

# Summary Plan Description (SPD)

## Tier 2 Members

### Plan C, Plan D, and Plan CPP-I



NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

BROOKLYN, NEW YORK

**NYCERS**  
RETIREMENT AND BENEFITS

Version August 2005

**NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM**  
**335 ADAMS STREET, SUITE 2300**  
**BROOKLYN, N. Y. 11201-3751**

**BOARD OF TRUSTEES**

**Hon. Martha E. Stark, Esq**

*Chairperson  
Commissioner, NYC Department of Finance*

**Hon. Helen Marshall,**

*Borough President, Queens*

**Hon. William C. Thompson,**

*Comptroller of the City of New York*

**Hon. James Molinaro,**

*Borough President, Staten Island*

**Hon. Betsy Gotbaum,**

*Public Advocate*

**Ms. Lillian Roberts,**

*Executive Director, DC 37, AFSCME*

**Hon. C. Virginia Fields,**

*Borough President, Manhattan*

**Mr. Roger Toussaint,**

*President, Local 100, TWU*

**Hon. Marty Markowitz,**

*Borough President, Brooklyn*

**Mr. Carroll Haynes,**

*President, Local 237, IBT*

**Hon. Adolfo Carrion, Jr.,**

*Borough President, Bronx*

---

**Diane D'Alessandro,**

*Executive Director*

# TABLE OF CONTENTS

	PAGE
INTRODUCTION .....	1
WHO IS A TIER 2 MEMBER? .....	3
MEMBERSHIP AND ELIGIBILITY .....	4
SERVICE CREDIT .....	5
CONTRIBUTIONS .....	11
LOANS .....	16
WHAT HAPPENS IF I LEAVE CITY SERVICE?	
REFUNDS .....	20
TRANSFERS .....	20
VESTING .....	21
DEFERRED RETIREMENT .....	22
TERMINATING MEMBERSHIP .....	23
SERVICE RETIREMENT PROCESS .....	24
MAXIMUM BENEFIT LIMITATIONS .....	27
SERVICE RETIREMENT BENEFITS .....	28
RETIREMENT OPTIONS .....	30
DISABILITY RETIREMENT .....	34
SURVIVOR BENEFITS .....	40
TAXATION .....	44
COST OF LIVING ADJUSTMENTS (COLA) .....	46
DOMESTIC RELATIONS ORDER .....	47
EMPLOYMENT AFTER RETIREMENT .....	48
GLOSSARY .....	50
LIST OF NYCERS FORMS .....	54
APPENDIX A: LIST OF PHYSICALLY TAXING TITLES .....	55

## INTRODUCTION

This booklet is called a Tier 2 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 New York City employees who became members on or after July 1, 1973 and prior to July 27, 1976, or were otherwise made eligible for Tier 2 benefits. 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 of Trustees, provides actuarial services to the system. The Office of 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 persons 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. The retirement system manages the system's invested assets and pays out benefits according to formulas set forth in the New York State and New York City law. This plan consists of both employer and employee contributions.

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 **Glossary** for complete listing).

## INTRODUCTION

In general, Tier 2 members are governed by the Administrative Code of the City of New York, the New York State Retirement and Social Security Law (RSSL), the Rules of NYCERS and certain other applicable laws.

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

NYCERS  
335 Adams Street, Suite 2300,  
Brooklyn, NY 11201-3754

or visit our website at:

[www.nycers.org](http://www.nycers.org)

Our Customer Service Center is located on the 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

(877) 699-2377 (877-6NYCERS) - if you are calling from outside NYC

(347) 643-3501 - TTY (hearing impaired)

## **WHO IS A TIER 2 MEMBER?**

Generally, if you became a NYCERS member on or after July 1, 1973 and prior to July 27, 1976, you are a Tier 2 member.

This SPD contains information applicable to the Modified Career Pension Plan (Plan C), the Modified Fifty-Five-Year Increased Service Fractional Plan (Plan D), and the Age 55 Improved Benefit Retirement Program for Tier 2 Members (CPP-I). The following sections contain information that is applicable to all three plans. Any provisions unique to either plan will be found within that specific section of the SPD.

Words that are italicized throughout this booklet have special meaning and are further explained in the GLOSSARY.

## **MEMBERSHIP AND ELIGIBILITY**

### **MANDATORY MEMBERSHIP**

NYCERS membership is mandatory for all employees who 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 their first six months of employment.

### **VOLUNTARY MEMBERSHIP**

Anyone employed by the City or a *Participating Employer* who is not mandated into membership is free to join NYCERS at any time. They must, however, be either in paid status or leave without pay (must appear on payroll records) 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 2005, the maximum salary subject to FICA was \$90,000).

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 Section 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

### PLANS C AND CPP-I

#### Career Pension Plan Qualifying Service (Article 11)

A *Career Pension Plan Position* is any position in City Service, except any Transit Operating position with the Transit Authority, any position in the Uniformed Force of the Department of Sanitation, the Uniformed Transit Police Force, the Housing Police Service, or the Uniformed Correction Force.

25 years of *Career Pension Plan Qualifying Service (Article 11)* are required for retirement under Plans C (20 years of such service for deferred retirement) and CPP-I. It includes:

- all *Membership Service* in a *Career Pension Plan Position*;
- all *Transferred Service* from another New York City or State public employee retirement system;
- 20 Year Plan\* Uniformed Force and Transit Operating service rendered on or after July 1, 1973 while a member of NYCERS;
- certain purchased part-time service.
- purchased military service (see military service section below for more information).
- service credited under the pension enhancement rules (Chapters 110 and 126 of the Laws of 2000).

#### All Other Non-Qualifying Service

Service other than *Career Pension Plan Qualifying Service (Article 11)* counts as additional service credit beyond your 25 required years under Plans C and CPP-I.

### PLAN D

Under Plan D all service credit is counted in the same way, and there is no distinction between *Career Pension Plan Qualifying Service (Article 11)* and other service credit.

### 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.

If, prior to becoming a member of NYCERS, you were a member of any other public employee retirement system in New York City or New York State, and that membership has not been terminated, you may be eligible to transfer that membership 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.

---

\* NYCERS Uniformed Force service includes service in the Uniformed Force of the Department of Sanitation, the Uniformed Transit Police Force, the Uniformed Correction Force, and the Uniformed Housing Police Force



## **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, and it may not count as *Career Pension Plan Qualifying Service (Article 11)*.

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.

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

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.

Under certain conditions purchased **part-time** service may be counted as *Career Pension Plan Qualifying Service (Article 11)* under Plans C and CPP-I. Contact NYCERS for more information.

You may file a request to purchase previous service as long as your NYCERS membership is still active and you are on the payroll of the City or a *Participating Employer*. (Separated members who are awaiting payability of a Vested Retirement benefit are **not** eligible to purchase service). Requests must be filed before your effective retirement date. After receipt of your application to purchase previous service, NYCERS will notify you of the cost. You may cancel your request at any time. However, no refunds can be made for portions already purchased.

The cost to purchase previous service is based on your current earnings. You may pay for this service in a lump sum, by payroll contributions, or by transferring your 457 or 403(b) funds. If you choose payroll deductions, you will pay double your full, unreduced “basic” employee contribution rate for the period being claimed. For example, if you want to buy back six months of previous service, you will pay double deductions for the next six months.

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 or 403(b) plan. Examples of such a purchase include, but are not limited to: pre-member service, military service, and tier reinstatement (prior membership portion only). The cost letter sent to you from NYCERS after you apply to purchase service credit will explain the procedure for using 457 or 403(b) funds. You may not use 457 or 403(b) funds to make deficit-related payments.

NYCERS members cannot use their 401(k) or IRA plans to purchase service credit.

## **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 Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA – formerly known as the Federal Veterans Reemployment Rights Act, or VRRRA) and Article 20 of the Retirement & Social Security Law (RSSL). Each law has different provisions for the granting of, 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 needs to have 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; 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 needs to have been a member of the retirement system at the time he or she entered military service. Under the VRRRA, 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 Article 20 of the RSSL, if a 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 next page). To get credit for military service under Article 20, the member must have 5 or more years of NYCERS’ credited service (which for the purposes of Tier 2 members is any service credit).

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

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 to the 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.

### **PENSION ENHANCEMENT SERVICE**

The Pension Enhancement Law - Chapters 110 and 126 of the Laws of 2000 - provide one month's additional retirement service credit to a member for each year of service credit, up to a maximum of 24 months (2 years) of additional retirement service credit. This service is considered *Career Pension Plan Qualifying Service (Article 11)* and is only added at retirement.

For example, a member with 24 years of service will receive an additional retirement service credit of 24 months upon retirement, bringing him or her to a total of 26 years of service. Even with 23 years and 1 month of service, the addition of the Pension Enhancement credit will bring a member to a total of slightly more than 25 years of service.

### **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.

### **UNION LEAVE SERVICE**

A member may be granted service credit 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.

### **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 Service.

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 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, but only to the extent that such combined compensation does not exceed the compensation earned from that portion of the service that was actually credited during the relevant time period (the amount of service credit that could have been earned from one full-time position during that period). However, where a member concurrently held two or more positions 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.

If you are a member who is working or concurrently worked two or more NYCERS' eligible positions, ask us about contributions, compensation base and service credit.

### **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, Plan CPP-I members are eligible for retirement as early as age 50 if they have credit for 25 or more years of *Career Pension Plan Qualifying Service (Article 11)* in a *Physically-Taxing Position*.

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

### **UNPAID LEAVE**

Generally, you do not receive service credit for an *Unpaid Leave* of absence.

## CONTRIBUTIONS

### BASIC EMPLOYEE CONTRIBUTIONS

Tier 2 members are required to contribute a portion of their salary each pay period through payroll deductions. In this booklet, we refer to these contributions as your “basic” employee contributions.

For Plans C and CPP-I members, “basic” employee contributions are **required** to be made to NYCERS for 25 years of *Career Pension Plan Qualifying Service (Article 11)*.

