

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

AND

NEW YORK CITY PUBLIC EMPLOYEES' GROUP LIFE INSURANCE PLAN

BROOKLYN, NEW YORK

A PENSION TRUST FUND OF THE CITY OF NEW YORK

ANNUAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2006

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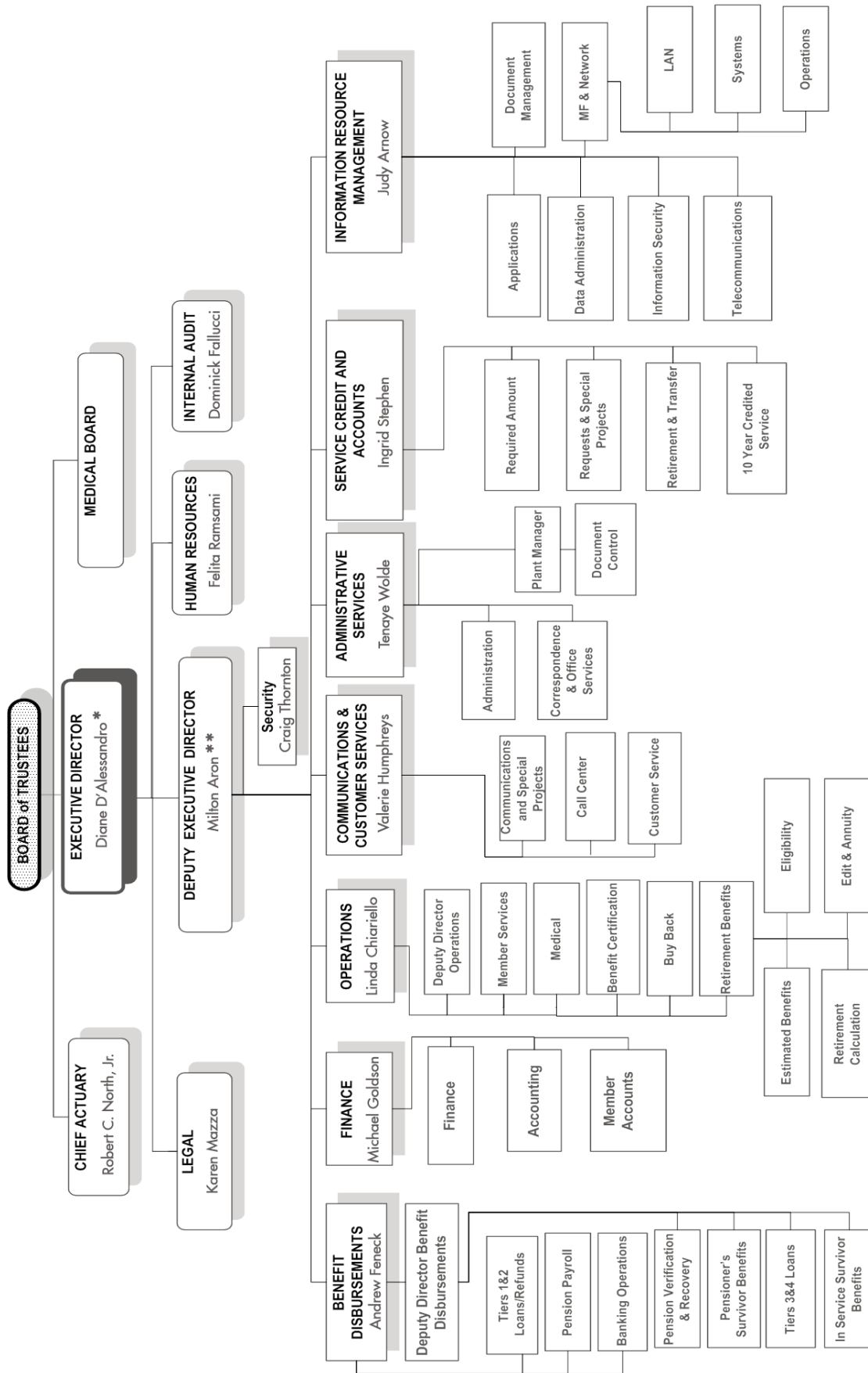
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INTRODUCTORY SECTION



NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM (NYCERS) ORGANIZATION CHART



* As of November 2005

** Retired as of April 2006

INTRODUCTION TO THE REPORT

We are pleased to present the Annual Report of the New York City Employees' Retirement System and the New York City Public Employees' Group Life Insurance Plan (*Plan*) for the fiscal year ended June 30, 2006. The Annual Report consists of this Introductory Section, a Financial Section that contains the financial statements of the *Plan*, as well as investment and statistical tables, and a Summary of Plan Provisions.

ACCOUNTING SYSTEM AND REPORTS

This Annual Report has been prepared in conformity with principles of governmental accounting and reporting, promulgated by the Governmental Accounting Standards Board, and is the responsibility of the *Plan's* management. The accrual basis of accounting is used to record assets and liabilities, and revenue and expenses. Revenues for the system are taken into account when earned without regard to date of collection, and expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made. Investments are valued at fair value. The Statement of Plan Net Assets and Statement of Changes in Plan Net Assets are based on the audited financial statements. Those statements, as well as many more statistical tables may be found in the Plan's Comprehensive Annual Financial Report (CAFR). The CAFR is generally a more difficult document to read for the non-financial user. You can access the CAFR and other information at the NYCERS web-site, www.nycers.org.

The management of the *Plan* is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments made by management are required, in order to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization, and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Our independent auditors have stated that the internal accounting controls of the system are adequate to assure the above objective. There have been no irregularities that would have a material effect on the financial statements.

ADMINISTRATION

NYCERS was established by an act of the legislature of the State of New York under Chapter 427 of the laws of 1920. Chapter 427 created a retirement system in accordance with sound actuarial principles. The governing statutes are contained in the New York State Retirement and Social Security Law (RSSL), and the New York City Administrative Code. The system became operational on October 1, 1920 with 13,331 original members. As of June 30, 2004, the date of the Plan's most recent actuarial valuation, the Plan's membership included 174,997 members in active pay status, 127,345 retirees and beneficiaries receiving benefits, and 5,888 terminated vested members who are not yet receiving benefits. The head of the retirement system is the Board of Trustees.

MEMBERSHIP

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.

All persons holding permanent civil service positions in the competitive or labor class are required to become members of the system 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.

EMPLOYERS

The *Plan* is a cost-sharing, multiple employer Public Employee Retirement System. In addition to the various departments of the City of New York, members of NYCERS are also employed by the Metropolitan Transit Authority, the MTA Triborough Bridge and Tunnel Authority, the New York City Housing Authority, the New York City Health and Hospitals Corporation, the New York City Off-Track Betting Corporation, the New York City Rehabilitation Mortgage Insurance Corporation, the New York City Housing Development Corporation, the City University of New York, the New York City School Construction Authority, and the NYC Municipal Water Authority. In addition, there are a few New York State employees who were either NYC Rent Control Officers or employed by the NYC Court System before their departments merged into the State of New York. A chart showing these employers and their respective participating employees is included in this report.

REVENUES

The funds needed to finance retirement benefits are accumulated through the collection of employer and employee contributions, and through income on investments. Employee contributions vary according to the retirement plan to which the member belongs. Employer contributions are addressed in the funding section below. Contributions and investment income for fiscal year 2006 totaled \$4.8 billion, an increase of \$530 million from the \$4.2 billion of fiscal year 2005. This was chiefly the result of the increase in the equities market value being \$378 million greater than the appreciation during fiscal year 2005, and the increase in required employer contributions of \$202 million. Overall, income from the investment portfolio is relied upon to be a major contributor to the system. The losses of a few years ago in the equity portfolio, combined with increased benefits, have contributed to the necessity of increasing employer contributions. However, as the equity markets continue to rebound, the contribution of the investments is expected to increase and lessen the burden on the employers.

EXPENSES

The primary expense of a retirement system relates to the purpose for which it is created: namely, the payment of benefits. Consequently, recurring monthly retirement benefit payments and death benefit payments prescribed by the *Plan*, and refunds of contributions to terminated members comprise the major expenses. Expenses for benefit payments and withdrawals in fiscal year 2006 totaled \$2.96 billion, a \$119 million (4%) increase over the prior year. Retirement payments to new retirees and cost-of-living increases to most current retirees made up the main components of the increase in benefit distributions.

FUNDING

The financial objective of the Plan is to fund members' retirement benefits during their active service, and to establish employer contribution rates which, expressed as a percentage of active member payrolls, will remain approximately level over the future working lifetime of those active members. The bottom line for a retirement system is the level of funding. The better the level of funding, the larger the ratio of assets accumulated, giving the participants a higher degree of assurance that their pension benefits are secure. The advantage of a well-funded plan is that the participants can look at the assets that are irrevocably committed to the payment of benefits. As of the June 30, 2004 actuarial valuation, the Plan is in the enviable position of having a fully funded ratio of 99.6%.

Employer contributions are determined annually by the Chief Actuary of the Plan, in accordance with generally accepted actuarial principles.

INVESTMENTS

The Administrative Code of the City of New York authorizes the investment of *Plan* assets subject to the terms, conditions, limitations and restrictions imposed by law for investments by savings banks. The New York State Retirement and Social Security Law establishes the criteria for permissible equity investments.

Investment policies are adopted by the *Plan's* Board of Trustees. The Board creates the overall investment philosophy under which the *Plan's* funds are invested and, in defining the investment objectives, develops a framework under which specific objectives are established with regard to allocating the assets of the *Plan* among the various investment types. The following is a brief outline of the *Plan's* philosophy and objectives

- ▶ In order for the *Plan* to meet its responsibility of providing its members with their legal entitlements to retirement and other benefits, the level of investment risk should be prudent and not jeopardize the *Plan's* financial stability. The *Plan's* assets must be protected from severe adverse market conditions and wide fluctuations in investment results.
- ▶ Since higher investment returns are generally associated with a certain amount of risk, it is reasonable and justified to assume a moderate level of risk in order to strengthen long term results.
- ▶ Diversification reduces the overall portfolio risk. This is achieved by allocating funds among different asset categories and then, within each category, having a broad representation of industries and companies. The bulk of the portfolio is in a very wide variety of domestic stocks and bonds. The Policy Mix target consists of 55% in U.S. Equities, 13% in an International Investment Equity Investment Fund involving only New York City pension plans, 30% in U. S. Fixed Income, and 2% in Alternative Investments which includes private equity and real estate investments. Public equity investments are allocated among passive, emerging markets, and approaches that focus on companies of various size capitalizations. Fixed income bonds are primarily allocated among government, government guaranteed mortgage-backed, and corporate securities.

- ▶ Since retirement benefits are paid on a monthly basis, and other benefits such as loans, refunds and death benefits are paid weekly or bi-weekly, the liquidity of the portfolio must be considered. The cash flow from employer contributions, dividends and interest must be structured so that benefits can be paid in a timely manner. A portion of the portfolio is kept in short term investments to assure that this is so.
- ▶ Striving for long term results is the most reasonable objective for an institution such as a retirement system that is accumulating resources for liabilities that are primarily due in the distant future.

ECONOMIC CONDITIONS

Using the measure of the Gross Domestic Product (GDP), the U.S. economy was growing at a rate of 2.9 % at the end of fiscal year 2006, although the growth rates during the year were variable from one quarter to the next. The chief reasons for the volatility were the series of hurricanes that created much damage as well the increasing price of oil. Nationally, the strongest growth has been in the sectors of personal consumption and private domestic investment. Consumption was fueled by the rising value of residential real estate. Government expenditures and net exports have continued to lag behind. Payroll jobs grew by 1.99 million in fiscal 2006; and the unemployment rate fell from 5.2% at the end of fiscal 2005 to 4.8% at the end of fiscal 2006.

Using a comparable Comptroller's Gross City Product (GCP), the City's economy grew 3.3% during fiscal 2006, comparable to that of fiscal 2005. As was true with the U.S. economy, the growth pattern was uneven all year. At year-end, the growth was at an annual rate of 2.9% per year. Payroll jobs increased by 51,900 (1.5%), better than the 43,900 increase in 2005, and a big improvement after experiencing job declines in the prior three years, losing 27,100, 62,500, and 116,200 jobs in fiscal years 2004, 2003 and 2002 respectively. The private sector accounted for virtually all of the job growth. The New York City metropolitan area inflation rate during fiscal year 2006 was 4%, which was the highest it has been since fiscal year 1991. The unemployment rate in New York City also fell from 5.4% at June 2005 to 4.9% at June 2006.

