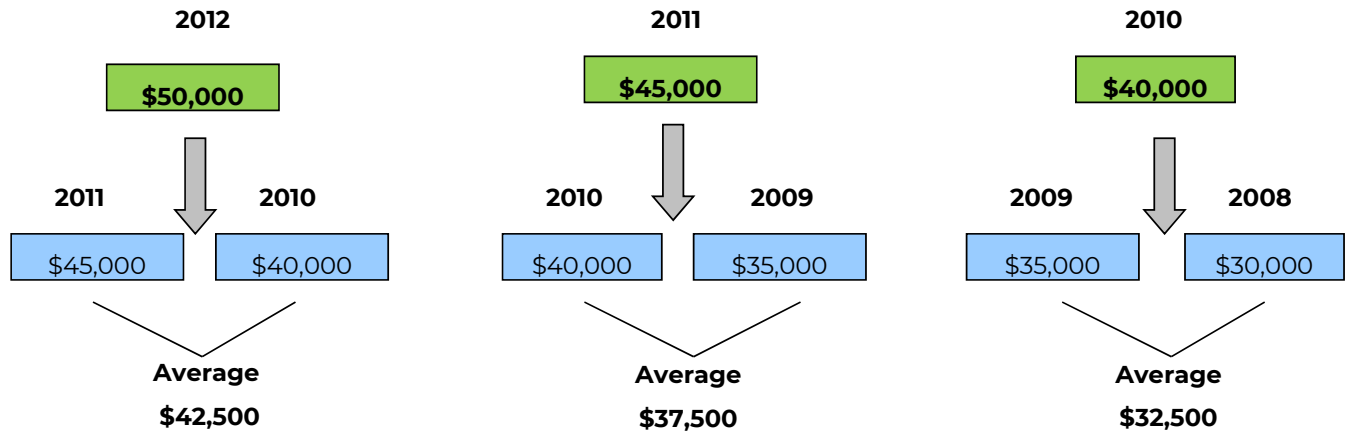
The average of wages earned in the 36 months immediately preceding your retirement date.

The majority of NYCERS members fall into this category



The Kingston Limitation (Tier 4)

Wages earned in any year used in the FAS computation cannot exceed more than 10% of the average of the previous two years



Final Average Salary After Kingston Limitation is Applied

2012	2011	2010		
\$46,750	\$41,250	\$35,750	+	
			+	
			=	\$123,750 / 3 = \$41,250 (FAS)



Maximum Compensation Limit Internal Revenue Code (IRC) 401(a)(17)

The Omnibus Budget and Reconciliation Act of 1993 (OBRA '93) reduced the maximum compensation limit under IRC 401(a)(17) for employees of the private sector. After a transition period the compensation limit was extended to include eligible participants of governmental state and local plans.

NYCRS members who joined the retirement system prior to July 1, 1996 (first plan year beginning after 12/31/1995) are exempt from the OBRA '93 Compensation Limit reductions and are “grandfathered” in the Compensation Limit rules that were in effect as of July 1, 1993 as escalated to the date of benefit determination.

However, members who first joined the plan on or after July 1, 1996 are not eligible for the “grandfathered” Pre-OBRA '93 Compensation Limit and are subject to the private sector reduced Compensation Limit under OBRA '93 as escalated to the date of benefit determination.



Calculating Your Retirement Benefit Tier 4

Less Than 20 Years:

1.67% x Years of Credited Service x
Final Average Salary

20 – 30 Years:

2% x Years of Credited Service x
Final Average Salary

Over 30 Years:

1.5% x Years of Credited Service in
excess of 30 x Final Average Salary





Outstanding Loans at Retirement

- An outstanding loan at retirement will *permanently* reduce your annual retirement benefit.
- The average *annual* reduction of your retirement benefit is \$70 for every \$1,000 of outstanding loan.

Which is better, cash in hand with a lower monthly pension or a higher monthly pension with no cash?



Retirement Options Tier 4

MAXIMUM RETIREMENT ALLOWANCE

OR,

- Option 1: 100% Joint-and-Survivor
- Option 2: 25%, 50%, or 75% Joint-and-Survivor
- Option 3: Five-Year Certain
- Option 4: Ten-Year Certain
- Option 5: 50% or 100% “Pop-Up”



Pension Finalization

- After you have selected an option, you are placed on the pension payroll for the full amount of your benefit.
- This will include retroactive amounts for the difference between your advance payment and finalized pension payment.

Note: If you don't select your option timely, your advance payment could be suspended OR your pension could be finalized under the temporary option selected at retirement!



Taxation

- NYCERS benefit payments are subject to Federal Income Taxes, but are EXEMPT from New York State and local income tax.

Beware! Other states may tax you on your benefits.