The “basic” employee contributions you are required to make as a Tier 2 member are based on your age when you joined NYCERS. Your “basic” employee contributions and the interest earned on them while on deposit with NYCERS are referred to as your *Accumulated Deductions*, and are maintained in your *Annuity Savings Fund (ASF)* account. Since July 1, 1988, the interest rate on Tier 2 ASF accounts is 8¼%, compounded annually.

The amount of money you should have in your *Annuity Savings Fund* after 25 years of service, based on your contribution rate and salary history, is referred to as your *Required Amount*. Failure to have the *Required Amount* at retirement will reduce your retirement benefit. The most common reasons members fail to have the *Required Amount* are loans and Social Security offsets (for more on Social Security offsets, see section below: How You Can Reduce Your Contributions to NYCERS).

Your “basic” employee contributions are not subject to current Federal income taxation (Section 414(h) of the IRC), but are subject to current New York State and local income taxation. When you retire or receive a refund, those contributions will be subject to Federal taxation only.

### ADDITIONAL MEMBER CONTRIBUTIONS FOR CPP-I MEMBERS

In addition to the “basic” employee contributions that all Tier 2 members are required to pay, Plan CPP-I members must contribute *Additional Member Contributions (AMCs)* of:

- 4.35% of compensation earned from all *Career Pension Plan Qualifying Service (Article 11)* rendered on and after January 1, 1995 and prior to January 1, 1998
- 2.85% of compensation earned from all *Career Pension Plan Qualifying Service (Article 11)* rendered on and after January 1, 1998 and prior to November 21, 2001
- 1.85% of compensation earned from all *Career Pension Plan Qualifying Service (Article 11)* rendered on and after November 21, 2001

A Plan CPP-I member must contribute *AMCs* until the date he or she has credit for 25 years of *Career Pension Plan Qualifying Service*.

*AMCs* are maintained in a *Retirement Reserve Fund (RRF)* account, which is kept separate from the member’s *ASF* account. (The *ASF* account contains only the member’s “basic” employee contributions, and interest earned thereon). Both the *ASF* and *RRF* accounts earn interest of 8¼%, compounded annually. Upon payment into NYCERS, 50% of the *AMCs* are deemed to be employer contributions and 50% are deemed to be employee contributions.

### AMCs for CPP-I participants who were not members of NYCERS or BERS on July 1, 1993

A CPP-I participant who was not a member of NYCERS or BERS on July 1, 1993 will also be required to make retroactive payment of *AMCs*, with interest, for compensation earned from all *Career Pension Plan Qualifying Service (Article 11)* prior to January 1, 1995 (i.e. *Transferred Service*, and non-eligible position service).

### No Offsets Against AMCs

- *AMCs* may not be offset by Social Security Deductions (Section 138b of the RSSL),  
**or**
- reduced by any provision for Increased Take Home Pay (ITHP)

### Loans Against AMCs

A CPP-I member may borrow up to 75% of the employ~~ee~~ portion of his or her *AMCs*. Such loans are governed by the same rights, privileges, obligations and procedures as for Tier 4 members.

### Refunds of AMCs

A CPP-I member may withdraw the employ~~ee~~ portion of his or her *AMCs*, and interest earned thereon, in the event of:

- death
- Disability Retirement
- discontinuance of participation in the first 365 days, as provided in the enabling legislation
- retirement from *Active Service* at age 62 (with *Active Service* in at least six months in each of the previous two 12-month periods)
- transfer to another New York State public employee retirement system, other than BERS, or
- termination for economic reasons

An ordinary resignation does **not** qualify a member for a refund of the employ~~ee~~ portion of his or her *AMCs*.

Withdrawal of *AMCs* will trigger a Federal tax liability and may result in a tax penalty.

Any outstanding loan against the employ~~ee~~ portion of the *AMCs* will be deducted from the amount on deposit in the member's RRF account before it is refunded.

### Deficiency in AMCs

Any CPP-I member who, while in *Active Service*, has not paid in full any contribution deficiency **will have a reduction in his or her benefit.**

Disability Retirement and Ordinary Death Benefits payable to a CPP-I member, 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 CPP-I member who ceases to be employed in an eligible position, and withdraws the employ~~ee~~ portion of his or her *AMCs* (and earned interest thereon), and later becomes a participant again, will be charged with a contribution deficiency (including 8¼% 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.

Repayment of any deficiency in *AMCs* is not eligible for deferred treatment under Federal income tax rules [IRC Section 414(h)]

### **INCREASED TAKE-HOME PAY (ITHP) CONTRIBUTIONS**

In addition to the making employer contributions to NYCERS, your employer also contributes toward a portion of your employee contributions. These contributions, called Increased-Take-Home-Pay or ITHP, currently are equivalent to 2% of your gross salary. The ITHP contributions are not part of your *Annuity Savings Fund*, but are instead maintained in a separate account.

For Example: Let's assume your full "basic" employee contribution rate is 7.00%. With ITHP in effect, you actually contribute 5.00%, and your employer contributes 2.00%.

### **HOW YOU CAN INCREASE YOUR CONTRIBUTIONS TO NYCERS**

You may elect to waive the reduction for ITHP contributions and contribute the full "basic" employee contribution rate. While this election would lower your take-home pay while you're working, it would result in a greater *Annuity* at retirement.

For Example: Let's assume again that your full "basic" employee contribution rate is 7.00%. If you elect to waive the ITHP reduction, you will continue to make contributions equal to 7.00% each pay period, and, at the same time, your employer will continue to make ITHP contributions on your behalf equal to 2.00% of your earnings.

You may make additional employee contributions on a voluntary basis equal to 50% of your full "basic" employee contribution rate. These contributions, however, are not 414(h) eligible; in other words, they will be subject to income tax in the year the contributions are made.

For Example: Once more, let's assume your full "basic" employee contribution rate is 7.00%. If you elect to waive the ITHP reduction (as explained above) and you also elect to make 50% voluntary contributions, you will contribute an additional 3.50% each pay period, for a total contribution of 10.50%.

Both of these types of voluntary contributions will provide you with an additional *Annuity* at retirement.

### **HOW YOU CAN REDUCE YOUR CONTRIBUTIONS TO NYCERS**

You may elect to reduce your otherwise required employee contributions by the amount you pay in Social Security tax (FICA).



If your “basic” employee contribution rate is less than the FICA contribution rate, by electing this option you will not be making any “basic” employee contributions to NYCERS. However, if your earnings in any year exceed the FICA limit, your basic contributions will kick in for the remainder of that calendar year.

For Example: Let's assume that your “basic” employee contribution rate is 5.00% (your full rate is 7.00% reduced by the 2.00% your employer pays for your ITHP), and you are required to pay 7.65% of your salary to Social Security. By electing to reduce your “basic” employee contributions by the amount of your FICA contributions, you would no longer be making any “basic” employee contributions, because your rate is less than your FICA contribution rate. If your “basic” employee contribution rate is greater than the FICA rate, you would be contributing the difference.

Taking any action to reduce the amount of your “basic” employee contributions to NYCERS will result in a deficit in your *Required Amount*, which, in turn, will reduce your benefit at the time of your retirement.

If you elect to reduce your “basic” employee contributions to NYCERS by the amount to pay your FICA contributions, your Social Security benefits will not be affected.

### **CANCELLING YOUR DEDUCTIONS**

If you are Tier 2 member and you have satisfied the service requirements for your plan (25 years of *Career Pension Plan Qualifying Service/Article 11* for Plans C and CPP-I members, and 25 years of service credit for Plan D members), you may elect to cancel your “basic” employee contribution rate and *AMCs*. You may file an Application to Cancel Rate of Deduction (Form # 311) with NYCERS, or you may file Form 332 (see below) which will simultaneously cancel your rate and serve as the application for a refund of your *Excess Contributions*. NYCERS will cancel your rate, or send you a letter advising you why your rate cannot be cancelled. If you choose not to cancel your deductions, you will accrue *Excess Contributions*.

### **REFUND OF EXCESS CONTRIBUTIONS**

Any of the “basic” contributions you make, and all interest earned on them, after you have satisfied the requirements for your plan (25 years of *Career Pension Plan Qualifying Service/Article 11* for Plans C and CPP-I, and 25 years of service credit for Plan D) are referred to as *Excess Contributions*. You may have your *Excess Contributions* refunded to you. The *AMCs* made by CPP-I members and the interest earned on them, however, are **not** eligible for a refund.

You must file an Application for Refund of Excess Contributions (Form # 332) with NYCERS, which will also result in the cancellation of your basic contributions from that point forward.

NYCERS will calculate the amount of your excess, if any, and send you a letter giving you the opportunity to roll over the taxable portion to an IRA or another employer plan. If you are not eligible for a refund of excess contributions, we will send you a letter advising you the reason(s) why.

For Plans C and CPP-I members, being able to withdraw your *Excess Contributions* does NOT mean you have met the *Required Amount* needed in your account to receive your full retirement benefit.

If you have an outstanding loan at the time that you apply for a refund of excess contributions, you may not be eligible for a refund of excess until your loan is paid in full.

**NOTE:** If you choose to leave your excess contributions on deposit with NYCERS, they will continue to earn 8¼% interest, compounded annually, and provide you with an additional *Annuity* at the time of your retirement.

## LOANS

### SPECIAL NOTICE CONCERNING UNPAID LOAN BALANCE

An outstanding loan balance at retirement may significantly decrease your retirement benefits, may trigger a Federal tax liability, and may result in a tax penalty on the outstanding balance.

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.

### ELIGIBILITY AND MAXIMUM AMOUNT YOU MAY BORROW

A Tier 2 member of NYCERS in *Active Service*, who has credit for at least three years of *Membership Service*, may borrow an amount not to exceed 75% of the amount last posted to his or her *Annuity Savings Fund* (minus any outstanding loans). The following restrictions apply to all Tier 2 loans.

- You must be in active payroll status and have been a member of NYCERS for at least 3 years to be issued a loan.
- You can take up to two loans during any 12-month period.
- Once a loan has been properly issued, it may not be canceled
- The interest rate on loans is 6%. (4% to be restored to your account, plus an additional interest charge of 2%).
- 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 5% of your gross salary per payroll period. You may elect to repay at a higher rate. 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. NYCERS can tell you approximately how much your loan payment will be for the repayment period you elect.
- Repayment of your loan is made through payroll deductions. You can prepay your loan in full at any time. However, you cannot partially repay your loan (except during the retirement process).