PROFESSIONAL SERVICES

The Comptroller of the City of New York is the Custodian of the *Plan's* assets, and provides investment services through independent advisors. Actuarial services are provided to the *Plan* by the Chief Actuary employed by the Board of Trustees. The City's Corporation Counsel provides legal services to the *Plan*.

ACKNOWLEDGMENTS

The compilation of this Annual Report reflects the combined effort of NYCERS' staff, under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis for making management decisions, as a means of determining compliance with legal provisions, and as a means for determining responsible stewardship for the assets contributed by the members and their employers.

STATEMENTS TABLES SCHEDULES AND REPORTS



STATEMENTS OF PLAN NET ASSETS

JUNE 30, 2006 AND 2005
(in thousands)

	2006	2005
ASSETS		
CASH	\$ 902	\$ 285,074
RECEIVABLES:		
Investment securities sold	1,271,479	960,808
Member loans	846,688	845,508
Accrued interest and dividends	224,272	212,497
Total receivables	<u>2,342,439</u>	<u>2,018,813</u>
INVESTMENTS, at fair value (Notes 2 and 3):		
Short-term investments:		
U.S. treasury bills	14,271	-
Commercial paper	259,386	293,339
Short-term investment fund	184,509	459,724
U.S. government agency discount notes	42,686	70,442
Money market	97,804	366,330
Debt securities:		
U.S. government	5,080,495	5,040,943
Corporate	4,556,793	4,547,346
Yankee bonds	194,255	204,842
Private equity	845,814	535,760
Equities - domestic	18,205,425	17,220,762
Mutual funds:		
International equity	6,926,833	6,241,384
Domestic equity	99,299	-
Mortgages	55,652	56,092
Treasury inflation protected securities	1,047,045	392,215
Promissory notes	6,551	7,588
Collateral from securities lending	6,370,896	6,454,518
Total investments	<u>43,987,714</u>	<u>41,891,285</u>
OTHER ASSETS	<u>10,715</u>	<u>14,535</u>
Total assets	<u>46,341,770</u>	<u>44,209,707</u>
LIABILITIES		
Accounts payable	127,735	248,829
Payables for investment securities purchased	2,366,823	1,816,742
Accrued benefits payable (Note 2)	165,159	139,328
Amount due to Variable Supplements Funds	3,228	2,675
Due to other retirement systems	518	307
Securities lending (Note 2)	6,390,143	6,475,507
Total liabilities	<u>9,053,606</u>	<u>8,683,388</u>
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS (A schedule of funding progress for the Plan is presented on Schedule 1)	<u>\$ 37,288,164</u>	<u>\$ 35,526,319</u>

STATEMENTS OF CHANGES IN PLAN NET ASSETS

Years ended June 30, 2006 and 2005
(in thousands)

	2006	2005
ADDITIONS		
Contributions:		
Member contributions	\$ 341,643	\$ 310,847
Employer contributions	<u>1,024,358</u>	<u>822,763</u>
Total contributions	<u>1,366,001</u>	<u>1,133,610</u>
Investment income (Note 2):		
Interest income	647,336	585,593
Dividend income	335,795	416,751
Net appreciation in fair value of investments	<u>2,472,910</u>	<u>2,097,024</u>
	3,456,041	3,099,368
Less:		
Investment expenses	<u>69,381</u>	<u>46,108</u>
Net income	3,386,660	3,053,260
Securities lending transactions:		
Securities lending income	268,429	178,982
Less: Securities lending fees	<u>249,390</u>	<u>154,609</u>
Net securities lending income	<u>19,039</u>	<u>24,373</u>
Net investment income	<u>3,405,699</u>	<u>3,077,633</u>
Other:		
Other income	<u>2,937</u>	<u>33,327</u>
Total additions	<u>4,774,637</u>	<u>4,244,570</u>
DEDUCTIONS		
Benefit payments and withdrawals (Note 1)	2,962,223	2,843,288
Payments to other retirement systems	4,799	10,020
Transfers due to Variable Supplements Funds	5,479	4,963
Administrative expenses	<u>40,291</u>	<u>37,307</u>
Total deductions	<u>3,012,792</u>	<u>2,895,578</u>
INCREASE IN PLAN NET ASSETS	<u>1,761,845</u>	<u>1,348,992</u>
PLAN NET ASSETS HELD IN TRUST FOR BENEFITS		
Beginning of year	<u>35,526,319</u>	<u>34,177,327</u>
End of year	<u>\$ 37,288,164</u>	<u>\$ 35,526,319</u>

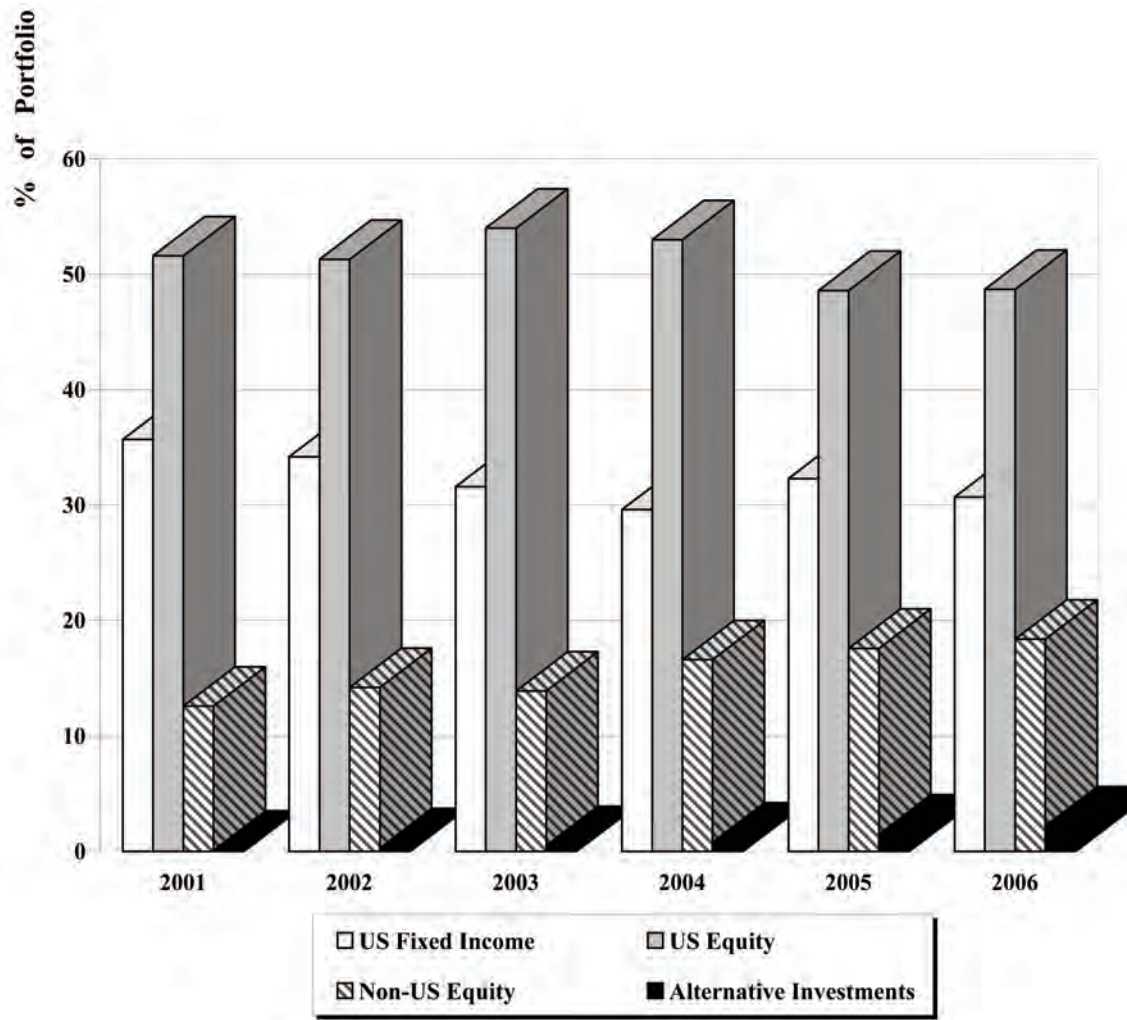
INVESTMENT SUMMARY AS OF JUNE 30, 2006

(In thousands)

Type of Investment	Market Value as of June 30, 2006	Percent of Total Market Value
Short Term Investments	\$598,656	1.4%
Fixed Income Debt Securities - Long Term		
U.S. Government	5,080,495	11.6%
Corporate	4,556,793	10.4%
Yankee	194,255	0.4%
Total Fixed Income Debt Securities- Long Term	9,831,543	22.4%
Total Fixed Income	10,430,199	23.8%
Private Equity	845,814	1.9%
Equities - domestic	18,205,425	41.4%
Mutual Funds:		
International Equity	6,926,833	15.7%
Domestic Equity	99,299	0.2%
Mortgages	55,652	0.1%
Treasury Inflation Protected securities	1,047,045	2.4%
Total Mutual Funds	8,128,829	18.4%
Promissory Notes	6,551	0.0%
Collateral from Securities Lending	6,370,896	14.5%
Total Investments	\$43,987,714	100.0%

ASSET ALLOCATION

June 30, 2001 - June 30, 2006



LIST OF LARGEST EQUITY HOLDINGS

(By Fair Value)
June 30, 2006

	Shares	Security		Fair Value	Percent of Domestic Equities
1	7,645,536	Exxon Mobil Corp.	\$	469,053,634	2.58%
2	12,982,581	General Electric Company		427,905,870	2.35%
3	6,339,780	Citigroup Inc.		305,830,987	1.68%
4	5,718,989	Bank America Corp.		275,083,371	1.51%
5	11,160,192	Microsoft Corp.		260,032,474	1.43%
6	4,045,796	Procter & Gamble Company		224,946,258	1.24%
7	3,694,014	Johnson & Johnson		221,345,319	1.22%
8	9,148,148	Pfizer Inc.		214,707,034	1.18%
9	2,477,842	Altria Group Inc.		181,947,938	1.00%
10	4,243,822	JP Morgan Chase Corp.		178,240,524	0.98%
11	2,798,271	Chevron Corporation		173,660,698	0.95%
12	2,802,500	American International Group Inc		165,487,625	0.91%
13	7,849,072	Cisco Systems Inc.		153,292,376	0.84%
14	1,993,099	Int'l Business Machines Corp		153,109,865	0.84%
15	3,098,579	Wal Mart Stores Inc.		149,258,550	0.82%
16	2,121,668	Wells Fargo & Co		142,321,489	0.78%
17	4,963,592	AT&T Inc.		138,434,581	0.76%
18	7,302,774	Intel Corporation		138,387,567	0.76%
19	2,103,696	Conoco Phillips		137,855,199	0.76%
20	2,080,453	Pepsico Inc.		124,910,398	0.69%
21	3,685,816	Verizon Communications		123,437,978	0.68%
22	3,586,625	Hewlett Packard Company		113,624,280	0.62%
23	266,881	Google Inc.		111,911,210	0.61%
24	2,597,896	Coca-Cola Company		111,761,486	0.61%
25	2,037,359	Wachovia Corp.		110,180,375	0.61%
26	2,763,570	Merck & Co Inc.		100,676,855	0.55%
27	1,514,385	Amgen Inc.		98,783,334	0.54%
28	2,629,348	Home Depot Inc.		94,104,365	0.52%
29	2,281,150	Qualcomm Inc.		91,405,681	0.50%
30	5,173,194	Time Warner Inc.		89,496,256	0.49%
31	1,387,228	Morgan Stanley Group Inc.		87,686,682	0.48%
32	1,053,107	Boeing Company		86,259,994	0.47%
33	2,821,408	Disney (Walt) Company		84,642,240	0.46%
34	1,323,117	United Technologies Corp.		83,912,080	0.46%
35	1,898,884	Abbott Laboratories		82,810,331	0.45%
36	1,166,724	Merrill Lynch & Co Inc.		81,157,321	0.45%
37	2,214,939	Bellsouth Corporation		80,180,792	0.44%
38	521,822	Goldman Sachs Group Inc.		78,497,683	0.43%
39	1,751,666	United Health Group Inc.		78,439,603	0.43%
40	1,694,884	Wyeth		75,269,798	0.41%
				\$ 6,100,050,101.54	33.51%