- Taxes are generally withheld from all benefit checks based on a member's direction.
- A 1099R tax form is sent each January to retirees reflecting pension income received and federal income tax withheld from that income during the previous tax year.



What If I Want to Work After Retirement?

For **service retirees**, there are NO earnings limitations if you are age **65 and over**.

If you are under age 65 and work for:

- The private sector;
- Federal government;
- A public agency in another state or municipality outside of New York State;
- A public school in New York City or New York State;
- Return to work at a public benefit corporation (such as NYC Health + Hospitals or the NYC Transit Authority, etc.).

What if I am under age 65 and want to work for NYC or NYS?

Section 212 Limit:

- You may receive income from public service employment in NYC or NYS; however, your earnings are subject to an annual limit.
- Annual Limit - \$35,000

NOTE: NYC Transit retirees can work for a NYC or NYS agency without any earnings limitations.



What If I Want to Return to City Service?...Restored Pensioner

NYCERS
New York City Employees Retirement System

NYCERS USE ONLY F351

Election by a Retiree Reentering City Service to Rejoin NYCERS

This form is for retirees who are reentering City service and who wish to rejoin NYCERS. This form must be completed and returned to NYCERS within 90 days after your return to City service. If you do not wish to rejoin NYCERS, do not file this form. Alternatively, you can file an election under Retirement and Social Security Law (RSSL) §121 by completing Form #113. Filing Form #113 will allow you to earn up to \$20,000* in any calendar year before your pension is suspended. Should you have any questions, please contact our Call Center at (475) 643-5500.

Pension Number: _____ Last 4 Digits of SSN: _____ Home Phone Number: _____ Work Phone Number: _____

First Name: _____ MI: _____ Last Name: _____

Address: _____ Apt. Number: _____

City: _____ State: _____ Zip Code: _____

Title: _____

I have reentered City service as a _____ in the Department of _____ effective _____ at a salary of \$ _____ per annum.

I, the undersigned, understand that this form must be completed and returned to NYCERS within 90 days after my return to City service. I understand that I will forfeit my right to rejoin NYCERS if I do not file this form within the aforementioned timeframe.

I further understand that filing this form will trigger the suspension of my pension payments and once my membership has been established, it cannot be revoked during my post-retirement public employment.

*This is the limitation for the calendar year 2013. This earnings limitation may be increased by an act of the New York State Legislature. Please consult the Legislation section of our website to see if legislation has been enacted to increase the limitation.

Signature of Member: _____ Date: _____

This form must be acknowledged before a Notary Public or Commissioner of Deeds.

State of _____ County of _____ On this _____ day of _____, 20____, personally appeared _____, to me to be the individual described in and who executed the foregoing instrument, and he or she acknowledged to me that he or she executed the same, and that the statements contained therein are true. If you have an official seal, affix it.

Signature of Notary Public or Commissioner of Deeds: _____

Official Title: _____

Expiration Date of Commission: _____

Sign this form and have it notarized, THIS PAGE

NYCERS14 Client: 340 Jay Street, Brooklyn, NY 11201 Services: (718) 543-5500 www.nycers.org Mailing: 330 Adams Street, Suite 2300, Brooklyn, NY 11201-0724 Page 1 of 1


If you return to City service in a NYCERS-eligible position, you have 90 days from the date of appointment to rejoin NYCERS if you wish to become a member again.



Understanding Your Annual Disclosure Statement (ADS)

Summary of your NYCERS membership activities for the previous calendar year, including:

- **Work history** (Membership Service) as reported by your employer
- Contributions
- Interest
- Estimated benefits
- And much more!



YOUR ANNUAL DISCLOSURE STATEMENT as of December 31, 2020

ADAM SMITH
123 MAIN STREET
BROOKLYN, NY 11222

03/21/2022
Member #: 1A2B3C

Dear Adam Smith:

The New York City Employees' Retirement System (NYCERS) is providing you with this Annual Disclosure Statement showing the status of your account(s) as of December 31, 2020.

Please review the data on all pages of this statement carefully. If you believe any information is incorrect, notify NYCERS immediately by contacting the Call Center at (347) 643-3000, or log in to your MyNYCERS account at www.nycers.org and submit an inquiry via a Service Request.

The address above is the address NYCERS has on file for you. NYCERS members with a registered MyNYCERS account may change their address online or via our mobile application. Keeping your address current is important, as an incorrect address on file may lead to a delay in processing a transaction or hinder efforts to contact you about your account. For name changes, please complete Form #291 available on NYCERS' website at www.nycers.org and upload it via your MyNYCERS account.