### CONSEQUENCES OF NON-PAYMENT

- An outstanding loan balance at retirement will permanently reduce a member's retirement benefit. The amount of the reduction will be permanent and will never be added back into a member's retirement benefit even if the outstanding amount seems to have been eventually "paid". 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.

## INSURANCE

- If you die before repayment of a loan, any unpaid balance up to a maximum of \$10,000 is insured as shown below:

If Your Loan Has Been Effective	It Is Insured To This Amount
Less than 30 days	0%
30-59 days	25%
60-89 days	50%
90 days or longer	100%

## TAXABILITY OF LOANS

### For Active Members

Loans with a repayment schedule of greater than five years are usually considered taxable distributions. Under new IRS regulations effective January 1, 2004, this now includes an existing loan consolidated with a new loan creating a revised 5 year repayment schedule. A new loan consolidated with an old loan will most likely create a tax consequence if it has a repayment schedule beyond the original loan's 5 year repayment date.

Loans with a repayment schedule of five years or less (and that are **not** consolidated loans) are not currently taxable, except for loans totaling over \$50,000. However, if the loan is not repaid within five years, the outstanding balance at the end of the five-year period may be considered a taxable distribution.

Taxable loan distributions for active members are not eligible to be rolled over into an IRA or any other tax-deferred plan. Such loans are taxable as ordinary income for Federal income tax purposes. In addition, members under the age of 59½ incur a 10% IRS penalty tax.

Loans limited to pre-1987 contributions are not taxable regardless of the repayment schedule or amount.

### At Retirement

An outstanding loan balance at retirement, even if your repayment schedule is 5 years or less, will trigger a Federal income tax liability, if the amount you received is considered taxable money. 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 55 and older when they retire are not subject to the 10% Federal income tax penalty.

According to IRS regulations, any loan taken at or near retirement must be treated like a retirement distribution. As such, the taxable amount may be rolled over to an Individual Retirement Account (IRA) or Employer Plan. The taxable distribution is outlined on the Election of Payment Notice sent to you by NYCERS. You may temporarily avoid the Federal income tax consequences by rolling over the taxable portion of the distribution into an IRA or Employer Plan, if your new employer's plan allows such rollovers.

If you already have an outstanding loan when you retire, two to three months after your effective date of retirement you will receive a letter from NYCERS advising you of the taxable amount. This letter will remind you that you may defer your Federal tax liability by rolling over the taxable amount to an IRA or Employer Plan on your own (**because this money was already distributed prior to your retirement**). You will have 60 days from the date of notification to roll over the taxable portion of your prior outstanding loan; otherwise, you will have to claim it as income on your Federal return.

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 FROM RETIREMENT RESERVE FUND ACCOUNT**

CPP-I members are also able to take loans out from their *Retirement Reserve Fund (RRF)* accounts. These loans have slightly different rules and terms, as follows:

- *RRF* loan repayments may only be made directly to the retirement system with a personal check or money order. Cash will not be accepted. The retirement system cannot accept payments through payroll deduction for this particular type of loan. The payroll systems of the City and other Authorities are not equipped to handle this additional loan payment.
- A member may only make direct payments at a rate not less than 2% of his or her salary. Payments must be sufficient to repay the amount borrowed with interest and insurance premiums within a five-year period. The requirement to repay the loan within five years may cause the repayment amount to be higher than requested.
- A CPP-I member in *Active Service* who has credit for at least one year of membership service is eligible to borrow from his or her *RRF*. A member must be in pay status to be issued a loan.
- An outstanding loan cannot exceed 75% of the *Additional Member Contributions* and interest last posted in the member's *Retirement Reserve Fund (RRF)* account.
- The member's *RRF* account remains intact and continues to accrue interest on the full balance. The amount borrowed is from retirement system funds.
- Only one loan may be issued in any 12-month period. There is no provision in the law to allow us to make any exceptions.
- The minimum amount of a cash loan to be granted upon each eligible application is \$1,000. If your borrowing capacity is not at least \$1,000, no loan may be issued to you.
- By law, a \$15.00 service fee is charged upon the processing of each loan, and will be deducted from the loan check. In addition, there is a fee for personal checks that are returned uncollectible by the bank.
- Once a loan has been properly issued by this system, it may not be cancelled.
- A member may request, in writing, to repay the entire outstanding loan in a lump sum. The member will then be provided with a statement specifying the amount due on a certain date.

- The rate of interest payable on any loan shall be the rate in effect at the time the loan application is filed. Whenever there is a change in the interest rate, it shall be applicable to loans applied for or renegotiated after the date of such change.

#### Consequences of Non-Payment for RRF Loans

An outstanding loan balance at retirement will actuarially reduce a member's retirement benefit.

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 loan balance is fully repaid. A Non-Performing Loan may have adverse tax consequences. See the section below entitled Taxability. 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 on RRF Loans

All RRF loans, 30 days after being issued, which are not a Non-Performing Loan are fully insured, and the member is liable for all premiums. A Non-Performing Loan will not be covered by loan insurance. For the first 30 days of a renegotiated loan, the insurance coverage will continue on the outstanding balance of the previous loan. The cash amount of the new loan will be uninsured for the first 30 days. It is required that the loan insurance premium rate be reviewed by the retirement system at least once a year. Such premiums may change over the life of the loan. In addition, the terms or conditions of coverage may be modified, or the insurance coverage itself may be discontinued.

#### Taxability of RRF Loans

Loans with a repayment schedule of greater than five years are usually considered taxable distributions. Under new IRS regulations effective January 1, 2004, this now includes an existing loan consolidated with a new loan creating a revised 5 year repayment schedule. A new loan consolidated with an old loan will most likely create a tax consequence if it has a repayment schedule beyond the original loan's 5 year repayment date.

Loans with a repayment schedule of five years or less (and that are **not** consolidated loans) are not currently taxable, except for loans totaling over \$50,000. However, if the loan is not repaid within five years, the outstanding balance at the end of the five-year period may be considered a taxable distribution.

Taxable loan distributions for active members are not eligible to be rolled over into an IRA or any other tax-deferred plan. Such loans are taxable as ordinary income for Federal income tax purposes. In addition, members under the age of 59½ incur a 10% IRS penalty tax.

In addition, if loan payments are not made for a 90-day period, the I.R.S. considers the loan to be a Non-Performing Loan and some part of the outstanding loan is deemed taxable. Subsequent loan payments will not negate the fact that a taxable distribution has been reported. Upon a member's obtaining a refund after resignation, the outstanding balance on a loan may be at least partially taxable.

For retirees, the outstanding loan balance at retirement is taxable. Within three months after your retirement date, you will receive a letter advising you of the taxable amount so that you may roll it over to an IRA, if you desire. 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 distribution. Members who are age 55 or older, when they retire or obtain a refund after resignation from City service, are not subject to the 10% penalty on such distribution.

## WHAT HAPPENS IF I LEAVE CITY SERVICE?

### REFUNDS

Basic Tier 2 contributions are held in a member's *Annuity Savings Fund* (ASF). Any Tier 2 member resigning or separating from City service can request a refund of the amount in his or her ASF account. However, if a Plan C, CPP-I or D member has at least 5 years of service credit, he or she must submit a form to NYCERS waiving the right to a Vested Retirement Benefit before a refund can be processed. This is necessary because any Tier 2 Plan C, CPP-I or D member, who leaves City service with at least 5 years of service credit, has the right to a Vested Retirement Benefit under Tier 2 Plan D.

You must be **off the payroll** of your employing agency for 30 or more days to qualify for a refund. If your agency's records indicate that you are on a leave of absence with or without pay, you will not be eligible for a refund.

If you receive a refund of your ASF account, your membership in NYCERS is terminated and you forfeit your right to any future benefits, including any Vested Retirement Benefit to which you would otherwise be entitled. Should you return to City service in the future, your membership rights and benefits will be governed by the pension laws in effect at that time.

CPP-I members, under certain circumstances, may be able to receive a refund of the employee portion of his or her *AMCs* when leaving city service. (For more information see page 12 of this SPD).

### 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 subdivisions) 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. In order to transfer your Accumulated Member Contributions and your service credit to another system, you must file a form (Form # 321) with NYCERS within 5 years of the date you terminate covered employment.

**Retirees** may also transfer their NYCERS membership to the New York State and Local Retirement System (NYSLR) or the New York City Teachers Retirement System (NYCTRS). Plan C and CPP-I Retirees are allowed to transfer their membership whether or not they have begun to receive a pension payment from NYCERS. If a Plan C or CPP-I Retiree has received a pension payment, he or she must repay the total pension collected. Plan D Retirees, however, must have received a pension payment, and must repay to NYCERS the total pension collected. In both cases, the retirement credit cannot be transferred until such payment is received.



### 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 that membership 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

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.

### **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.

### Eligibility

Effective as of 1999, Tier 2 Plan D members that have 5 years of service credit and who discontinue city service for reasons other than death, retirement or dismissal will be eligible for a Vested Retirement Benefit. The Vested Retirement Benefit is payable at age 62 on an unreduced basis or as early as age 55 on a reduced basis (see page 29 for a benefit reduction chart). Plan C and CPP-I members must withdraw from their plan and switch to Plan D to become eligible for a vested retirement.

### Filing Requirements

To become a vested member, NYCERS suggests you file a Notice of Intent to Vest (Form # 251) when you discontinue city service for reasons other than death, retirement or dismissal. If you have filed a Notice of Intent to Vest form, NYCERS will send you an application for payment 90

days prior to your 62<sup>nd</sup> birthday. This application must be received by NYCERS by your 62<sup>nd</sup> birthday. If filed later, payment commences when the application is filed with NYCERS.

If you are a Plan C or CPP-I member, you must first withdraw from Plan C or CPP-I and switch to Plan D (ISF) by filing Form # 162. This must be filed BEFORE you resign from city service.