LIST OF LARGEST BOND HOLDINGS

(by Fair Value)
June 30, 2006

	Security Description	Fair Value	Percent of Long Term Fixed Income
1	FNMA Securities	\$ 2,172,188,896	22.09%
2	US Treasury Securities	1,179,334,937	12.00%
3	Federal Home Loan Corp.	1,087,497,518	11.06%
4	GNMA Securities	191,661,472	1.95%
5	J.P. Morgan Chase & subsidiaries	147,274,705	1.50%
6	Bank America Corp and Subsidiaries	94,518,748	0.96%
7	Federal Home Loan Banks	88,769,498	0.90%
8	Community / Economic Development Bonds	85,423,949	0.87%
9	Citigroup & Subsidiaries	71,965,662	0.73%
10	Goldman Sachs Group	71,561,367	0.73%
11	AT&T & subsidiaries	70,103,041	0.71%
12	General Electric Company	68,691,803	0.70%
13	Ford Motor Company	60,301,348	0.61%
14	HSBC Group	56,584,842	0.58%
15	United Mexican States	54,370,225	0.55%
16	CWALT Inc.	48,379,386	0.49%
17	Wells Fargo Inc.	45,204,237	0.46%
18	Sprint Nextel Corp.	42,358,836	0.43%
19	Tennessee Valley Authority	39,408,720	0.40%
20	Merrill Lynch & Company	39,184,955	0.40%
21	Daimler Chrysler North America	39,168,036	0.40%
22	Morgan Stanley & subsidiaries	38,047,594	0.39%
23	Lehman Brothers	35,723,604	0.36%
24	Structured Asset Securities Corp.	34,311,402	0.35%
25	General Motors & subsidiaries	30,822,848	0.31%
26	Washington Mutual	30,661,951	0.31%
27	Federal Farm Credit Banks	28,622,781	0.29%
28	Countrywide Financial Corp.	27,460,101	0.28%
29	Xerox Corp.	24,407,606	0.25%
30	Resolution Funding Corp.	24,183,306	0.25%
31	Comcast Corp.	23,763,956	0.24%
32	Williams Companies	23,558,400	0.24%
33	IndyMac Bank	23,240,166	0.24%
34	Chesapeake Energy	23,181,988	0.24%
35	Bear Sterns Inc.	22,008,313	0.22%
36	Simon Property Group	21,964,090	0.22%
37	Volkswagen AG	21,839,043	0.22%
38	CIT Group	21,546,574	0.22%
39	Viacom, Inc.	21,461,213	0.22%
40	Oracle Corp.	21,359,893	0.22%
		\$ 6,252,117,009	63.59%

This table lists the issuers of NYCERS' 40 largest long term fixed income securities. For most issuers, the amount shown is comprised of multiple securities with various maturity dates and interest rates. A full listing of the Plan's investments is available upon request.

SCHEDULES OF INVESTMENT RESULTS TIME-WEIGHTED RATES OF RETURN

	Year Ended June 30			June 30, 2006		
	2006	2005	2004	3 Years	5 Years	10 Years
Total Portfolio	9.83	9.22	16.30	11.74	5.79	8.40
Managed by Outside Advisors						
Domestic Equity Segment	9.45	7.91	20.45	12.46	3.51	8.39
Domestic Russell 3000 Index	9.57	8.06	20.45	12.56	3.53	8.52
International Equities Fund Segment	26.87	14.00	29.07	23.12	10.05	7.77
MSCI EAFE Index	26.56	13.65	32.37	23.94	10.02	6.39
Domestic Fixed Income Segment	(0.05)	8.31	0.83	3.39	5.89	6.75
Structured Managed Program	(1.07)	8.21	0.83	2.58	5.56	6.75
NYC Core Plus Five Index	(1.36)	8.20	0.43	2.34	5.36	6.56
Enhanced Yield	3.79	9.76	8.65	7.37	7.58	6.79
Citigroup BB & B Index	3.95	10.15	9.17	7.72	8.00	6.60
In-House Portfolio						
Short Term Investments	4.34	2.24	1.04	2.53	2.61	4.47
Targeted Investments	2.89	6.18	1.82	4.55	6.23	7.13

TABLE OF BENEFITS PAID FISCAL YEARS 1997 THROUGH 2006

(in thousands)

Fiscal Year Ended June 30	Retirement Allowances Amount Paid	Member Loans		Refunds Amount Paid	Death Benefits	
		Amount Paid	No. Loans		In Service Amount Paid	After Retirement Amount Paid
2006	\$ 2,753,213	\$ 293,691	47,039	\$ 49,470	\$ 63,048	\$ 36,250
2005	2,667,860	273,890	48,770	49,692	64,772	32,220
2004	2,616,435	281,906	52,342	45,363	48,087	31,209
2003	2,499,828	278,295	53,747	81,882	57,912	35,915
2002	2,348,951	276,153	49,520	121,151	55,266	39,014
2001	2,223,630	330,850	54,521	43,270	51,530	42,271
2000	1,959,763	315,615	57,264	39,922	39,753	42,707
1999	1,909,765	277,931	55,644	29,892	48,538	52,947
1998	1,819,322	274,288	57,346	24,188	44,395	47,056
1997	1,758,885	280,842	58,089	24,011	41,139	51,482

Refunds from members' accounts include refunds to members who: separated from City service, had made deductions in error, or were entitled to an excess after reaching the required years of service for their plan.

RETIRED MEMBERS BY TYPE OF BENEFIT

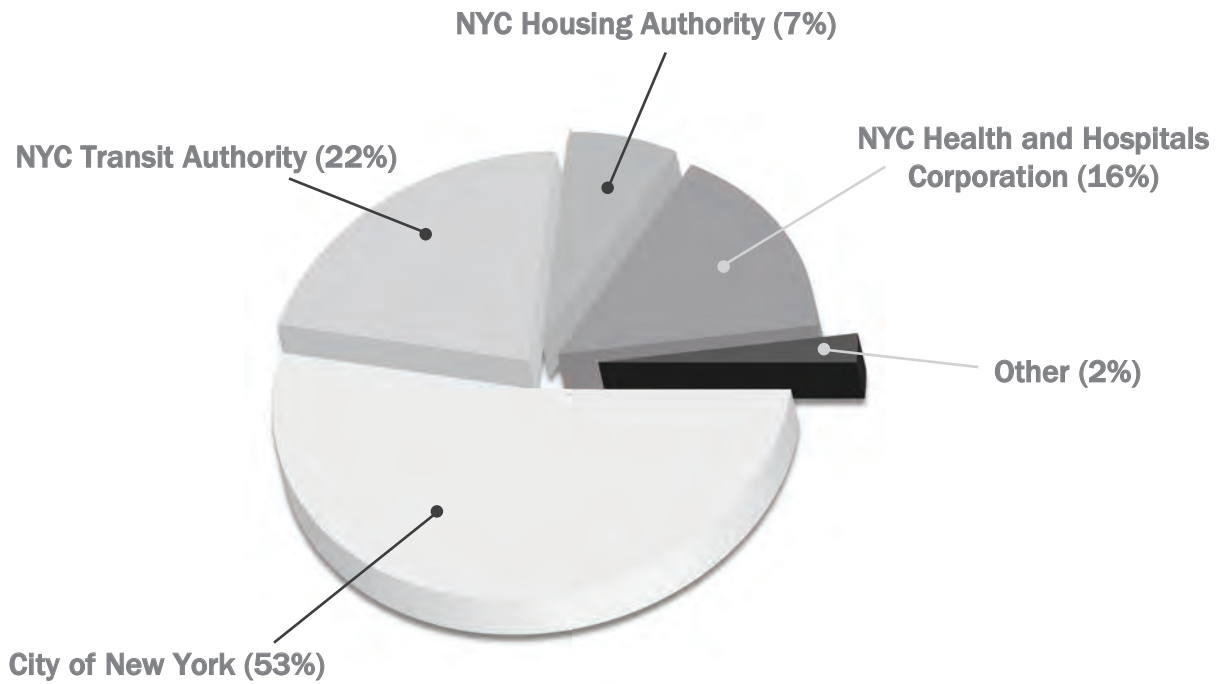
as of June 30, 2006

<u>Benefit Types</u>	<u>Number Of Retirees*</u>	<u>Service</u>	<u>Disability (Non-Duty)</u>	<u>Disability and Deaths (Duty)</u>
Single Life	69,627	60,688	5,665	3,274
Joint and Survivor	27,459	25,992	1,190	277
Lump Sum or Term Certain	16,534	14,333	1,850	351
Advanced payments – no option selected yet	1,891	1,612	264	15
Surviving Annuitants	15,502	13,651	1,623	228
Total	131,013	116,276	10,592	4,145

Includes retirees and beneficiaries who received a retirement payment on the pensioners' payroll as of June 30, 2006. These statistics do not include either suspended recipients or those who have died and the pension number has not yet been terminated from the roster since the cases are still open.

PARTICIPATING EMPLOYERS, BY NUMBER OF EMPLOYEES

As of June 30, 2004



City of New York (92,164)
 NYC Transit Authority (39,114)
 NYC Health and Hospitals Corporation (27,843)
 NYC Housing Authority (12,942)

Other:
 NYC Off-Track Betting Corporation (1,184)
 MTA Bridges and Tunnel (1,626)
 NYC School Construction Authority (47)
 New York State (15)
 NYC Housing Development Corporation (46)
 NYC Residential Mortgage Insurance Corporation (4)
 NYC Water Municipal Authority (12)
 Total - 174,997

SUMMARY OF PLAN PROVISIONS



GLOSSARY OF TERMS

Accumulated Member Contributions

The total of all contributions made by members, **plus** interest earned on such contributions (8¼% for Tiers 1 and 2; 5% for Tiers 3 and 4), compounded annually.

Active Service

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

Additional Member Contributions (AMCs)

Contributions that are made by members in addition to the basic member contributions of 3% of Wages, and are required to be paid each payroll period by Participants in any one of the Special Programs described in this document. The AMC percentages differ in each Special Program and all AMC's are maintained in the Retirement Reserve Fund, an account separate from the Accumulated Member Contributions.

Allowable Correction Service

Service as a member rendered in the uniformed-force of the New York City (NYC) Department of Correction.

Allowable Sanitation Service

Credited Service rendered in any of the following:

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

Allowable Service as an Automotive Service Worker Member:

Allowable Service as an Automotive Service Worker is all membership service while employed by the City of New York as a senior automotive service worker, automotive service worker, auto body worker, auto mechanic, marine maintenance mechanic or oil burner specialist, supervisor of mechanics, senior stationary engineer, stationary engineer, auto mechanic (diesel), auto electrician, auto machinist, machinist, or machinist helper.

Allowable Service as a Dispatcher Member

Service rendered by a member of NYCERS while employed by the City of New York as a Fire Alarm Dispatcher, Supervising Fire Alarm Dispatcher, levels 1 and 2, Director of Dispatch Operations or Deputy Director of Dispatch Operations, **and**

All service in the following NYC Civil Service titles:

Chief Fire Alarm Dispatcher, Administrative Fire Alarm Dispatcher, Bus Operator (Transit), Train Dispatcher (Transit), Firefighter, Police Officer, Correction Officer, Fire Marshal, Probation Officer, Police Communications Technician, Supervising Police

Communications Technician, Principal Police Communications Technician, Police Administrative Aide, Senior Police Administrative Aide, Emergency Medical Technician, Advanced Emergency Medical Technician, Emergency Medical Service Specialist, levels 1 and 2, Fire Prevention Inspector, Fire Protection Inspector, Senior Fire Prevention Inspector, Principal Fire Prevention Inspector, Associate Fire Protection Inspector, County Detective, Detective (NYPD), Detective Investigator, Senior Detective Investigator, Deputy Sheriff, Senior Deputy Sheriff, Inspector of Fire Alarm Boxes, Radio Operator, Radio Repair Technician, Supervisor of Radio Repair Operations, Taxi and Limousine Inspector, Senior Taxi and Limousine Inspector, MTA Bridge and Tunnel Officer, **and** A member of NYCERS who is employed by the City of New York in a title whose duties require the supervision of employees whose Civil Service title is included above.