MEMBERSHIP INFORMATION


Member #	1A2B3C
Membership Date	09/24/2014
Tier	3
Pension Plan	UNIFORMED SAN FORCE SA 22E

LOAN ACTIVITY

Loan taken in 2020	\$0.00
Total Outstanding Balance	\$0.00
Loan Availability	\$0.00
2020 Taxable Amount Reported to IRS	\$0.00

LOANS ARE PROHIBITED UNDER YOUR PLAN

All loan activity above is as of December 31, 2020 and does not reflect loans, loan balances, or loan availability after that date. Eligible Tier 3, 4, and 6 members: Your MyNYCERS account is the gateway to your personal pension account. If you have not already registered, visit www.nycers.org to register. Once registered, you can manage your profile, view updated information about your pension account and correspondence from NYCERS, and submit forms. You can also view your benefit estimate and loan eligibility status, apply for a loan, or make a payment by credit/debit card or e-check. Download the MyNYCERS mobile application today from Google Play or the App store and explore the services available to you on-the-go.





Benefits of Reviewing Your ADS



- Opportunity to correct inaccurate information which could potentially affect your retirement
- Information may help you manage your membership and plan for retirement

Note

Information provided in the ADS is as of **December 31**.

To see more recent changes to your beneficiaries, log in to your MyNYCERS account.



Important **Notes** About Your ADS

Service

- Credited service may differ on your ADS
- NYCERS is continuously working to ensure your service is up-to-date prior to your retirement

Pension-Related Earnings

- Account Activity Detail page lists the pension-related earnings you received as reported to NYCERS by your employer during the Annual Disclosure Statement period
- The pension-related earnings reported by your employer may not match your W2 earnings

Non-Pension Earnings

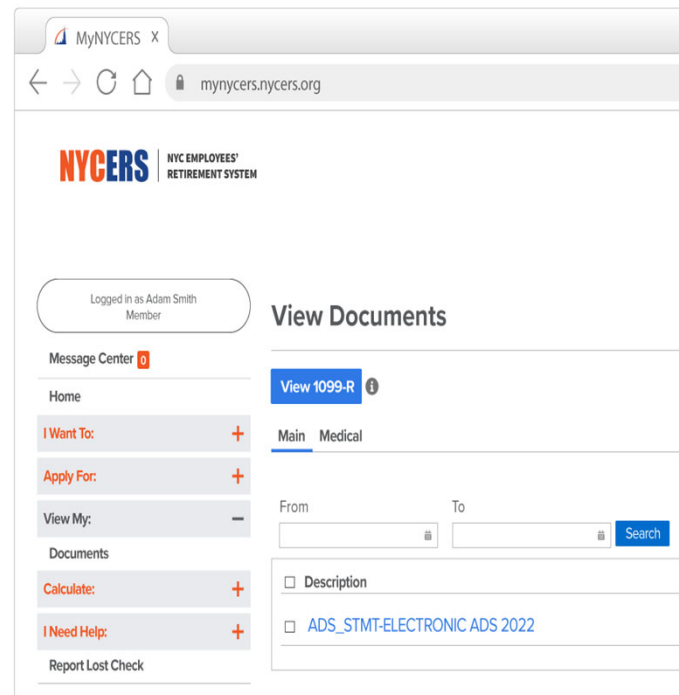
- The amount in your paycheck other than your regular salary, such as*:
 - Overtime pay
 - Longevity pay
 - Retroactive pay
- Some or all of these MAY be excluded when calculating your contribution amount and/or retirement benefits

*Your union contract and your tier determines whether these are considered pensionable earnings.



Accessing Your Annual Disclosure Statement

- Delivered automatically to your MyNYCERS account during the summer
- **Only available in your MyNYCERS account** – it is not mailed to you
- View, print or download your ADS





Retiree Health Benefits

**Health care benefits for retirees
are NOT administered by NYCERS.**

CONTACT:

- NYC Office of Labor Relations: (212) 513-0470 or www.nyc.gov/html/olr





Sign up for a MyNYCERS Account!

Go to www.nycers.org

- Follow the steps to activate your account.
- A PIN number will be sent immediately by text or email.
- Register the PIN for full access to my NYCERS.





Managing your NYCERS account just got a whole lot easier!



- Schedule, cancel and manage appointments
- Print a list of your beneficiaries
- Track the status of your application
- And more – all from your MyNYCERS account!



Log in at mynycers.org and use the new features today!



NYCERS mobile app is now available for download from Google Play or the App Store.

NYCERS Mobile App



Download from Google Play or the App Store



MyNYCERS Member Website

www.mynycers.org

Online services are available 24/7 from both the mobile app and the MyNYCERS website.

Register for the MyNYCERS member portal on the mobile app or at www.mynycers.org to file forms online and manage your NYCERS account from the safety and comfort of your home.

Username and password are the same on website and mobile app.



Contact NYCERS!

Website: www.nycers.org

Call Center: (347) 643-3000

Monday – Friday: 8:00AM - 5:00PM

Mailing Address:

**30-30 47th Avenue, 10th Floor
Long Island City, NY 11101**