#### Vested Retirement Benefit

The Vested Retirement Benefit will be equal to the sum of:

- 1.53% times *Final Average Salary* for each year of service after June 30, 1968  
plus
- 1.20% times *Final Average Salary* for each year of service before July 1, 1968  
plus
- a *Pension* based on the actuarial value of your *ITHP Reserve Account* as of your payability date  
plus
- an *Annuity* based on the actuarial value of your *Accumulated Deductions* as of your payability date

#### Health Insurance Coverage

Vested members **do not** have health insurance coverage until they start to receive their Vested Retirement Benefit payments from NYCERS.

#### Death Benefits for Vested Members

Vested members with 10 or more years of service credit 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*.

### **DEFERRED RETIREMENT**

Deferred Retirement is an option available to Plan C members that allows them to leave city service and receive their retirement benefits at a later date.

#### Eligibility

If a Plan C member has credit for at least 20 years of *Career Pension Plan Qualifying Service (Article 11)* and has attained age 55, he or she is eligible to receive a Service Retirement Allowance. However, the retirement allowance will not be payable until the date the member would have completed 25 years of *Career Pension Plan Qualifying Service (Article 11)*, if he or she had continued in *Active Service*.

#### Filing Requirements

If you wish to opt for Deferred Retirement, you must file a retirement application with NYCERS at least 30 days, but not more than 90 days, before your last day on city payroll. Your effective retirement date will be the day after your last day on city payroll. However, your payability date will not be until you achieve the age and service requirements listed above.

### Deferred Retirement Benefit

The Deferred Retirement Allowance will be equal to 2.20% of *Final Average Salary* for each year of *Career Pension Plan Qualifying Service (Article 11)*, if a member has contributed the required amount of “basic” employee contributions.

### Health Insurance Coverage

If you are not receiving a pension payment from NYCERS because payment of your Service Retirement Allowance is deferred, you are eligible to receive paid health insurance coverage for the first 5 years of the period that your Service Retirement Allowance is deferred.

### Death Benefits for Deferred Members

If you retire, and you die during the period that your Service Retirement Allowance is deferred, your *Designated Beneficiary(ies)* are covered under Retirement Option 1 provisions (see Retirement Options section of this booklet).

### Transferring Your NYCERS' Membership During Deferral Period

Retirees in their deferral period may transfer their NYCERS membership to the New York State and Local Retirement System (NYSLR) or the New York City Teachers Retirement System (NYCTRS). In so doing, the retiree's retirement service credit and applicable tier status will be transferred to the other retirement system. For Retirees who have begun to receive their retirement benefit and wish to transfer their membership, please see the TRANSFER section of this booklet for more details.

## **TERMINATION OF MEMBERSHIP**

Membership in NYCERS ceases when any one of the following occurs:

1. If a Plan C or CPP-I member has less than 25 years of service credit and resigns or is otherwise separated from City Service and is out of City service for 5 or more years in any 10-consecutive-year period since he or she last became a member (other than time on a preferred eligible civil service list or time spent on active duty military service of the armed forces of the USA).
2. If a Plan C or CPP-I member has 25 or more years of service credit and resigns or is otherwise separated from City service before he or she is eligible to retire, and is out of City service for 10 or more years, (other than time on a preferred eligible civil service list or time spent on active duty military service of the armed forces of the USA).
3. If after leaving City service, a member withdraws more than 50% of his or her *Accumulated Deductions* (this does not refer to any outstanding loan you may have).
4. The member retires.
5. The member transfers his or her membership to another New York City or New York State public retirement system.
6. The member dies.

Approved leaves of absence without pay do not terminate membership.

Time while a member's name appears on a preferred eligible list does not count as time out for termination of membership purposes.

## THE SERVICE RETIREMENT PROCESS

### Effective Date of Retirement

Members who meet all eligibility requirements, and wish to retire, must file an application for service retirement with NYCERS. The application must be filed at least 30 but not more than 90 days before your effective date of retirement. On the application you will be asked to choose a temporary retirement option which will cover the period between filing your application and receiving your first full payment.

### 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. You will not begin receiving your regular retirement check until your retirement is finalized by NYCERS. Once your retirement is finalized, you will begin receiving your retirement checks together with a retroactive adjustment if you are entitled to one.
  - 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

No advance pension payment will be sent to you until NYCERS has a copy of your birth certificate on file.
---

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. If no selection is made, then 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.

Before filing an application with NYCERS, you should check with your agency to determine if you are entitled to payment of any terminal leave, sick 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.

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 to have taxes withheld on a different basis or for no taxes to be withheld by filing a W4P.
- 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 it is subsequently 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 the Office of Labor Relations - Health Benefits Division, (212) 513-0470.

#### 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

Internal Revenue Code Section 415(b) requires defined benefit plans such as NYCERS to apply limits on certain annual pension benefits (particularly those benefits received under a pension enhancement or early retirement incentive). Most NYCERS members are not adversely affected by Section 415 because the amount of their base pension plus enhancements does not exceed Section 415 limits -- currently \$170,000 annually for benefits commencing at age 62.

A recent law (Chapter 623 of the Laws of 2004) establishes an excess benefit plan which restores benefits to those pensioners whose annual pension benefits were previously limited by Section 415.

Pensioners whose benefits were previously limited will now receive the full amount of their annual pension benefit. The excess benefits will be paid to all pensioners who retired on or after July 1, 2000. The excess benefit is incorporated in the retiree's monthly pension payment. As with monthly pension payments the excess benefits are exempt from New York State and local income taxes.

The Section 415 limits for 2000 through 2005 are shown in the table below:

IRC 415 MAXIMUM DOLLAR LIMITS

Age at Retirement	2000	2001	2002	2003	2004	2005
	07/01/1999	07/01/2000	07/01/2001	07/01/2002	07/01/2003	07/01/2004
55	80,008	82,971	94,782	95,576	98,563	101,550
56	85,848	89,027	101,706	102,447	105,649	108,850
57	92,231	95,647	109,274	109,950	113,386	116,822
58	99,223	102,898	117,565	118,159	121,851	125,544
59	106,900	110,859	126,669	127,161	131,134	135,108
60	115,351	119,623	136,691	137,055	141,338	145,621
61	124,677	129,295	147,754	147,957	152,581	157,205
62	135,000	140,000	160,000	160,000	165,000	170,000

## SERVICE RETIREMENT BENEFIT CALCULATIONS

For the calculations listed below, the definition of *Final Average Salary* is the average of your wages earned, including overtime, and other pensionable compensation, during any three consecutive calendar year period or the final 36 months immediately preceding the date of your retirement, whichever is greater. The wages earned in any year used in the calculation of the *Final Average Salary* cannot exceed 120% of the average of the two previous years.

### MODIFIED CAREER PENSION PLAN (PLAN C)

If you complete 25 years of *Career Pension Plan Qualifying Service (Article 11)*, attain age 62, and have contributed the *Required Amount*, Plan C provides a retirement allowance equal to:

- 55% of your *Final Average Salary*  
plus

For all years of service credit other than the first 25 years of *Career-Pension-Plan Qualifying Service (Article 11)*,

- 1.7% times *Final Average Salary* times years of additional service after June 30, 1968  
plus
- 1.2% times *Final Average Salary* times years of additional service before July 1, 1968,  
plus
- a *Pension* based on the actuarial value of the ITHP contributions made after you completed 25 years of *Career Pension Plan Qualifying Service (Article 11)* together with the interest earned on those contributions, if any,  
plus
- An *Annuity* based on accumulations in excess of your required amount of employee contributions, if any.

You may retire and receive your payments as early as age 55 in a reduced amount. The pension portion of your retirement allowance, not including ITHP, is reduced by ½ of 1% for each of the first 24 months that your payment date precedes age 62, plus ¼ of 1% for each month it precedes age 60. 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



### **MODIFIED 55-YEAR-INCREASED-SERVICE-FRACTION PLAN (PLAN D)**

Plan D members are eligible to retire upon attainment of age 62 on an unreduced basis, or as early as age 55 on a reduced basis (see reduction chart on the previous page), provided he or she has at least five years of membership. The Service Retirement Benefit will be equal to the sum of:

- 1.53% times *Final Average Salary* times years of service after June 30, 1968  
plus
- 1.20% times *Final Average Salary* times years of service before July 1, 1968  
plus
- a *Pension* based on the actuarial value of your *ITHP Reserve Account* as of the effective date of retirement  
plus
- an *Annuity* based on the actuarial value of your *Accumulated Deductions* as of the effective date of your retirement

### **AGE 55 IMPROVED BENEFIT RETIREMENT PROGRAM FOR TIER 2 MEMBERS (CPP-I)**

If you complete 25 years of *Career Pension Plan Qualifying Service (Article 11)*, attain age 55 (or age 50 in a *Physically-Taxing Position*), and have contributed the *Required Amount* (including *AMCs*), Plan CPP-I provides a retirement allowance equal to:

- 55% of your *Final Average Salary*  
plus

For all years of service credit other than the first 25 years of *Career-Pension-Plan Qualifying Service (Article 11)*,

- 1.7% times *Final Average Salary* times years of additional service after June 30, 1968  
plus
- 1.2% times *Final Average Salary* times years of additional service before July 1, 1968,  
plus
- a *Pension* based on the actuarial value of the *ITHP* contributions made after you completed 25 years of *Career Pension Plan Qualifying Service (Article 11)* together with the interest earned on those contributions, if any,  
plus
- An *Annuity* based on accumulations in excess of your required amount of employee contributions, if any.

There is no provision for vesting or deferring under the CPP-I Program. A participant must meet both the age and service requirements in order to be eligible for a Service Retirement Benefit. A participant who wishes to retire and does not meet the age and service requirements, may retire under their previous plan provisions. Such a participant, however, is not eligible for a refund of any part of the *Additional Member Contributions* made while in the CPP-I program.

## **RETIREMENT OPTIONS**

The Retirement Options explained in this Section apply to all Tier 2 Service Retirements, Vested Retirements and Disability Retirements.