Allowable Service as an EMT Member

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

Allowable Service as a Special Officer

Available to all **peace officer members** who are: *special officers* of any rank and are employed by a mayoral agency of the City of New York or by NYC Health & Hospitals Corporation, or Tier 1 special officers of any rank employed by the NYC Housing Authority or Board of Education; Parking Control Specialists employed by the NYC Department of Transportation; School Safety Agents of any rank employed by the NYC Police Department or Board of Education; Campus Peace Officers of any rank employed by the City University of New York, Taxi & Limousine Inspector of any rank employed by the NYC Taxi & Limousine Commission, Urban Park Ranger, or Associate Urban Park Ranger.

Allowable Service in the Transit Authority

Credited Service rendered in the operating-force of the NYC Transit Authority and some managerial service.

Annuity

Payments made to Tiers 1 and 2 retirees derived from their *Accumulated Member Contributions*.

Basic Tier 4 Plan (62/5 Plan)

Benefits available to Tier 4 members, excluding the benefits that are available only to *Participants* in one of the *Special Programs* described in this document. A *Participant* in one of the *Special Programs* who does not meet all of the qualifications for a benefit in his or her *Special Program* may still qualify for a benefit under the *Basic Tier 4 Plan*. Wherever that is the case, it will be noted in this document. *Participants* in *Special Programs* are still always eligible for other *Basic Tier 4* benefits that are not provided for in their Program such as Survivor Benefits, Disability Retirement Benefits, etc.

The 62/5 Plan is an Age 62 - five years of *Credited Service* plan. This plan is for employees of the City of New York or a *Participating Employer* who became a member of NYCERS after July 26, 1976 but prior to June 29, 1995, and who did not elect to participate in the 55/25 Program.

Career Pension Plan Position

Any position in City service other than a Transit operating-force position, a position in the uniformed-force of the NYC Department of Sanitation, or the uniformed-force of the NYC Department of Correction.

Career Pension Plan Qualifying Service

Includes:

- ▶ *Membership Service* rendered in a *Career Pension Plan Position*
- ▶ Transferred Service from another New York State public employee retirement system
- ▶ 20-Year plan, uniformed-force and Transit operating-force service rendered on or after July 1, 1973 while a member of NYCERS

Correction Officer

A member of the uniformed force of the NYC Department of Corrections in on of these covered titles: Officer below the rank of Captain; Correction Captain; Asst. Deputy Warden (Warden Correction Level I); Deputy Warden; Deputy Warden-in-Command (Warden Correction Level II); Warden; Deputy Chief (Warden Correction Level III); Chief of Department (Warden Correction).

Credited Service

Includes:

- ▶ Service rendered while a member of NYCERS, and
- ▶ Service rendered while a member of another retirement system within New York City or New York State and transferred to NYCERS, and
- ▶ Service purchased under applicable laws and rules for buy-back, which can include:
 - ▶ Membership Service
 - ▶ Transferred Service
 - ▶ Purchased Service
 - ▶ Membership Reinstatement Service
 - ▶ Military Service
 - ▶ Union Leave Service

Deputy Sheriff-25 Year Program Member

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

Designated Beneficiary

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

Dispatcher Member

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

Eligible Beneficiary

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

- ▶ A surviving spouse who has not remarried, (A surviving spouse of uniformed workers of the NYC Department of Sanitation may subsequently remarry and still retain the Accidental Death Benefit.)

- ▶ Dependent child - up to age 18 for Tiers 1 and 2 members
- ▶ Dependent child - up to age 25 for Tiers 3 and 4 members
- ▶ Dependent parents, or
- ▶ For Tiers 3 and 4 members only, any person up to age 21 who qualified as a dependent on the member's final Federal income tax return.
- ▶ Anyone you name as your beneficiary for your Ordinary Death Benefit

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

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

Eligible Member

A member of NYCERS who is a *Participant* in one of the *Special Programs* described in this document, who is employed in an *Eligible Position*.

Eligible Position

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

An *Eligible Position* is **ANY** position in City service **EXCEPT**:

- ▶ Any position held by a **Transit Authority Member** eligible to participate in the 25-Year and Age-55 Retirement Program (whether or not such a Member is a **Participant** in that Program*)
- ▶ Any position in the uniformed forces of the NYC departments of Correction and Sanitation
- ▶ The positions of Bridge & Tunnel Officer, Bridge and Tunnel Sergeant, Bridge and Tunnel Lieutenant, Assistant Bridge and Tunnel Maintainer, Bridge and Tunnel Maintainer, Senior Bridge and Tunnel Maintainer, and Laborer with the MTA Bridge and Tunnel (formerly TBTA).
- ▶ Any positions in the Division of Housing and Urban Renewal
- ▶ Any position in the Unified Court System
- ▶ Any teaching position with the City University of New York (CUNY)
- ▶ Investigators employed in a District Attorneys' office

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

FOR THE DISPATCHER 25-YEAR PROGRAM:

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

FOR THE EMT 25-YEAR PROGRAM:

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

FOR THE MTA BRIDGES & TUNNELS 50/20 PROGRAM: (formerly TBTA)

A position as a Bridge & Tunnel Officer, Sergeant or Lieutenant in a non-managerial position.

FOR THE SANITATION 20-YEAR PROGRAM:

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

FOR THE TRANSIT 25/55 PROGRAM:

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

EMT Member

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

Final Average Salary (FAS)

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

But, if the salary earned during any year included in the calculation of the member's FAS exceeds the specific limits for Tier 2, Tier 3 or Tier 4 members, the amount in excess of such limit is excluded from the computation. For members who did not work full-time, or who had absences without pay in the 36 months immediately preceding their retirement, the period used in computing the FAS will be greater than three years.

Final Compensation

The average compensation earned during:

- ▶ The five-year period immediately preceding the member's retirement date, or
- ▶ Any consecutive five calendar-year period prior to the member's retirement date that would provide him or her with the greatest average compensation.

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

Final Salary

For members of the uniformed forces of the departments of Sanitation and Correction who joined the retirement system prior to July 1, 1973:

- ▶ The annual rate of salary earnable on the day before the date of retirement.

For all others:

- ▶ The salary earnable in the year ending on the day before the date of retirement or alternatively, the average annual compensation during any three calendar years designated by the member, if in a Career-Pension-Plan Position.

Increased Take Home Pay (ITHP)

Contributions for Tier 1 and Tier 2 members that are contributed by their employer equal to 2% of the members' gross salaries; 2.5% for Correction Officers.

Income Limitation

The fixed dollar maximum amount of *Personal Service Income* a pensioner receiving a Tier 4 Disability Retirement Benefit can earn in any calendar year. The *Income Limitation* is established annually based on percentage increases or decreases in the prior year's Consumer Price Index.

Members' Contribution Accumulation Fund (MCAF)

An account maintained for each Tier 3 and Tier 4 member into which the "basic" contributions of 3% of *Wages* deducted from the member's paycheck each payroll period are deposited, **plus** interest earned on such contributions at the rate of 5%, compounded annually.

Membership Service

Service rendered after joining NYCERS - includes all service while on the payroll of the City of New York or a *Participating Employer* and *Military Service*.

Minimum Accumulation

The amount of normal contributions accumulated with interest to the earliest date for service retirement, less the amount of the reserve for *Increased-Take-Home-Pay* on such date. For a member in the *Career Pension Plan*, the amount of normal contributions is accumulated to the date on which he or she either completed or could have completed 25 years of *Career-Pension-Plan* qualifying service.

MTA Bridges & Tunnel Member (formerly TBTA)

A member of NYCERS who is employed by the MTA Bridges & Tunnel as a Bridge and Tunnel Officer, Sergeant or Lieutenant in a non-managerial position and who elects to contribute to NYCERS for the right to retire under the 20-Year/Age 50 Retirement Programs enacted by Chapter 472 of the Laws of 1995

Participant

Any member of NYCERS who elects or is required to participate in one of the *Special Programs* described in this document.

Participating Employer

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

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

Pension

That part of a member's retirement benefit that is provided by contributions made by the City of New York or the member's *Participating Employer(s)*.

Physically-Taxing Position

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

Members in *Physically-Taxing Positions* who are *Participants* in the Age-55-Improved-Benefit-Retirement Program, the 25-Year Early Retirement Program or the Age-57 Retirement Program are required to pay a higher percentage of *Wages* as *Additional Member Contributions*, and are eligible for retirement as early as age 50, if they have 25 or more years of service in *Physically-Taxing Positions*.

Police Communications (911) Operator Members

Service rendered by Tier 2 and Tier 4 members while employed by the NYC Police Department as police communications technicians, supervising police communications technicians, or principal police communications technicians.

Police Service

Service rendered by Tier 1 and Tier 2 members while employed in the uniformed-force of the NYC Department of Correction.

Primary Social Security Retirement Benefit

The benefit payable to a covered employee at age 62 or later, under the Federal Social Security Program, exclusive of any family benefits, calculated as provided in Section 511(c) of Article 14 of the Retirement and Social Security Law.

Reserve for Increased-Take-Home-Pay (ITHP)

For some Tier 1 and Tier 2 members, an amount which at the time of death or retirement is equal to the accumulation of the contributions for *ITHP*, **plus** interest earned thereon.

Retirement Allowance

For Tier 1 and Tier 2 members, the annual benefit payable in monthly installments consisting of the *Pension*, including pension for *Increased-Take-Home-Pay*, if any, and *Annuity*.

Salary Base

Compensation used in computing a benefit.

Sanitation Member

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

Special Officer Member

The Special Officer 25-Year Program is available **ONLY** to peace officers employed as special officers by a mayoral agency of the City of New York, the NYC Health and Hospitals Corporation or the NYC Housing Authority (NYCHA); parking control specialists employed by the NYC Department of Transportation; school safety agents employed by the NYC Police Department or NYC Board of Education; campus peace officers employed by the City University of New York, taxi & limousine inspectors employed by the NYC Taxi & Limousine Commission, Urban Park Ranger or Associate Urban Park Ranger.

Special Programs

- ▶ Age-57 Retirement Program (57/5 Program)
- ▶ 25-Year Early Retirement Program (55/25 Program)
- ▶ Sanitation 20-Year Retirement Program (Sanitation 20-Year Program)

- ▶ Transit 25-Year and Age-55 Retirement Program (Transit 25/55 Program)
- ▶ MTA Bridge & Tunnel 20-Year and Age-50 Retirement Program (MTA 50/20 Program)
- ▶ 25-Year Retirement Program for Dispatcher Members (Dispatchers 25-Year Program)
- ▶ 25-Year Retirement Program for EMT Members (EMT 25-Year Program)
- ▶ 25-Year (no age) Retirement program for Deputy Sheriffs (Deputy Sheriffs 25-Year Program)
- ▶ 25-Year and Age-50 Retirement Program for Automotive Service Workers (Automotive 50/25 Program)
- ▶ 25-Year (no age) Retirement Program for Special Officer titles (Special Officer 25-Year Program)
- ▶ 25-Year Retirement Program for Police Communications (911) Operators

Tier 4 Members with Tier 3 Rights (Tier 3/4 Members)

Tier 4 members who last joined NYCERS after July 26, 1976 and prior to September 1, 1983, may retain their Tier 3 rights and are eligible to elect Tier 3 benefits.

Transit Authority Member

A Tier 4 member employed in the operating-force of the NYC Transit Authority and some managers.

Wages

Any earnings paid for services rendered to an agency of the City of New York or any other public employer in New York City or New York State.

LEGISLATION

Legislation July 1, 2005 - June 30, 2006

New laws that may be applicable to Tier 1, 2, 3 or 4

LAWS OF 2005

CHAPTER 383

Retroactive Sanitation Heart Presumption in Cases of Death Only

This law amends Chapter 697 of the laws of 2004, which established a heart presumption for uniformed members of the NYC Sanitation Department, by changing the effective date of Chapter 697 from July 1, 2005 to November 15, 2004 ONLY in cases where a heart ailment resulted in a member's death.

CHAPTER 477

Allows Tier 3 Correction Members to Receive Service Credit for Child Care Leave

Chapter 581 of the laws of 2004 allowed Tier 1 & 2 NYCERS Correction members to purchase up to one year of service credit for each time such member is absent without pay while on authorized child care leave as long as such absence did not exceed one year. This law amends Chapter 581 to include Tier 3 NYCERS Correction members.