When you prepare for retirement, you need answers to several questions:

- Do you want to provide continuing retirement income to your spouse, partner or survivor(s) after your death?
- What is the cost of continuing this income?
- What is the effect on your retirement allowance payments?

If you choose, you can provide continuing income to your designated beneficiary by selecting an Option. By selecting an option, you accept a reduced lifetime retirement allowance in exchange for the payment of a benefit to your designated beneficiary upon your death.

The following information explains the options available to you. NYCERS cannot tell you which option, if any, you should select. Your retirement needs are unique to your situation. Representatives in NYCERS' Customer Service Center will try to answer your questions regarding options and other matters pertaining to your retirement. However, you, and only you, can make the option choice that's right for you.

If you do not select an option, you will be awarded the Maximum Retirement Allowance.

### **MAXIMUM RETIREMENT ALLOWANCE**

If you have no spouse, partner or children who depend on you for financial support, you may decide not to select an option. If you cannot afford to receive a reduced pension, you might wish to maximize your retirement income by electing to receive the Maximum Retirement Allowance. There is no reduction in benefit associated with this election.

Your retirement benefit will depend primarily on:

- The pension plan in which you are enrolled (Plan C, CPP-I or D)
- the amount of service to your credit in NYCERS
- your earnings
- contributions made to NYCERS by you
- your age

Based on these factors, NYCERS computes the Maximum Retirement Allowance.

The Maximum Retirement Allowance provides the greatest benefit payment to you while you are retired, for as long as you live. However, under the Maximum Retirement Allowance, no further payments will be made after your death.

### **OPTION 1 (RETURN OF ANNUITY RESERVE)**

Option 1 reduces your lifetime retirement allowance from the Maximum Retirement Allowance. However, Option 1 guarantees that the full amount of the Annuity Reserve (member contributions with interest) determined at the time of retirement will be paid to you, and upon your death, the remaining balance, if any, will be paid to your designated beneficiary(ies).

Each monthly payment will decrease the Annuity Reserve by a commensurate amount of the annuity payment made to you.

Under Option 1, if the death of the retiree occurs shortly after retirement, the majority of the Annuity Reserve will be payable to the designated beneficiary(ies). However, the Option 1 retirement allowance is payable for life, and if you live long enough to use up the entire Annuity Reserve, then nothing will be payable to your designated beneficiary(ies) upon your death. Option reduction factors are based on the age of the member at retirement.

If you elect Option 1, you must designate a beneficiary. You may name more than one beneficiary, and you may change the beneficiary(ies) designated at any time.

### **OPTION 2 (100% JOINT-AND-SURVIVOR)**

Option 2 is intended for the retiree who wishes to insure that after his or her death, a designated beneficiary will continue to receive a fixed annual lifetime benefit.

Option 2 reduces your lifetime retirement allowance from the Maximum Retirement Allowance, with the provision that upon your death the same reduced retirement allowance is continued to your surviving designated beneficiary for life.

Under Option 2, the retirement allowance is paid to you no matter how long you live. Then payments continue to your surviving designated beneficiary for as long as he or she lives. 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 may not designate another person. You will continue to receive the reduced lifetime allowance.

All payments cease upon the death of the retiree, if the designated beneficiary predeceases him or her.

### **OPTION 3 (50% JOINT-AND-SURVIVOR BENEFIT)**

Option 3 is also intended for the retiree who wishes to insure that after his or her death, a designated beneficiary will continue to receive a fixed annual lifetime benefit.

Option 3 provides a lifetime retirement allowance reduced from the Maximum Retirement Allowance, with the provision that upon your death one-half of the reduced retirement allowance is continued to your surviving designated beneficiary for life. The Option 3 reduction is not as great as the Option 2 reduction, because the surviving beneficiary receives only one-half of the retiree's allowance.

Because Option 3 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 3, 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 may not designate another person. You will continue to receive the reduced lifetime allowance.

All payments cease upon the death of the retiree, if the designated beneficiary predeceases him or her.

#### **OPTION 4 (LUMP SUM PAYMENT)**

Option 4 (Lump Sum Payment) allows you to set aside a specific lump-sum benefit for your designated beneficiary(ies) upon your death after retirement. Your retirement allowance will be reduced from the Maximum Retirement Allowance.

The lump-sum benefit is usually provided in units of \$1,000. For each \$1,000 to be set aside, your Maximum Retirement Allowance is reduced by an actuarially determined amount depending on your age at retirement. The greater the lump-sum set aside, the greater the reduction from your Maximum Retirement Allowance.

Your reduced retirement allowance under Option 4 is determined by subtracting from your Maximum Retirement Allowance the annual cost of the lump-sum benefit you elect to provide to your designated beneficiary(ies).

#### **OPTION 4-2 AND OPTION 4-3 (POP-UP JOINT AND SURVIVOR)**

Option 4-2 and Option 4-3 are known as the "Pop-Up" options. Like Option 2 and Option 3, they are intended for the retiree who wishes to insure that after his or her death, a designated beneficiary will continue to receive a fixed annual lifetime benefit.

Option 4-2 and Option 4-3 provide a lifetime retirement allowance reduced from the Maximum Retirement Allowance, with the provision that upon your death either the same reduced retirement allowance (Option 4-2), or one-half of the reduced retirement allowance (Option 4-3), is continued to your surviving designated beneficiary for life.

If the designated beneficiary dies before the retiree, however, the retiree's benefit will "pop-up" to the Maximum Retirement Allowance. All payments cease upon the death of the retiree, if the designated beneficiary predeceases him or her.

Because Option 4-2 and Option 4-3 guarantee 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 4-2 and Option 4-3, once you designate a beneficiary and the option is in force, you cannot change your beneficiary designation.

### **OPTION 5 (FIVE-YEAR CERTAIN OPTION)**

Under Option 5, the Five-Year Certain Option, the retiree receives a reduced monthly lifetime benefit. If the retiree dies within five years of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated 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 none exists, it is paid in a lump-sum to the estate of the retiree.

Should a designated primary beneficiary also die, after having started to receive payments, the balance will be paid in a lump-sum to the designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

### **OPTION 6 (TEN-YEAR CERTAIN OPTION)**

Under Option 6, the Ten-Year Certain option, the retiree receives a reduced monthly lifetime benefit. If the retiree dies within ten years of retirement, the reduced monthly retirement benefit will continue to be paid to the surviving designated 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 none exists, it is paid in a lump-sum to the estate of the retiree.

Should a designated primary beneficiary also die, after having started to receive payments, the balance of the payments due for the remainder of the ten-year period will be paid in a lump-sum to the designated contingent beneficiary. If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

<p>In addition to the options described above, you may elect any form of payment that is the actuarial equivalent of your maximum retirement allowance as certified by the NYCERS actuary and approved by the Retirement System. You are <b>not</b> eligible, however, to receive one lump-sum payment of the entire <i>Initial Reserve</i> at retirement.</p>
--

## DISABILITY RETIREMENT

As a Tier 2 member, you may apply either for ordinary disability retirement or accidental disability retirement, or both.

### ORDINARY DISABILITY RETIREMENT

#### Definition

An Ordinary Disability Retirement benefit is payable when a disability prevents a NYCERS member from performing the routine duties of his or her job title.

#### Eligibility

You are eligible to receive an Ordinary Disability Retirement benefit at any age, provided that you:

- have 10 or more years of service credit,  
**and**
- while on the payroll, you are found by NYCERS' Medical Board to be physically or mentally unable to perform the regular duties of your job title.

#### Benefit Calculation

The Ordinary Disability Retirement benefit will be equal to the sum of:

- 1.53% times *Final Average Salary* for each year of service after June 30, 1968  
plus
- 1.20% times *Final Average Salary* for each year of service before July 1, 1968  
plus
- a *Pension* based on the actuarial value of your *ITHP Reserve Account* as of the disability retirement date.  
plus
- an *Annuity* based on the actuarial value of your *Accumulated Deductions* as of the disability retirement date.

If you are eligible for a Service Retirement benefit on your effective Disability Retirement date, you will receive the greater of the two benefits (either the Service Retirement benefit or the Ordinary Disability Retirement benefit).

#### Effective Retirement Date

Your Ordinary Disability Retirement takes effect on the day after the last day you were paid by your employer, but in no event will your Ordinary Disability Retirement take effect less than 30 days nor more than 90 days after the date your application was filed with NYCERS. Even if you are paid beyond the 90 days following the submission of your application, your effective retirement date will be the 90<sup>th</sup> day.

#### Filing Requirements

Your application for an Ordinary Disability Retirement benefit must be filed by you, or:

- by a person with legal authority to act on your behalf, **or**
- by the head of the agency where you are employed

You will need the following forms to file for an Ordinary Disability Retirement benefit:

- Form # 602 – *Application for Disability Retirement for Tier 2 Members Only*
- 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 Applicants for Disability Retirement*
- Form # 801 – *Instructions for Members Applying for Disability Retirement*

You must remain on city payroll until the Medical Board makes its decision. It is NOT enough to be on payroll only when you file the disability application.

## **ACCIDENTAL DISABILITY RETIREMENT**

### 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 Accidental 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 qualify as an *Accident*.

### Eligibility

There is no minimum service requirement for an Accidental Disability Retirement. You qualify, provided, as a member on the payroll you are found by the NYCERS' Medical Board to be physically or mentally unable to perform your regular job duties as a result of an accidental injury received in City service which is verified by your employing agency, and your disability is not the result of your own willful negligence.

EMS/EMT Title Only: EMT or Advanced Emergency Medical Service Technicians are eligible to apply for Accident Disability Retirement under New York State General Municipal Law Section 207-o if they are presumed to have contracted HIV (through the bodily fluids of a person under their care), tuberculosis, or hepatitis while in the performance of their duties. They are also eligible to apply for Accidental Disability Retirement under New York State General Municipal Law Section 207-q for heart diseases which will be presumed to have been contracted in the course of performance duty.

### Benefit Calculation

Your Accidental Disability Retirement Allowance will be computed as follows:

- A *Pension* of 75% of your *Final Compensation*,  
plus
- a *Pension* based on the actuarial value of your *ITHP Reserve Account* as of your disability retirement date,  
plus
- an *Annuity* based on the actuarial value of your *Accumulated Deductions* as of your disability retirement date,  
less
- 100% of any Workers' Compensation payments

*Final Compensation* is the greater of your average earnable or *Earned Salary* during (a) the 5 year period immediately preceding your retirement; or (b) any consecutive 5 calendar year period prior to your retirement; or (c) any two periods totaling 5 calendar years designated by you. If you became a member after June 17, 1971, the *Wages* used in this calculation for any year during the 5 year period cannot exceed 120% of the preceding year.

### Effective Retirement Date

Your Accidental Disability Retirement will become effective on the later of:

- the date your application for Accidental Disability Retirement is filed with NYCERS  
or
- the day after the last day you are paid on the payroll of an agency of the City of New York or a *Participating Employer*

### Filing Requirements

Accidental Disability Retirement applications must be filed with NYCERS within two years from the date of your accidental injury in City service. If your application for Accidental Disability Retirement is denied on the ground that you were not, at the time of your examination, incapacitated for the performance of the regular duties of your job title, you may apply for reconsideration of your application at any time within 5 years of the date of your accidental injury, provided you have not attained age 55.

Your application for an Accidental Disability Retirement benefit must be filed by you, or:

- by a person with legal authority to act on your behalf, **or**
- by the head of the agency where you are employed

You will need the following forms to file for an Accidental Disability Retirement Benefit:

- Form # 602 – *Application for Disability Retirement for Tier 2 Members Only*
- 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 Applicants for Disability Retirement*
- Form # 801 – *Instructions for Members Applying for Disability Retirement*

You must remain on city payroll until the Medical Board makes its decision. It is NOT enough to be on payroll only when you file the disability application.



### 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 events surrounding them. If there was anything out of the ordinary that caused your injury, or any contributing factor(s), such as the weather or a slippery surface (ice, grease, refuse, etc.), make sure you describe them clearly and thoroughly on your accident reports, even if it means attaching an addendum due to shortage 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.

At 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 AND/OR WITNESS STATEMENTS FILED AS SOON AS POSSIBLE AFTER AN ACCIDENT OR OTHER EVENT HAVE GREATER CREDIBILITY THAN REPORTS FILED AFTER A DELAY.**

### **WITHDRAWING AN APPLICATION FOR ORDINARY OR ACCIDENTAL DISABILITY RETIREMENT**

Provided that NYCERS' Medical Board has not yet finalized its findings, you may withdraw your application for an Ordinary or Accidental Disability Retirement, upon written request to NYCERS and with approval of the Medical Board. 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 Ordinary or Accidental Disability Retirement application. Please note that you will have to be examined by the Medical Board before a decision can be made on your application for Ordinary or Accidental Disability retirement.

### **NOTIFICATION**

The Board of Trustees will send you a letter informing you if your Accidental or Ordinary Disability retirement Application has been approved or denied.

## **RE-EXAMINATION**

In some cases, the Medical Board may approve an Ordinary or Accidental Disability retirement application contingent on re-examination at a later date. Once a year, any person retired on an Ordinary or Accidental 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 Ordinary or Accidental Disability Retirement 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 Ordinary or Accidental Disability Retirement Benefit.

Members retired by reason of disability for more than one year may request a re-examination by 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 right to future benefits from this system.

## **FINAL MEDICAL REVIEW**

Members have the opportunity to contest the findings and recommendation of NYCERS' Medical Board through a process called Final Medical Review.

In order to elect to have a 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 15 days from your receipt of the Board of Trustees' letter. Information on the Final Medical Review is sent to you after NYCERS' Board of Trustees ratifies the Medical Board's recommendation on your Ordinary or Accidental Disability Retirement Application.

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 Ordinary or Accidental Disability Retirement for the same illness.

## **AFTER YOUR ORDINARY OR ACCIDENTAL DISABILITY APPLICATION IS APPROVED**

After your Ordinary or Accidental Disability application is approved, NYCERS will ask your agency to verify the last day you worked and the last day you were paid, if not previously provided. Upon receipt, NYCERS will establish a retirement date, calculate your advance payment and send you a letter advising you of the amount.

NYCERS normally issues an advance payment between 60 and 90 days from the time you are notified of the Medical Board's approval of your application. Approximately 90 days after you receive your first advance payment, you will receive a letter advising you of the final amount payable to you under the various options and a description of your benefit options.

**RETIREMENT OPTIONS**

The retirement options for Ordinary or Accidental Disability Retirees are the same as the Service Retirement options. Please refer to the RETIREMENT OPTIONS section of this booklet.

**TAXATION OF ORDINARY AND ACCIDENTAL DISABILITY RETIREMENT BENEFITS**

Please refer to the TAXATION section of this booklet.

**RETURNING TO EMPLOYMENT AFTER ORDINARY OR ACCIDENTAL DISABILITY RETIREMENT**

Please refer to the EMPLOYMENT AFTER RETIREMENT section of this booklet.

## 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 2 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.

Note: Pursuant to legislation enacted in 2000, beneficiaries of Tier 2 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 *Accumulated Deductions*

plus

If you are a Plan CPP-I member, 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 *Accumulated Deductions*,

plus

If you are a Plan CPP-I member, the refund of the employee contributions in your *RRF* account,

plus:

Years of Service:	A Lump-Sum Benefit 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 compensation earned during a member's last 12 months of service (including overtime, shift differential, etc.)

Post-Retirement Death Benefits Paid Under Death Benefit Plan 2

If you had elected Death Benefit Plan 2 while an *Active Member*, after your retirement your beneficiary(ies) will receive the following benefits (in addition to any other benefits entitled to them) in the event of your death:

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.

## Reductions In Benefit After Age 60 And Still In Service for Death Benefit Plan 2

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

### 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 service credit. The years of service credit may not exceed 36. This benefit may be paid if greater than the Tier 2 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.

The following, in order of priority, are your *Eligible Beneficiaries*:

- your surviving spouse, who has not remarried
- your dependent child(ren) up to age 18
- your dependent parents
- any person you designate for your In-Service 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.

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 of the Board of Trustees.

### **DEATH BENEFIT FOR VESTED MEMBERS**

A *Designated Beneficiary*(ies) will be eligible to receive a death benefit in the event of the death of a Vested member who is out of service, and who dies on or after January 1, 1997, but prior to retirement, and has at least 10 years of service credit at the time of death.

The Death Benefit is one-half of the Ordinary Death Benefit that would have been payable if you had died on the last day of service upon which your membership was based. This is in addition to the refund of your *Accumulated Deductions*.

### **NAMING BENEFICIARIES**

When you joined NYCERS, you were asked on your membership application to name one or more beneficiaries, in case you die while a member in *Active Service*. Your current *Designated Beneficiary* is shown on the Annual Disclosure Statement that is sent to you every year by NYCERS.

You may change your beneficiary designation(s) at any time while you are a member, by filing:

- Form # 131 - *Designation of Beneficiaries for Tier 1 and Tier 2 Members Only*
- Form # 132 - *Designation of Primary and Contingent Beneficiary for Tier 1 and Tier 2 Members Only*

New York State Estate Powers and 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.

### **HOW TO FILE FOR DEATH BENEFITS**

Your beneficiary should notify NYCERS of your death and provide an original Death Certificate. Please note that no benefits will be paid until NYCERS receives an original Death Certificate.

NYCERS will:

- determine the eligibility of your beneficiary(ies)
- calculate any benefits due, and
- notify and send the necessary forms to your beneficiary(ies)

## **TAXATION OF PAYMENTS RECEIVED FROM NYCERS**

Most NYCERS' benefit payments are subject to Federal 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.

Basic contributions 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.

### **LOANS**

Please refer to the LOANS section of this SPD for detailed information about the taxability of loans prior to and at retirement.

### **REFUNDS**

Withdrawal of your accumulated salary deductions and/or a refund of excess contributions 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 (such as a refund of excess) prior to your separation from City service before you attain age 59½ may result in an additional 10% Federal income tax penalty.

## **PENSIONS**

Your monthly Service or Ordinary Disability Retirement allowance is subject to Federal income taxes, but part of it may be excludable. Accidental Retirement benefits are tax-exempt. 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 deposit. 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.

## **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, including 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.

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.
--

## **COST OF LIVING ADJUSTMENTS (COLA)**

Chapter 125 of the Laws of 2000 provides a permanent Cost of Living Adjustment (COLA) for retirees of NYCERS who meet the following requirements.

The COLA is payable to all NYCERS retirees who:

- Have attained age 62 and have been retired for 5 years
- Have attained age 55 and have been retired for 10 years
- Retired on a disability at any age and have been retired for 5 years
- Are recipients of an accidental death benefit, regardless of age and have been receiving that benefit for 5 years

Spouses receiving a join-and-survivor option benefit are eligible to receive 50% of the monthly COLA that the retiree would have been eligible for.

On September 1 of each year, starting in the year 2000, those eligible will receive an adjustment to their benefit equal to:

- 50% of the annual inflation as determined by the Consumer Price Index (CPI) in the one-year period ending on the March 31 prior to the COLA payment to be made on the following September 1
- Not less than 1%
- Not more than 3%

The adjustment will be based on the maximum (annual fixed) retirement allowance, including any prior years' COLA (not exceeding \$18,000) payable under this legislation.

The COLA provided by this law will be payable in lieu of any previous COLA legislation (the latest being Chapter 390 of 1998, which provided COLA to all pre-1994 retirees), unless the earlier COLA would pay more.

## **DOMESTIC RELATIONS ORDERS**

Under the Domestic Relations Law 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.

## **EMPLOYMENT AFTER RETIREMENT**

### **SERVICE RETIREES**

This section only applies to service retirees who are returning to public service within the State of NY. If you are a disability retiree, please read the **DISABILITY RETIREES** section below. The New York State Retirement and Social Security Law (RSSL), the NYC Administrative Code and Section 1117 of the NYC Charter (Charter) determine these limitations based on various factors such as type of retirement (disability or service) and source of income (public, private, or Public Benefit Corporation).