CHAPTER 498

Prior Service in Certain Titles Transferable to Police Pension Fund

This law adds service rendered (i) as a peace officer (as defined by §2.10 of the criminal procedure law), or (ii) as a sheriff, deputy sheriff, marshal or district attorney investigator, or (iii) in any position specified in Appendix A of operations order 2-25 of the NYC Police Department dated December 11, 2002, immediately preceding service in the police force as a type of service deemed to be service in the police force for benefit eligibility purposes.

CHAPTER 507

Adds Internal Revenue Code Provisions on Exclusive Benefit Rule to the NYC Administrative Code

This law adds provisions to the New York City Administrative Code to prohibit the transfer of any funds, corpus, assets, etc. from any retirement system in New York City to the City treasury.

CHAPTER 511

Retirees Can Repay Loans After Retirement

This law allows retirees to repay any outstanding loan balance, at anytime during retirement, provided the payment is in full. Upon repayment of the entire loan balance, the pensioner's benefit will revert to what it would have been had it never been reduced. The new adjusted retirement allowance will be effective upon the date of receipt of payment of the outstanding loan balance.

CHAPTER 586**Special Accidental Death Benefits to the Beneficiaries of Retired Correction Officer, James P. Hopper**

This law provides the special accidental death benefit in Section 208-f of the General Municipal Law to the widow and children of James P. Hopper, a retired NYC Correction Officer killed on September 11, 2001. Specifically, the law reinstates James P. Hopper to active duty status at his highest achieved work and status on and as of September 11, 2001 without any diminution or return of any of his previously received retirement benefits.

CHAPTER 686**Laid off Correction Officers to Purchase Service Credit**

This law allows NYC Correction Officers who were laid off on or after May 1, 2003 and returned to service prior to July 1, 2004, to purchase service credit for the time period in which they were laid off. Correction Officers can purchase service credit for this time period by contributing, in addition to the contributions already being paid, basic and additional member contributions that they would have made if they had been employed during the layoff period.

LAWS OF 2006**CHAPTER 22****Increase in the Basket Clause Limitations**

This law increases the prudent investor basket clause to 25% from 15%. Prior to the enactment of this law, the prudent investor basket clause allowed for the investment of up to 15% of the assets of a retirement system in investments not subject to the "legal list" of permissible investments specified in State law.

CHAPTER 74**Increase in the Maximum Earnings Limitations for Pensioners Returning to Public Service**

This law increases to maximum amount of annual compensation that may be earned by a pensioner who re-enters public service without the loss, suspension or diminution of their pension benefit. The annual earnings limitation is now set at \$30,000 commencing in 2007 and thereafter.

CHAPTER 88**Increase in Special Accidental Death Amounts**

This law increases the special accidental death benefit, by 3% or more for deaths that occurred in 2006 or earlier for Correction Officers, Housing and Transit Police, certain EMTs and TBTA members. The benefit is payable to the widow or widower or the children of the deceased under 18 years of age or under 23 if in college.

THE RETIREMENT PLANS

TIER 1

EMPLOYEES WHO BECAME A MEMBER OF NYCERS PRIOR TO JULY 1, 1973
ARE ENROLLED IN TIER 1

CAREER PENSION PLAN (PLAN A)

A member employed in a Career Pension Plan Position who elected the Career Pension Plan is eligible to retire after having credit for 25 or more years of Career Pension Plan Qualifying Service. Benefits begin not earlier than age 55, except that members who have credit for 25 or more years of physically-taxing service in a Career Pension Plan Position may have their benefits begin no earlier than age 50. A member in the Career Pension Plan is eligible to retire after having credit for 20 or more years of qualifying service. In such case, benefits will begin on the date the member would have had credit for 25 years of Career Pension Plan Qualifying Service if he or she had continued in City service, or attained age 55, (age 50 for those holding a Physically-Taxing Position), whichever is later*. Regardless of the number of years of Credited Service, a member who has elected the Career Pension Plan and who is 55 years of age or older may retire with benefits payable immediately by withdrawing his or her election of the Career Pension Plan, thereby becoming eligible for the benefits of the Fifty-Five-Year-Increased-Service-Fraction Plan (Plan B).

The Service Retirement Benefit is:

For the years of Career Pension Plan Qualifying Service, not in excess of 25 years of such service, 2.20% of Final Salary,

less

an *Annuity* which is the actuarial equivalent of the *Minimum Accumulation*,

plus

an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*,

plus

For all years of Credited Service other than the first 25 years of Career Pension Plan Qualifying Service, 1.20% of Final Salary for each year of such service rendered prior to July 1, 1968,

plus

1.70% of Final Salary for each year of such service rendered on or after that date,

plus

a *Pension for ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year.

* Any member of NYCERS who retired as a member of the Career Pension Plan (Plan A) and who has not yet received a pension payment or received then repaid a pension payment from NYCERS, is allowed to transfer his or her membership to another NYS retirement system.

The former Plan A member will be able to rescind their retirement application and then transfer their NYCERS' membership to another NYS retirement system. In so doing, their retirement service credit and applicable Tier status will be transferred to the other retirement system.

FIFTY-FIVE-YEAR-INCREASED-SERVICE-FRACTION PLAN (PLAN B)

A member in a *Career Pension Plan Position*, who either elected the Fifty-Five-Year-Increased-Service-Fraction Plan, or who withdraws his or her election of the *Career Pension Plan*, may retire after having attained age 55 with benefits payable immediately.

The Service Retirement Benefit is:

For each year of Credited Service prior to July 1, 1968,
1.20% of *Final Salary*,

plus

For each year of Credited Service after June 30, 1968,
1.53% of *Final Salary*,

plus

a *Pension* for *ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year,

plus

an *Annuity*, (the actuarial equivalent of the member's *Accumulated Deductions*).

TRANSIT 20-YEAR PLAN (T-20)

A member in a Transit operating-force position who elected the Transit 20-Year Plan is eligible to retire after having credit for 20 or more years of Transit operating-force service. Benefits begin no earlier than age 50. Regardless of the number of years of Credited Service, however, a member who has elected the Transit 20-Year Plan who is 55 years of age or older may retire with benefits payable immediately by withdrawing his or her election of the Transit 20-Year Plan, thereby becoming eligible for the benefits of the Age-Fifty-Five-One-Percent Plan (1/100 Plan).

The Service Retirement Benefit is:

For the first 20 years of Credited Service in a Transit operating-force position,
50% of *Final Salary*

less

an *Annuity* which is the actuarial equivalent of the *Minimum Accumulation*,

plus

an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*, if any,

plus

For all years of service other than the first 20 years of Credited Service in a Transit operating-force position,

For each year of such service rendered prior to July 1, 1968,
1% of *Final Compensation*

plus

For each year of such service rendered on or after June 30, 1968,
1½% of *Final Compensation*,

plus

a *Pension* for *ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year.

Tier 1 and Tier 2 members of the Transit 20-Year-Non-Contributory Plan who joined NYCERS on or after July 1, 1970 are neither required nor permitted to make employee contributions. Those Transit 20-Year-Non-Contributory Plan members who joined the retirement system prior to July 1, 1970 can contribute on a voluntary basis.

SANITATION 20-YEAR PLAN (S-20)

A *Sanitation Member* enrolled in the Tier 1 Sanitation 20-Year Plan is eligible to retire after having credit for 20 or more years of service in the uniformed-force of the NYC Department of Sanitation. However, such member, if he or she is at least 55 years of age, may retire with less than 20 years of *Credited Service* in the uniformed-force of the NYC Department of Sanitation by withdrawing his or her election of the Sanitation 20-Year Plan, thereby becoming eligible for benefits similar to those payable under the Age-Fifty-Five-One-Percent Plan, except that the

service fraction is 1½ % for each year of *Credited Service* rendered after July 2, 1965.

The Service Retirement Benefit is:

For the first 20 years of service in the uniformed-force of the NYC Department of Sanitation,
50% of *Final Salary*,

less

the actuarial equivalent of the *Minimum Accumulation*,

plus

an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*

For all years of Credited Service other than the first 20 years of Credited Service in the uniformed-force of the NYC Department of Sanitation,

For each year of such service rendered prior to July 3, 1965,

1% of *Final Compensation*,

plus

For each year of such service rendered on or after July 3, 1965,

1½% of *Final Compensation*,

plus

a Pension for *ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year.

SANITATION 25-YEAR PLAN (S-25)

A member of the uniformed-force of the NYC Department of Sanitation enrolled in the Sanitation 25-Year Plan is eligible to retire after having credit for 25 or more years of service in the uniformed force of the NYC Department of Sanitation. A member who retires after having attained age 55 may retire with credit for less than 25 years of service in the uniformed-force of the NYC Department of Sanitation, by withdrawing his or her election of the Sanitation 25-Year Plan, thereby becoming eligible for benefits similar to those payable under the Age-Fifty-Five-One-Percent Plan.

The Service Retirement Benefit is:

For the first 25 years of service in the uniformed-force of the NYC Department of Sanitation:
50% of *Final Salary*

less

the actuarial equivalent of the *Minimum Accumulation*,

plus

an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*,

plus

For all years of Credited Service other than the first 25 years of service in the uniformed-force of the NYC Department of Sanitation:

For each year of such service rendered prior to July 3, 1965,

1% of *Final Compensation*,

plus

For each year of such service rendered on or after July 3, 1965,

1½% of *Final Compensation*

plus

a Pension for *ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year.

AGE-FIFTY-FIVE-ONE-PERCENT PLAN (1/100 PLAN)

A member who elects the Age-Fifty-Five-One-Percent Plan is eligible to retire if he or she is in City service upon attaining age 55, irrespective of the amount of *Credited Service*.

The Service Retirement Benefit is:

For each year of *Credited Service*,
1% of *Final Compensation*,

plus

a *Pension* for *ITHP* which is the actuarial equivalent of the accumulation of the contributions for *Increased-Take-Home-Pay* made in each such year,

plus

An *Annuity*, (the actuarial equivalent of the *Accumulated Member Contributions*).

DISPATCHER 25-YEAR PROGRAM (D-25)

A Dispatcher member is eligible to retire after having credit for 25 or more years of *Allowable Service* as a *Dispatcher Member*.

The Service Retirement Benefit is:

For the first 25 years of service as a Dispatcher Member:

An *Annuity* (the actuarial equivalent of the member's required contributions)

plus

a *Pension* for *ITHP*

plus

a *Pension*, which when added to the *Annuity* and *Pension* for *ITHP* equals:

55% of *Final Salary*

plus

an additional 1.70% of *Final Salary* for each year (and fraction) beyond the first 25 years of *Allowable Service* as a *Dispatcher Member*

EMT 25-YEAR PROGRAM (E-25)

An *EMT member* is eligible to retire after having credit for 25 or more years of *Allowable Service* as an *EMT Member*.

The Service Retirement Benefit is:

For the first 25 years of service as an EMT Member:

An *Annuity* (the actuarial equivalent of the member's required contributions)

plus

a *Pension* for *ITHP*

plus

a *Pension*, which when added to the *Annuity* and *Pension* for *ITHP* equals:

55% of *Final Salary*

plus

an additional 1.70% of *Final Salary* for each year (and fraction) beyond the first 25 years of *Allowable Service* as an *EMT Member*

SPECIAL OFFICER 25-YEAR RETIREMENT PROGRAM (SPO)

Chapter 582 of the Laws of 2001 and Chapter 617 of the Laws of 2002 established a 25-Year Retirement Program for *Special Officer Members*. Chapter 617 of the Laws of 2002 added covered titles effective October 2, 2002 with the 180 day open period beginning on that date. Any person who was a *Special Officer Member* on December 19, 2001 (or October 2, 2002 for added titles) could elect to become a Participant in the Program by filing a duly executed appli-

cation with NYCERS no later than June 17, 2002 (or March 31, 2003 for added titles), provided he or she was a *Special Officer Member* on the date such application was filed. Any member who becomes a *Special Officer Member* after December 19, 2001, (or October 2, 2002 for added titles) may elect to become a Participant in the Program by filing within 180 days after becoming a *Special Officer Member*, a duly executed application with NYCERS provided he or she is a *Special Officer Member* at the time of filing such application. Chapter 640 of the Laws of 2003 extended the provisions of this program to include Urban Park Rangers and Associate Urban Park Rangers.

SERVICE RETIREMENT BENEFIT (SPO)

A Special Officer Member is eligible to retire after having credit for 25 or more years of *Allowable Service as a Special Officer Member*.

The Service Retirement Benefit is:

For the first 25 years of service as a Special Officer Member:

An *Annuity* (the actuarial equivalent of the member's required contributions)

plus

a *Pension* for ITHP

plus

a *Pension*, which when added to the *Annuity* and *Pension* for ITHP equals:

55% of *Final Salary*

plus

an additional 1.70% of *Final Average Salary* for each year (and fraction) beyond the first 25 years of *Allowable Service as a Special Officer Member*

Note: FAS in this context means the average salary over all of the years of additional Allowable Service.

LIMITATIONS ON SALARY BASE FOR ALL PLANS

For any Tier 1 member who joined NYCERS on or after June 17, 1971, the earnings used in the computation of the *Final Salary* for the computation of retirement or death benefits cannot exceed 120% of the preceding year's earnings.

OTHER TIER 1 BENEFITS

ORDINARY DISABILITY RETIREMENT

An Ordinary Disability Retirement Benefit is payable upon the disablement of a member from causes other than an accident in the actual performance of duty, subject to the approval of NYCERS' Medical Board.

To qualify for an Ordinary Disability Retirement Benefit:

- ▶ Members in Career Pension Plan Positions and members in Transit operating-force positions, must have credit for 10 or more years of City service as a member, and have been a member of NYCERS in the 10 years immediately preceding disablement.
- ▶ Members of the uniformed-force of the NYC Department of Sanitation must have credit for five or more years of service as a member of the uniformed force of the NYC Department of Sanitation, and must have been a member of NYCERS in the five years immediately preceding disablement.

For members of the uniformed-force of the NYC Department of Sanitation, the Ordinary Disability Retirement Benefit is:

If the member has credit for 10 or more years of uniformed-force service in the NYC Department of Sanitation, the benefit is:

one-half of *Final Salary*.

If the member has credit for less than 10 years of uniformed-force service in the NYC Department of Sanitation, the benefit is:

one-third of *Final Salary*.

If, at the time of becoming disabled, the member could have retired for service, with benefits payable immediately, the benefit is:

the same as the Service Retirement Benefit.

For all other members, the Ordinary Disability Retirement Benefit is equal to the allowance which the member would have been entitled to if he or she had retired for service after the same period of *Credited Service*. However, members in the *Career Pension Plan* who are not eligible to retire with immediate payability are deemed to have elected the Fifty-Five-Year Increased-Service-Fraction Plan.

ACCIDENT DISABILITY RETIREMENT

An Accident Disability Retirement Benefit is payable upon disablement of a member caused by an accident in the actual performance of duty, without willful negligence on the part of the member, subject to the approval of NYCERS' Medical Board. There is no service requirement in order to qualify for an Accident Disability Retirement.

The Accident Disability Retirement Benefit is:

Three-quarters of *Final Compensation (Final Salary* for members of the uniformed forces of the NYC departments of Sanitation and Correction)

plus

a *Pension* which is the actuarial equivalent of the *Reserve For Increased-Take-Home-Pay*,

plus

an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*.

NOTE: The *Pension* in all cases is subject to reduction by Workers' Compensation payments received on account of disability for the same accident.

WORLD TRADE CENTER PRESUMPTION FOR ACCIDENTAL DISABILITY RETIREMENT

This law creates a presumptive eligibility for an accidental disability benefit in connection with the World Trade Center tragedy of September 11, 2001. To qualify for the presumption provided in this law eligible members must 1) have passed a physical exam for entry into public service; 2) have participated in the Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 at either the WTC site, the Fresh Kills Landfill, the New York City Morgue or temporary morgues on the piers on the West Side of Manhattan, or the barges between the West Side of Manhattan and the Fresh Kills Landfill for a minimum of forty hours; 3) file a Notice of Participation and 4) become disabled by a qualifying condition or impairment of health as defined in the law at some point in their lifetime.

A Notice of Participation which informs NYCERS that eligible members have participated in the WTC Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 must be filed

by June 13, 2007. A Notice of Participation is not a disability application. Should eligible members become disabled in the future, the Notice of Participation protects their right to file a disability application.

DISABILITIES OF MEMBERS OF THE UNIFORMED FORCE OF THE NEW YORK CITY DEPARTMENT OF SANITATION

HEART BILL

Chapter 697 of the Laws of 2004 added Section 207-r to the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance and discharge of duty for eligible members of the uniformed force of the NYC Department of Sanitation. Such members are entitled to a disability benefit equal to three-quarters of Final Salary. The presumption may be rebutted by competent medical evidence.

DISABILITIES OF FDNY EMERGENCY MEDICAL TECHNICIANS

HEART BILL

Chapter 697 of the Laws of 2002 added Section 207-q to the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance of duty for Emergency Medical Technicians and Paramedics employed by the Fire Department of New York. Such members are entitled to a disability benefit equal to three-quarters of *Final Compensation*. The presumption may be rebutted by competent medical evidence.

HAT BILL

Chapter 587 of the laws of 1998 added Section 207-o to the General Municipal Law, which provides that an EMT member who contracts HIV (where he or she may have been exposed to bodily fluids of a person under their care or treatment, or while the member examined, transported or had contact with such person in the performance of duties), tuberculosis or hepatitis will be presumed to have contracted such disease in the performance and discharge of duty. Such member is entitled to a disability benefit equal to three-quarters of *Final Compensation*. The presumption may be rebutted by competent medical evidence.

DISABILITIES OF MEMBERS OF THE UNIFORMED FORCE OF THE NEW YORK CITY DEPARTMENT OF CORRECTION

HEART BILL

Chapter 546 of the laws of 1998 added Section 207-o of the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance and discharge of duty for members of uniformed force of the NYC Department of Correction. Such members are entitled to a disability benefit equal to three-quarters of *Final Salary*. The presumption may be rebutted by competent medical evidence.

HAT BILL

Chapter 622 of the Laws of 1997 added Section 207-n of the General Municipal Law, which provides that members of the uniformed force of the NYC Department of Correction who contract HIV (where there may have been exposure to a bodily fluid of an inmate or any person confined in an institution under the jurisdiction of the Department of Correction or the Department of Health), tuberculosis or hepatitis are presumed to have contracted such disease in the performance and discharge of duty. Such members are entitled to a disability benefit equal to three-quarters of *Final Salary*. The presumption may be rebutted by competent medical evidence.

For members of the uniformed forces of the NYC departments of Sanitation and Correction who are eligible for service retirement when disabled, there is an additional Pension for the period of credited uniformed-force service in excess of the minimum required uniformed-force service.

The additional Pension is:

For members of the uniformed-force of the NYC Department of Correction
1 2/3% for each year of such service.

For members of the uniformed-force of the NYC Department of Sanitation
1% for each year of such service rendered prior to July 1, 1967,
plus
1½% for each year of such service rendered after June 30, 1967.

NOTE: The *Pension* in all cases is subject to reduction by Workers' Compensation payments received on account of disability for the same accident.

MEDICAL REVIEW BOARD

If your application for accidental disability retirement is denied by NYCERS' Board of Trustees, either your bargaining representative or the head of the agency by which you are employed may, on your behalf, request a review by the Medical Review Board, a panel of three independent specialists.

In order for a request to be valid, you must file a waiver in which you agree that the decision of the Medical Review Board is final and conclusive, and you waive any and all rights to seek another disposition by court, administrative proceeding or any other process.

VESTED RETIREMENT BENEFIT

A member of NYCERS in a *Career Pension Plan Position*, who either elects Plan B or withdraws his or her election of Plan A may, at resignation before attainment of age 55, with credit for five or more years of service, elect to receive a retirement allowance computed in the same manner as the Service Retirement Benefit under Plan B. Payment of the benefit is deferred until the member attains age 55.

A member of the uniformed-force of the NYC Department of Sanitation who, before becoming eligible for service retirement, resigns after having credit for five or more years of uniformed-force service, may elect to receive a Service Retirement Benefit based upon *Credited Service* at the time City service ceased. Payment of such retirement allowance is deferred to the earliest date on which the member would have been eligible for service retirement had he or she remained in *Active Service*, in a uniformed-force title.

SPECIAL RETIREMENT BENEFIT

A member of NYCERS, in the competitive or labor class, whose City service is terminated without fault or delinquency before having become eligible for service retirement, and whose name no longer appears on the appropriate civil service preferred eligible list, may elect, in lieu of the return of his or her *Accumulated Member Contributions* in a lump-sum payment, to receive a retirement allowance, beginning immediately. Such allowance consists of an *Annuity* which is the actuarial equivalent of the *Accumulated Member Contributions*, a *Pension for Increased-Take-Home-Pay* which is the actuarial equivalent of the *Reserve For Increased-Take-Home-Pay*, and a *Pension* equal to the present value of the *Pension* the member would have received on his or her payability date based upon *Credited Service* at termination. If the member has attained age 50, and has credit in the retirement system for 20 or more years of service, an additional pension is payable equal to one-half the difference between the *Pension* so computed and the *Pension* payable at the member's earliest payability date. Such benefits are

payable to all other members on removal from City service without fault or delinquency, provided they have credit in the retirement system for 20 or more years of City service, including not less than one-half year during the year immediately preceding such removal.

ORDINARY DEATH BENEFIT

Upon the death of a member in City service, from causes other than an accident in the actual performance of duty, an Ordinary Death Benefit is payable to his or her estate, or to such person as the member shall have designated.

With respect to a member who joins the retirement system before July 1, 1973, the benefit is equal to the compensation earnable by him or her in the last six months immediately preceding death. If the total number of years of *Credited Service* exceeds 10, the benefit is equal to the compensation earnable by the member during the 12 months immediately preceding death. If at the time of death, the member holds a *Career Pension Plan Position*, and his or her *Credited Service* includes at least 20 years of *Career Pension Plan Qualifying Service*, the benefit is equal to two times the compensation earnable by him or her during the 12 months immediately preceding death. In addition, the *Accumulated Member Contributions* and the *Reserve For Increased-Take-Home-Pay* are paid to his or her estate or designated beneficiary.

Except for members in Transit operating-force positions, the benefit payable on account for a member who at the time of death would have been eligible for service retirement is either the benefit described above or an amount equal to the reserve on the retirement allowance which would have been payable if he or she had retired on the day before death, whichever is greater.

The Rules adopted by NYCERS' Board of Trustees in accordance with Chapter 581 of the Laws of 1970 provide that the first \$50,000 of each benefit on account of death in *Active Service* is payable from the funds of the Group Term Life Insurance Plan. The amount in excess of \$50,000, if any, is payable from the funds of the retirement system.

ACCIDENTAL DEATH BENEFIT

An Accidental Death Benefit is payable if the death of a member in City service is the result of an accident sustained in the actual performance of duty, without willful negligence on the part of the member, subject to approval by NYCERS' Medical Board.

An *Eligible Beneficiary*, in priority order, is:

- ▶ A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage. (A surviving spouse of Tier 1 uniformed worker of the NYC Department of Sanitation may subsequently remarry and still retain the Accidental Death Benefit.)
- ▶ Surviving children until age 18
- ▶ Dependent parents
- OR**
- ▶ Anyone you name as your beneficiary for your Ordinary Death Benefit (**SEE IMPORTANT NOTE**)

In the event that a class of *Eligible Beneficiaries* consists of more than one person, benefits shall be divided equally among the persons in such class (such as more than one surviving child under the age of 18).

If an *Eligible Beneficiary* receiving the Accidental Death Benefit becomes ineligible to continue to receive such benefit, the benefit shall be continued for all other members of the eligible class of beneficiaries and, if none, to each successive class, if any, during their eligibility to receive such a benefit.

IMPORTANT NOTE:

Should your death be the result of an on-the-job accident, and if no Eligible Beneficiary (as listed above) exists at the time of your death, then the Accidental Death Benefit may be paid, upon application, to the person designated as the beneficiary to receive payment of your Ordinary Death Benefit (either primary or contingent but not both).

The Accidental Death Benefit is:

A lump sum equal to the *Reserve For Increased-Take-Home-Pay*

plus

A lump-sum equal to the *Accumulated Member Contributions* payable to the estate or designated beneficiary

plus

A *Pension* equal to 50% of *Final Compensation* is payable to an *Eligible Beneficiary* or designated beneficiary (see below).