There are no earning limitations if you are age 65 or if you work for:

- the private sector
- federal government
- City or State public service employment, other than within New York State
- transit retiree returning to a City or State agency

Although there are no earning limitations if you return to work at public benefit corporations (such as: HHC, Transit, OTB, etc.), each agency has their own internal policy about re-employing service retirees. For internal re-employment policies, contact the agency directly.

Pensioners who return to City service have 90 days to rejoin NYCERS if they wish to become members again. If you do not, you will not be eligible to rejoin for the entire period of your post-retirement employment. In addition, you get no credit for any service rendered after returning.

If you join another public retirement system, the pension portion of your retirement allowance is suspended for the entire period of your post-retirement employment and you are not covered by Section 211 and Section 212 earning limitations.

The following briefly describes the legislation that governs the earning limitations for pensioners re-employed in NY public service. If you decide you want to return to NY public service, contact NYCERS' Call Center to see how these laws will affect your pension.

#### Section 211

This law allows employees hired for "hard-to-fill" positions to receive income from public service, subject to an earnings limitation. The amount you may earn while employed by the same employer\*, without loss, suspension or diminution of your retirement allowance, is the difference between the maximum pension portion of your retirement allowance (plus cost of living adjustments) and the greater of the salary on which your retirement allowance was based or the maximum salary which you currently would be receiving in the position from which you last retired if you had not retired. To be covered under Section 211 of the RSSL, the prospective employer must obtain a waiver from the State or City Civil Service Commission or other authorized agency.

\*There is no earning limitation for retirees who are hired by a different employer

#### Section 212

Under this law you may receive income from public service, subject to an earnings limitation, that are set each year by the NYS Legislature. For 2004, the amount you may earn, without loss, suspension or diminution of your retirement allowance, is \$27,500. You must file a form with NYCERS electing to have the provisions of Section 212 apply.

If You Decide To Return To Work, Remember:

- There may be earning limitations created by law that affect your pension
- If you are eligible to rejoin NYCERS, you must do so within 90 days
- You forfeit your rights to join and receive credit for your returned service if you do not join within 90 days
- If you rejoin a NY State public retirement system, your pension will be suspended
- There are no earning limitations once you reach the age of 65

### **DISABILITY RETIREES**

This section applies only to those who are receiving a Disability Retirement Benefit. Section 13-171 of the NYC Administrative Code (Code) and Section 1117 of the NYC Charter (Charter) control the re-employment of Disability Retirees.

#### Limits Before Attaining Service Retirement Age

Section 13-171 of the Administrative Code provides that a Disability retiree may receive income from employment in the private sector or the public sector, if he or she has not yet met the age and service requirements to qualify for a service retirement benefit under his or her retirement plan.

The amount a pensioner may earn is the difference between the maximum current salary of the next higher title from that which he or she retired, and the maximum pension portion of his or her retirement allowance.

#### Limits After Attaining Service Retirement Age

Once a Disability retiree attains the minimum service retirement age and service for his or her retirement plan, Section 13-171 of the Code no longer applies to public sector employment and Section 1117 of the Charter governs such employment. Section 1117 provides that a retiree's pension must be suspended if his or her total pension and earned income from the City, State or a municipality within New York State exceeds \$1,800.00 a year. This limitation of \$1,800.00 is so low that almost all retirees surpass it in the first few months of employment.

Income from public benefit corporations or the private sector is exempt

## **GLOSSARY**

The following terms will appear in italics throughout this booklet:

### ***Accident***

A sudden, fortuitous mischance, unexpected, out of the ordinary and injurious in impact.

### ***Accumulated Deduction:***

The total of all basic Tier 2 contributions plus interest earned on such contributions, which are maintained in the members *Annuity Savings Fund*.

### ***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 participants in the CPP-I program pay in addition to their basic contributions. All AMCs are maintained in the member's *(RRF)*.

### ***Annuity***

Payments made for the life of a Tier 2 retiree derived from his or her *Accumulated Member Contributions*. These payments are typically based on the contributions the employee made throughout his or her life to NYCERS.

### ***Annuity Savings Fund***

An account maintained for each Tier 2 member into which the basic contributions of *Wages* deducted from the member's paycheck each payroll period are deposited, plus interest earned on such contributions.

### ***Career Pension Plan Position***

Any position in City Service, except any transit operating position with the transit authority, any position in the uniformed force of the department of sanitation, the uniformed transit police force, the housing police service, or the uniformed correction force.

### ***Career Pension Plan Qualifying Service (Article 11)***

- all *Membership Service* in a *Career Pension Plan Position*;
- all *Transferred Service* from another New York City or State public employee retirement system;
- 20 Year Plan Uniformed Force and Transit Operating service rendered on or after July 1, 1973 while a member of NYCERS;
- purchased military service
- service credited under the pension enhancement rules (Chapters 110 and 126 of the Laws of 2000).

### ***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*.

### ***Earnable Salary***

The regular rate of compensation payable to a member.

### ***Earned Salary***

The actual salary earned by a member, including overtime and additional pensionable compensation.

### ***Eligible Beneficiary***

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

- your surviving spouse, who has not remarried
- your dependent child(ren) up to age 18
- your dependent parents
- any person you designate for your In-Service Ordinary Death Benefit

### ***Excess Contributions***

Generally, any contributions a member makes, and all interest earned on a member's account, after the member has satisfied the requirements for his or her plan (25 years of *Career Pension Plan Qualifying/Article 11 Service* for Plan C and CPP-I, and 25 years of service credit for Plan D) are referred to as *Excess Contributions*. *Excess Contributions* can be refunded to the member. The only type of contribution and interest not eligible for refund are the *AMCs* made by CPP-I members and the interest earned on them.

### ***Final Compensation***

The greater of the average compensation earned or earnable 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, **or**
- Any two periods totaling five calendar years designated by the member

If you became a member after June 17, 1971, the *Wages* used in the calculation for any year during the five year period cannot exceed 120% of the preceding year.

### ***Final Average Salary***

Your average wages earned, including overtime, and other pensionable compensation, during any three consecutive calendar year period or the final 36 months immediately preceding the date of your retirement, whichever is greater. The wages earned in any year used in the calculation of the final average salary cannot exceed 120% of the average of the two previous years.

### ***Initial Reserve***

The total of the Annuity Savings Fund and the Pension Reserve Fund at the time of retirement. Members are **not** allowed to withdraw this amount as one lump sum at retirement.

### ***ITHP Reserve Account***

An account maintained for each Tier 2 member into which the ITHP contributions made to NYCERS by the City of New York and *Participating Employers* 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.

### ***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
- The NYC Employees' Retirement System (NYCERS)
- The NYC Teachers' Retirement System
- 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

### ***Pension***

Payments made for the life of a Tier 2 retiree derived from his or her Pension Reserve Fund. These payments are typically based on the contributions made to NYCERS by the City of New York and *Participating Employers*.

### ***Physically-Taxing Positions***

A position in City service included on the Official List of *Physically-Taxing Positions* promulgated and maintained by the NYC Office of Labor Relations (See Appendix A). Tier 2, Plan CPP-I members who have credit for 25 or more years of *Career Pension Plan Qualifying Service* in *Physically-Taxing Positions* are eligible to retire at age 50.

### ***Purchased Service***

*Purchased Service* allows members to purchase retirement service credit for full or part-time New York City 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, and it may not count as *Career Pension Plan Qualifying Service* (Article 11).

### ***Required Amount***

In Plan C or CPP-I, the amount of money a member should have in his or her *Annuity Savings Fund* after 25 years of *Career Pension Plan Qualifying Service* (Article 11), based on the member's contribution rate and salary history.

### ***Reserve for Increased-Take-Home-Pay***

An amount which at the time of death in service or retirement is equal to the accumulation of the contributions for *ITHP*, plus interest accrued on those contributions.



***Retirement Reserve Fund***

An account maintained for each CPP-I member into which the AMCs deducted from the member's paycheck each payroll period are deposited, plus interest earned on such contributions.

***Transferred Service***

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.

***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.

## NYCERS FORMS 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.nycers.org](http://www.nycers.org)

### THE FOLLOWING FORMS ARE SPECIFIC TO TIER 2

<b>Form Number</b>	<b>Form Name</b>
101	Application for Membership Tier 1 and Tier 2 Members
131	Designation of Beneficiary for Tier 1 and Tier 2 Members
132	Designation of Primary & Contingent Beneficiary for Tier 1 and Tier 2 Members Only
137	Designation of Guardian when naming a minor as a Beneficiary
162	Election of Career Pension Plan or ISF Tier 1 and Tier 2 Members
211	Application to Restore Rate of Deduction
212	Increased-Take-Home-Pay (ITHP) Waiver
213	Revocation of Increased-Take-Home-Pay (ITHP) Waiver
214	Election to Pay Extra Salary Deductions to Provide Additional Annuity at Retirement
215	Revocation of Election to Pay Extra Salary Deductions to Provide Additional Annuity at Retirement
217	Election to Change the Present Method of Payment of Social Security Coverage
241/242/243	Application to Purchase Credit for prior service
244	Application to Purchase Credit for Military Service
251	Notice of Intention to File an Application for a Vested Retirement Benefit Tier 1 and Tier 2 Members (Except Corrections and Sanitation)
261	Application for Payment of a Vested Retirement Benefit Tier 1 and Tier 2 Members (Except Corrections and Sanitation)
290	Change of Address Form
291	Name Change Affidavit
301	Application for Loan Tier 1 and Tier 2 Only
311	Application to Cancel Rate of Deduction
331	Application for Refund of Member’s Accumulated Salary Deductions
332	Application for Refund of Excess Contributions
521	Application for Service Retirement
552	Retirement Option Election Form for Tier 1 and Tier 2 (Max, Opt 2, Opt 3, Opt 4-2, Opt 4-3)
553	Retirement Option Election for Tier 2 (Option 4)
554	Retirement Option Election Form for Tier 2, Tier 3, and Tier 4 (5-Year and 10-Year Certain)