By election, however, the benefit may be equal to the reserve on the retirement allowance which would have been payable if the member had retired on the day before death, provided the member was not in a Transit operating-force position, and his or her death occurred after he or she had become eligible to retire from service. The *Pension* is subject to reduction by the amount of any Workers' Compensation payments made on account of the accidental death.

SPECIAL ACCIDENTAL DEATH BENEFIT (CORRECTIONS, EMT & TBTA ONLY)

The special accidental death benefit shall be paid to the widow or widower, or to the child under the age of 18 or under the age of 23 if a student, of NYCERS members in the following titles who have died of injuries sustained in the line of duty as the natural and proximate of an accident, not caused by the member's own willful negligence:

- ▶ A deceased member of the New York City Correction Department
- ▶ A deceased EMT or Advanced EMT
- ▶ A deceased member of the Triborough Bridge and Tunnel Authority

The special accidental death benefit is a supplemental monthly payment in addition to the accidental death benefit pension. This benefit is state funded while the Accidental Death Benefit is financed by NYCERS. The effect of the benefit is to continue paying the equivalent of the deceased's last year's earnings, including earned overtime, night differential and holiday pay, increased annually by a percentage determined on the basis of the Consumer Price Index (CPI). The maximum potential benefit will be reduced by the basic amount of Social Security survivor's benefit and the Workers' Compensation award payable due to the death of the deceased member. The benefit is not reduced by any amounts payable to any children

PRESUMPTIVE ACCIDENTAL DEATH BENEFITS UNDER HEART BILL (SANITATION, CORRECTION & EMT)

Members of the Uniformed Forces of the Departments of Sanitation and Correction and FDNY Emergency Medical Technicians who die from a heart ailment shall be entitled to a presumption that such heart ailment was incurred in the performance and discharge of duty. The *Eligible Beneficiary(ies)* of such members are entitled to an accidental death benefit which is paid in accordance with the relevant statute(s) governing accidental death benefits for their respective titles.

LOANS (TIERS 1 AND 2)

- ▶ A Tier 1 or Tier 2 member of NYCERS in City service, who has been a member continuously for at least three years may borrow up to 75% of his or her Accumulated Member contributions.
- ▶ Loans are limited to no more than two loans during any twelve-month period.
- ▶ Loans are repaid through payroll deductions of not less than 5% of the member's gross salary.

Chapter 511 of the laws of 2005 permits **retirees** to repay, in full, at any time after retirement, the total outstanding loan balance at retirement. This is available for all tiers and all retirees. This law states that the monthly pension benefits paid *after the retiree repays the loan* shall not be reduced by the actuarial equivalent of the loan. Monthly pension benefits paid *prior to the repayment* of the loan will not be adjusted.

LOAN INSURANCE

Beginning 30 days after the inception of the loan, 25% of the unpaid portion is insured up to a maximum of \$10,000. The insured portion is increased to 50% after 60 days, and to 100% after 90 days, subject to a maximum of \$10,000.

EXCESSES (TIERS 1 AND 2)

A Tier 1 or Tier 2 member of the retirement system may withdraw excess contributions and interest thereon credited to his or her account, after at least one year succeeding the year in which his or her rate of contribution may be canceled. Such withdrawal is not required to be repaid, but may be at the member's option.

TIER 1 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member upon retirement does not elect one of the options listed on the following page, his or her benefit will be paid as a Maximum Retirement Allowance payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:

UNMODIFIED AND MODIFIED INITIAL RESERVE

Option 1 provides the pensioner with a reduced monthly lifetime allowance. If the pensioner dies before his or her payments equal the total value of the initial reserve set aside to provide his or her benefits on the date of retirement, the balance is paid to the designated beneficiary(ies) in either a lump-sum or monthly payments. More than one beneficiary may be named and the beneficiary(ies) may be changed at any time.

OPTION 2:

100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 100% of the reduced allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:

50% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the

surviving beneficiary receives 50% of the reduced allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTIONS 4-2 AND 4-3:

POP-UP JOINT-AND-SURVIVOR OPTIONS

These pop-up options are variations of Options 2 and 3. The pensioner receives a reduced monthly lifetime allowance under either a 100% or 50% joint-and-survivor arrangement, but if the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement allowance.

OPTION 4:

LUMP-SUM PAYMENT

The pensioner receives a reduced monthly lifetime allowance with the provision that when he or she dies, the beneficiary receives a limited lump-sum payment specified by the pensioner at the time he or she chose this option. More than one beneficiary can be named and the beneficiary(ies) can be changed at any time.

NOTE: A pensioner may elect to receive any form of payment that is the actuarial equivalent of his or her Maximum Retirement Allowance, as certified by NYCERS' Chief Actuary and approved by the Board of Trustees.

TIER 2

ARTICLE 11 MODIFICATIONS

In 1973, a new ARTICLE 11 was added to the New York State Retirement and Social Security Law (RSSL), the purpose of which was to apply certain limitations on the retirement benefits available under public retirement systems within the State of New York to persons who join or joined any of the systems within the State after June 30, 1973.

The limitations covered a broad spectrum of retirement provisions including, but not limited to, eligibility for retirement, minimum age for retirement, *Final Average Salary*, maximum retirement benefits, etc.

Generally, ordinary and accidental disability benefits for Tier 2 members remained unchanged and substantially similar to the ordinary and accidental disability benefits available to Tier 1 members. Additionally, the presumptive disability laws applicable to Tier 1 members also apply to Tier 2 members. However, there is one notable distinction between Tier 1 disability benefits and Tier 2 disability benefits - the compensation base upon which disability benefits are calculated is based upon *Final Average Salary* for Tier 2 members as opposed to *Final Salary* or *Final Compensation* for Tier 1 members. In other instances where Tier 2 disability benefits and/or presumptive disability laws differ from those identified in the Tier 1 section or in instances where certain benefits are available to members in only Tier 2 and beyond, a description of the respective benefit(s)/laws will be explained in this section.

The limitations that are applicable to members of the uniformed-forces of the NYC departments of Correction and Sanitation are as follows:

- ▶ Members must have credit for 25 or more years of uniformed-force service, (rather than the former 20 years of such service), in order to be eligible for a full (unreduced) retirement benefit except for members who are *Participants* in the 20-Year Program for Tier 2 Correction Officers below the Rank of Captain (Chapter 936 of the laws of 1990), or the 20-Year Program for Tier 2 Correction Officers of the Rank of Captain or Above (Chapter 631 of the laws of 1993) or the 20-Year Retirement Program for Tier 2 members of the Uniformed-force of the NYC Department of Sanitation (Chapter 547 of the laws of 1992). For requirements and benefits of these three programs, see later pages of this document.
- ▶ If a member retires prior to having credit for 25 years of uniformed-force service, the City-supported portion of his or her retirement benefit is limited to an amount, which cannot exceed 2% of *Final Average Salary* for each year of such service.
- ▶ The salary used in the computation of benefits has been changed from the last year's salary to a three-year-average salary known as the *Final Average Salary (FAS)*. If the salary in any of the three years used in the computation of FAS exceeds the average of the previous two years by 20%, the excess above 20% is not used in the computation of the FAS.

Transit operating-force employees who are members of the *Modified Transit 20-Year Retirement Plan* are subject to the following limitations:

- ▶ Members must be at least 55 years of age and have credit for 25 or more years of Transit operating-force service (rather than the Tier 1 age 50 with 20 years of such service), in order to be eligible for full (unreduced) retirement benefits.
- ▶ If a Transit operating-force member retires between the ages of 50 and 55 and/or has credit for between 20 and 25 years of Transit operating-force service, the portion of his or her retirement allowance based on City contributions is limited to an amount which cannot exceed 2% of *FAS* for each year of credited Transit operating-force service.
- ▶ The salary used in the computation of benefits has been changed from the last year's salary to a three-year-average salary known as the *Final Average Salary (FAS)*. If the salary in any of the three years used in the computation of the *FAS* exceeds the average of the previous two years by 20%, the excess above 20% is not used in the computation of the *FAS*.

For other members of the retirement system, those primarily entitled to coverage under the Modified-Career-Pension Plan (Plan C), the Modified-Fifty-Five-Year-Increased-Service-Fraction Plan (Plan D), or Transit operating-force employees covered by the Age-Fifty-Five-One-Percent Plan (1/100 Plan), the following limitations apply:

- ▶ The earliest age for service retirement is 62 in order to be eligible for a full (unreduced) retirement benefit.
- ▶ If a member retires between age 55 (the minimum retirement age) and age 62, his or her benefits are reduced as follows:
For each of the first 24 full months that retirement predates age 62,
 one-half of 1% per-month,
plus
For each month that retirement predates age 60,
 one-quarter of 1% per-month.
- ▶ The salary used in the computation of benefits has been changed from the last year's salary to a three-year-average salary known as the *Final Average Salary (FAS)*. If the salary in any of the three years used in the computation exceeds the average of the previous two years by 20%, the excess above 20% is not used in the computation of the three-year-average salary.

NOTE: Any member of NYCERS who retired as a member of the Modified Career Pension Plan (Plan C) and who has not yet received a pension payment (this does not refer to payments from the Annuity Reserve Fund) from NYCERS, will be allowed to transfer his or her membership to another NYS retirement system.

The former Plan C member will be able to rescind their retirement application and then transfer their NYCERS' membership to another NYS retirement system. In so doing, their retirement service credit and applicable Tier status will be transferred to the other retirement system.

Such retired member must have started working in a position covered by the other NYS retirement system within five years of retiring from NYCERS (10 years with 25 years of credited service).

Members who are enrolled in the Modified-Age-Fifty-Five-Retirement Plan (Plan D), in addition to having the restrictions imposed as indicated above, have a further restriction which requires a minimum of five years of *Credited Service* as a member in order to qualify for retirement. Previously, such employees had no minimum service credit requirement.

20-YEAR-IMPROVED-BENEFIT RETIREMENT PROGRAM FOR TIER 2 CORRECTION MEMBERS BELOW THE RANK OF CAPTAIN (CI-20)

Chapter 936 of the Laws of 1990 established a 20-Year-Improved-Benefit-Retirement Program (*Program*) for Tier 2 uniformed Correction force members below the rank of Captain. Any such member who elected or is enrolled in the Program is eligible to receive an unreduced retirement allowance after having credit for 20 or more years of *Allowable-Correction Service*.

SERVICE RETIREMENT BENEFIT (CI-20)

Participants may retire after having credit for 20 or more years of *Allowable Correction Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and *Additional Member Contributions* as required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of Allowable Correction Service,

50% of FAS,

plus

an *Annuity* which is the actuarial equivalent of the member's regular contributions in excess of the required amount,

plus

For all years of Allowable-Correction Service, other than the first 20 years of such service,

1 2/3% of the Average Compensation* (or FAS if the compensation period is less than three years),

plus

a *Pension for Increased-Take-Home-Pay (ITHP)***

plus

75% times 1.67% times your *Final Compensation* for each year of all other *Credited Service*.

* The average of the compensation earned each year of such service since the completion of 20 years of *Allowable Correction Service*.

** The actuarial equivalent of the accumulation of the contributions for *ITHP* in each year of *Credited Service* rendered after January 1, 1967, and after completion of 20 years of *Allowable Correction Service*.

20-YEAR-IMPROVED-BENEFIT RETIREMENT PROGRAM FOR TIER 2 CORRECTION OFFICERS OF THE RANK OF CAPTAIN OR ABOVE (CP-20)

Chapter 631 of the Laws of 1993 established a 20-Year-Improved-Benefit Retirement Program for Tier 2 uniformed Correction Officers of the rank of Captain or above. Any such member who elected or is enrolled in the *Program* is eligible to receive an unreduced retirement allowance after having credit for 20 or more years of *Allowable-Correction Service*.

SERVICE RETIREMENT BENEFIT (CP-20)

Participants may retire after having credit for 20 or more years of *Allowable Correction Service*. If they have contributed the required amount of regular member contributions for the first 20

years of such service, and *Additional Member Contributions* as required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of such service,

50% of *FAS*,

plus

an *Annuity* which is the actuarial equivalent of the member's regular contributions in excess of the required amount,

plus

For all years of *Allowable Correction Service*, other than the first 20 years of such service,

1 2/3% of the Average Compensation* (or *FAS* if the compensation period is less than three years)

plus

75% times 1.67% times your *Final Compensation* for each year of all other *Credited Service*

plus

a *Pension for Increased-Take-Home-Pay (ITHP)***

- * The average of the compensation earned each year of such service since the completion of 20 years of *Allowable Correction Service*.
- ** The actuarial equivalent of the accumulation of the contributions for *ITHP* in each year of *Credited Service* rendered after January 1, 1967, and after completion of 20 years of *Allowable Correction Service*.