*APPENDIX A - OFFICIAL LIST OF PHYSICALLY-TAXING POSITIONS*

Able Seaman / Mariner  
Administrative Superintendent Of Water & Sewer Sys  
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 Repairman/Repairer  
Assistant Resident Buildings Superintendent  
Assistant Stock Handler  
Assistant Stockman  
Associate Park Service Worker  
Auto Lawn Mower Operator  
Auto Machinist  
Auto Mechanic  
Auto Mechanic (Diesel)  
Automotive Mechanic  
Basin Machine Operator  
Blacksmith  
Blacksmith's Helper  
Boiler Room Operator / Housing Fireman  
Boilermaker  
Boilermaker's Helper  
Borough Foreman (Highway And Sewer Maintenance)  
Borough Foreman (Sewer Maintenance)  
Borough Foreman/Supervisor  
Borough Foreman/Supervisor (Highway Maintenance)  
Borough Foreman/Supervisor (Watershed Maintenance)

Bricklayer  
Bridge And Tunnel Maintainer  
Bridge Painter  
Bridgeman/Bridge Repairer And Riveter  
Building Repairman/Repairer  
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  
Caretaker (Housing Authority) X  
Carpenter  
Carriage Upholsterer  
Cement Mason  
Chauffeur-Attendant  
Chief Caretaker  
Chief Marine Engineer  
Chief Marine Engineer (Diesel)  
Chief Mate  
Chief Of Hospital Transportation Services  
City Laborer  
City Park Worker  
City Parking Meter Service Worker  
Climber And Pruner  
Coal Handler

Coal Passer  
Communication Electrician  
Communication Electrician's Helper  
Construction Laborer  
Core Drill Operator  
Core Drill Operator's Helper  
Crane Engineman (Ampes)  
Crane Engineman/Operator  
Deckbuilder  
Deckhand  
Deckhand (Tugboat)  
Deputy City Sheriff  
Diesel Tractor Operator  
District Foreman (Highway And Sewer Maintenance)  
District Foreman (Sewer Maintenance)  
District Foreman (Water Supply)  
District Foreman/Supervisor  
District Foreman/Supervisor (Highway Maintenance)  
District Foreman/Supervisor (Watershed Maintenance)  
District Supervisor (Water & Sewer Systems)  
Driller  
Electrician  
Electrician (Automobile)  
Electrician's Helper  
Electrician's Helper  
Elevator Mechanic  
Elevator Mechanics Helper  
Emergency Medical Specialist - Emt / Ambulance Cor  
Emergency Medical Specialist - Paramedic / Ambulan  
EMS Assistant Borough Chief  
EMS Borough Chief  
EMS Division Chief

EMSS (Level 1)  
EMSS(Level 2)  
Exterminator  
Farmer  
First Assistant Marine Engineer (Diesel)  
Flagger  
Foreman (Traffic Device Maintainer)  
Foreman Asphalt Worker  
Foreman House Painter  
Foreman Of Gardeners  
Foreman Of Mechanics (Motor Vehicles)  
Foreman/Supervisor  
Foreman/Supervisor (Exterminators)  
Foreman/Supervisor (Highway And Sewer Maintenance)  
Foreman/Supervisor (Highway Maintenance)  
Foreman/Supervisor (Sewer Maintenance)  
Foreman/Supervisor (Water And Sewer Systems)  
Foreman/Supervisor (Watershed Maintenance)  
Foreman/Supervisor Auto Mechanic  
Foreman/Supervisor Auto Mechanic  
Foreman/Supervisor Blacksmith  
Foreman/Supervisor Boilermaker  
Foreman/Supervisor Bricklayer  
Foreman/Supervisor Bridge Painter  
Foreman/Supervisor Bridgeman/Bridge Repairer And R  
Foreman/Supervisor Cable Splicer  
Foreman/Supervisor Carpenter  
Foreman/Supervisor Crane Engineman/Operator  
Foreman/Supervisor Crane Engineman/Operator (Ampes  
Foreman/Supervisor Dockbuilder  
Foreman/Supervisor Electrician  
Foreman/Supervisor Elevator Mechanic

Foreman/Supervisor Furniture Maintainer  
Foreman/Supervisor Furniture Maintainer (Upholster  
Foreman/Supervisor Glazier  
Foreman/Supervisor Highway Repairer  
Foreman/Supervisor Lineman/Line Repairer  
Foreman/Supervisor Machinist  
Foreman/Supervisor Of Housing Caretakers  
Foreman/Supervisor Of Housing Exterminators  
Foreman/Supervisor Of Mechanics  
Foreman/Supervisor Of Traffic Device Maintainers  
Foreman/Supervisor Painter  
Foreman/Supervisor Paver  
Foreman/Supervisor Plasterer  
Foreman/Supervisor Plumber  
Foreman/Supervisor Roofer  
Foreman/Supervisor Sheet Metal Worker  
Foreman/Supervisor Ship Carpenter  
Foreman/Supervisor Steam Fitter  
Foreman/Supervisor Water Supply  
Furniture Maintainer (Including All Specialties)  
Furniture Maintainer's Helper  
Garage Foreman  
Gardener  
Gas Fitter  
Gasoline Engineman/Engine Operator (Marine)  
Gasoline Roller Engineer  
General Mechanic  
General Park Foreman  
General Superintendent Of Repairs To Distribution  
Glazier  
Handyman, Grade 1  
Handyman, Grade 2

Heating Plant Technician (Housing Authority)  
High Pressure Plant Tender  
High Pressure Plant Tender/Stationary Fireman  
Highway Repairer  
Highway Repairer Trainee  
Horseshoer  
Horseshoer (Fireman)  
Hostler  
Housepainter  
Housesmith  
Housing Caretaker  
Housing Caretaker E  
Housing Caretaker G  
Housing Caretaker J  
Housing Caretaker P  
Housing Caretaker X  
Housing Exterminator  
Housing Stock Handler  
Housing Stock Worker  
Housing Stock Worker L1  
Housing Stock Worker L2  
Housing Storekeeper  
Housing Supply Handler  
Housing Supply Man  
Keystone Shovel Engineer  
Laborer  
Laborer (City Rent)  
Lineman/Line Repairer  
Lineman's/Line Repairer's Helper  
Loader And Handler  
Machinist  
Machinist's Helper



Mail/Messsage Service Worker  
Maintenance Man  
Maintenance Worker  
Marble Setter  
Marble Setter's Helper  
Marine Engineer  
Marine Engineer (Diesel)  
Marine Oiler  
Marine Sounder  
Marine Stoker  
Marine Stoker (Oil Burning)  
Mason's Helper  
Mate  
Mate (Tugboat)  
Menagerie Keeper  
Metal Lather  
Monument Artisan  
Monument Restorer  
Mortuary Caretaker  
Mortuary Technician  
Motor Grader Operator  
Motor Vehicle Dispatcher  
Motor Vehicle Foreman/Supervisor  
Motor Vehicle Operator  
Motor Vehicle Supervisor  
Oiler  
Oiler (Portable)  
Oiler (Stationary)  
Painter  
Park Foreman  
Park Service Worker  
Park Supervisor

Parking Meter Collector  
Paver  
Pile Driving Engineer  
Pile Driving Fireman  
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 Repairman/Repairer  
Resident Buildings Superintendent  
Rigger  
Roofer  
Rubber Tire Repairer  
Scowman  
Second Assistant Marine Engineer (Diesel)  
Second Mate  
Senior Bridge And Tunnel Maintainer  
Senior Building Repairman  
Senior Foreman Traffic Device Maintainer  
Senior Foreman/Supervisor (Exterminators)  
Senior Foreman/Supervisor Of Housing Exterminators  
Senior Garage Foreman  
Senior Menagerie Keeper  
Senior Mortuary Caretaker

Senior Mortuary Technician  
Senior Motor Vehicle Foreman/Supervisor  
Senior Motor Vehicle Supervisor  
Senior Sewage Treatment Worker  
Senior Supervising Foreman Of Line Repairers & Cab  
Senior Supervisor Communication Electrician  
Senior Supervisor Of Park Operations  
Sewage Treatment Worker  
Sheet Metal Worker  
Ship Carpenter  
Ship Caulker  
Sign Painter  
Sr Super. Of Housing Exterminator  
Stationary Fireman / High Pressure Plant Tender  
Steam Fitter  
Steam Fitter's Helper  
Steam Roller Engineer  
Stock Handler  
Stock Man  
Stock Worker  
Stone Cutter  
Superintendent Of Repairs To Distribution  
Superintendent Of Sewer Services/Systems  
Superintendent Of Water And Sewer Systems  
Supervising Ambulance Corpsman  
Supervising EMSS - EMS Manager (Managerial Detail)  
Supervising EMSS (Levels 0 - 1 - 2)  
Supervising Housing Groundsman/Groundskeeper  
Supervising Parking Meter Collector  
Supervising Parking Meter Service Worker  
Supervisor Bricklayer  
Supervisor Carpenter

Supervisor Communication Electrician  
Supervisor Electrician  
Supervisor Elevator Mechanic  
Supervisor Of Housing Caretakers  
Supervisor Of Housing Exterminators  
Supervisor Of Housing Groundkeepers  
Supervisor Of Housing Stock Wkrs L1  
Supervisor Of Housing Stock Wkrs L2  
Supervisor Of Housing Stock Wkrs L3  
Supervisor Of Ironwork  
Supervisor Of Mechanics (Me)  
Supervisor Of Mechanics (Mechanical Equipment)  
Supervisor Of Menagerie  
Supervisor Of Motor Transport  
Supervisor Of Park Operations  
Supervisor Of Park Operations And Maintenance  
Supervisor Of Tractor Operators  
Supervisor Painter  
Supervisor Plasterer  
Supervisor Plumber  
Supervisor Roofer  
Tinsmith  
Tractor Operator  
Traffic Device Maintainer  
Water Plant Operator  
Water Tender  
Watershed Maintainer  
Wehr Grader Operator  
Welder  
Welder (Electric)  
Well Driver  
Window Cleaner