20-YEAR-IMPROVED-RETIREMENT PROGRAM FOR TIER 2 MEMBERS OF THE UNIFORMED-FORCE OF THE NYC DEPARTMENT OF SANITATION (SI-20)

Chapter 547 of the Laws of 1992 established a 20-Year-Improved-Benefit-Retirement Program (*Program*) for Tier 2 members of the uniformed force of the NYC Department of Sanitation. Any such member who elected or is enrolled in the *Program*, is eligible to receive an unreduced retirement allowance after having credit for 20 or more years of *Allowable Sanitation Service*.

SERVICE RETIREMENT BENEFIT (SI-20)

Participants may retire after having credit for 20 or more years of *Allowable Sanitation Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and *Additional Member Contributions* as required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of *Allowable Sanitation Service*,

50% of *FAS*

plus

an *Annuity* which is the actuarial equivalent of the member's regular contributions in excess of the required amount,

plus

For all years of *Allowable Sanitation Service*, other than the first 20 years of such service,

1½% of *Final Compensation*,

plus

For each year of all other *Credited Service*,

1% of *Final Compensation*,

plus

a *Pension* based on the actuarial value of the *Increased-Take-Home-Pay* contributions made during any period not included in the first 20 years of *Allowable Sanitation Service*.

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

Chapter 96 of the Laws of 1995 established an Age-55-Improved-Benefit-Retirement Program (*Program*) for Tier 2 members of NYCERS who were in *Active Service* in an *Eligible Position* on or after June 28, 1995. *Eligible Members* who were in *Active Service* on June 28, 1995 were required to file a properly completed election form with NYCERS no later than September 26, 1995. A person who becomes an *Eligible Member* after June 28, 1995 may elect to participate in the *Program* by filing a properly completed application with NYCERS within 90 days after becoming an *Eligible Member* in *Active Service*.

Participants in the Age-55-Improved-Benefit-Retirement Program are eligible to receive an unreduced retirement allowance at age 55, after having credit for 25 or more years of *Career Pension Plan Qualifying Service*. *Participants* employed in a position designated as physically-taxing who have credit for 25 or more years of *Career Pension Plan Qualifying Service* in *Physically-Taxing Positions*, will be able to retire at age 50 with no benefit reduction due to age.

SERVICE RETIREMENT BENEFIT (CPP-I)

Participants may retire with credit for 25 or more years of *Career Pension Plan Qualifying Service*. If they have contributed the required amount of regular member contributions for the first 25 years of such service, and *Additional Member Contributions* as required by the *Program*, the Service Retirement Benefit is:

For the first 25 years of *Career Pension Plan Qualifying Service*,
55% of *Final Average Salary (FAS)*

plus

For years of additional *Credited Service* rendered after June 30, 1968,
1.7% *times FAS*

plus

For years of additional *Credited Service* rendered before July 1, 1968,
1.2% *times FAS times*

plus

a *Pension* based on the actuarial value of the Increased-Take-Home-Pay contributions made during any period not included in the first 25 years of *Career Pension Plan Qualifying Service*, if any

plus

an *Annuity* based on accumulations in excess of the required amount of normal employee contributions, if any.

NO VESTING OR DEFERRING (CPP-I)

There is no provision for vesting or deferring under the Age-55-Improved-Benefit-Retirement Program. A *Participant* must meet both the age **and** service requirements in order to be eligible for a service retirement benefit under the *Program*. 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 a *participant* in the *Program*.

20-YEAR AND AGE 50 RETIREMENT PROGRAM FOR TIER 2 MEMBERS EMPLOYED AS MTA BRIDGE & TUNNEL OFFICERS, SERGEANTS AND LIEUTENANTS (2050I)

Chapter 472 of the Laws of 1995 established a 20-Year And Age 50 Retirement Program (*Program*) for Tier 2 members of NYCERS who were a *MTA Bridge & Tunnel Member* on August

2, 1995. *MTA Bridge and Tunnel Members* who were in *Active Service* on August 2, 1995 were required to file a properly completed election form with NYCERS no later than January 29, 1996. A person who becomes a *MTA Bridge & Tunnel Member* after August 2, 1995 may elect to participate in the *Program* by filing a properly completed application with NYCERS within 180 days after becoming a *MTA Bridge & Tunnel Member* in *Active Service*.

Participants in the *Program* are eligible to receive an unreduced retirement allowance after having credit for 20 or more years of *Allowable Service* at age 50.

SERVICE RETIREMENT BENEFIT (2050I)

Participants may retire with credit for 20 or more years of *Allowable Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and *Additional Member Contributions* as required by the *Program*,* the Service Retirement Benefit is:

For the first 20 years of *Allowable Service*,
50% of *Final Average Salary (FAS)*

plus

For each additional year *Allowable Service* (to a maximum of 30 years of such service),
1½% *times FAS*

- * Should a Tier 2 MTA Bridge and Tunnel member have a deficit in reserves, he or she can still retire, and rather than take an actuarial reduction, he or she can elect to receive his or her full *Pension* and pay off the deficit, with interest, in monthly installments over a period of up to nine years. The member also has the option to make a partial payment at retirement only and/or a total lump-sum payment at any time during the payment period.

25-YEAR RETIREMENT PROGRAM FOR MEMBERS EMPLOYED AS INVESTIGATORS IN DISTRICT ATTORNEYS' OFFICES (25IDA)

Chapter 370 of the Laws of 1996 as amended by Chapter 285 of the Laws of 1997 and Chapter 643 of the laws of 1999 established a 25-Year Retirement Program (*Program*) for members of NYCERS who were employed as Investigators in a District Attorney's office (*DA Investigator Members*) on July 30, 1996. *DA Investigator Members* employed in a District Attorney's office in *Active Service* on July 30, 1996 were required to file a properly completed election form with NYCERS no later than January 25, 1998. A person who becomes a *DA Investigator Member* after July 30, 1996 may elect to participate in the *Program* by filing a properly completed application with NYCERS within 180 days after becoming a *DA Investigator Member*, provided he or she is a *DA Investigator Member* on the date the election is filed with NYCERS.

Participants in the *Program* are eligible to receive an unreduced retirement allowance after having 25 or more years of *Credited Service*.

SERVICE RETIREMENT BENEFIT (25IDA)

Participants may retire with credit for 25 or more years of *Credited Service*. If they have contributed the required amount of regular member contributions for the first 25 years of such service, the Service Retirement Benefit is:

For the first 25 years of *Credited Service*,
55% of the salary earned in the year prior to retirement,

plus

For each additional year *Allowable Service* (to a maximum of 30 years of such service),
1.70% *times FAS* for each additional year of *Credited Service* in excess of 25.

VESTING (25IDA)

Participants in the *DA 25-Year Program* who have completed at least 15 but less than 25 years of *Credited Service* will be eligible for a Vested Retirement Benefit.

The Vested Retirement Benefit becomes payable on the date the *Participant* could have retired from service.

That is, **the later of:**

- ▶ the date the *Participant* could have completed 25 years of *Credited Service*, if discontinuance had not occurred,
- OR**
- ▶ age 55.

DEATH BENEFIT TO VESTED MEMBERS (25IDA)

There is a pre-retirement death benefit payable in the event of the death of a Tier 2 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit payable if the member had died on the last day of service upon which his or her membership was based. This is in addition to the refund of the member's accumulated contributions, plus interest.

VESTED RETIREMENT BENEFIT (25IDA)

The Vested Retirement Benefit is a *Pension* equal to:
2.20% *times FAS* for each year of *Credited Service*

20-YEAR RETIREMENT PROGRAM FOR MEMBERS EMPLOYED AS INVESTIGATORS IN DISTRICT ATTORNEYS' OFFICES (20IDA)

Chapter 695 of the Laws of 2004 adds 20 Year Retirement Program for investigators in District Attorneys' offices. This plan is available to all current Investigators in District Attorneys' offices who did not elect to participate in the 25 Year DA investigators Plan, any participant in the 25IDA (must file by 5/16/05), and any NYCERS member hired as a District Attorney Investigator after 11/16/04.

SERVICE RETIREMENT BENEFIT (20IDA)

Participants may retire with credit for 20 or more years of *IDA Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, the Service Retirement Benefit is:

For the first 20 years of Service,

50% of Final Salary

plus

For each additional year *Credited Service* (after completion of the 20 years)

1 2/3% of *FAS* for such *Credited Service* (or fraction thereof) beyond the first 20 years of *Service* (there is no cap on the additional years of *Credited Service*).

VESTING (20IDA)

Participants in the *DA 25-Year Program* who have completed at least 5 but less than 20 years of service (and does not withdraw any accumulated deductions will be eligible for a Vested Retirement Benefit.

The Vested Retirement Benefit becomes payable on the date the *Participant* could have retired from service.

VESTED RETIREMENT BENEFIT (20IDA)

The Vested Retirement Benefit is a *Pension* equal to:
2.5% of *FAS* for each year of *IDA Service*.

DEATH BENEFIT TO VESTED MEMBERS (20IDA)

There is a pre-retirement death benefit payable in the event of the death of a Tier 2 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit payable if the member had died on the last day of service upon which his or her membership was based. This is in addition to the refund of the member's accumulated contributions, plus interest.

25-YEAR IMPROVED BENEFIT RETIREMENT PROGRAM FOR DISPATCHERS (DIS-I)

Chapter 576 of the Laws of 2000 established 25-Year Retirement Programs for *Dispatcher Members*. Any person who was a *Dispatcher Member* on December 8, 2000 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 6, 2001, provided he or she was a *Dispatcher Member* on the date such application was filed. Any member who becomes a *Dispatcher Member* after December 8, 2000, may elect to become a *Participant* in a *Program* by filing within 180 days after becoming such *Dispatcher Member*, a duly executed application with NYCERS provided he or she is a *Dispatcher Member* at the time of filing such application.

SERVICE RETIREMENT BENEFIT (DIS-I)

Participants may retire if they have credit for 25 or more years of *Allowable Service* as a *Dispatcher Member*, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

An *Annuity* (the actuarial equivalent of the required contributions for the first 25 years of *Allowable Service* as a *Dispatcher Member*),

plus

a *Pension* for *ITHP*,

plus

a *Pension*, which when added to the *Annuity* and *Pension* for *ITHP* equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% of *FAS* for each year (or fraction) beyond the first 25 years of *Allowable Service* as a *Dispatcher Member*, but not to exceed more than five years of additional *Allowable Service* as a *Dispatcher Member*

Note: A Tier 2 *Participant* cannot receive a greater benefit than would be received by a Tier 1 *Participant*.

25-YEAR IMPROVED BENEFIT RETIREMENT PROGRAM FOR EMT MEMBERS (EMT-I)

Chapter 577 of the Laws of 2000 established 25-Year Retirement Programs for *EMT Members*. Any person who was an *EMT Member* on December 8, 2000 could elect to become a

Participant in the *Program* by filing a duly executed application with NYCERS no later than June 6, 2001, provided he or she was an *EMT Member* on the date such application was filed. Any member who becomes an *EMT Member* after December 8, 2000, may elect to become a *Participant* in a *Program* by filing within 180 days after becoming such an *EMT Member*, a duly executed application with NYCERS provided he or she is an *EMT Member* at the time of filing such application.

SERVICE RETIREMENT BENEFIT (EMT-I)

Participants may retire if they have credit for 25 or more years of *Allowable Service as an EMT Member*, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

An *Annuity* (the actuarial equivalent of the required contributions for the first 25 years of *Allowable Service as an EMT Member*),

plus

a *Pension for ITHP*,

plus

a *Pension*, which when added to the *Annuity* and *Pension for ITHP* equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% of FAS for each year (or fraction) beyond the first 25 years of *Allowable Service as an EMT Member*, but not to exceed more than five years of additional *Allowable Service as an EMT Member*

Note: A Tier 2 *Participant* cannot receive a greater benefit than would be received by a Tier 1 *Participant*.

25-YEAR IMPROVED BENEFIT RETIREMENT PROGRAM FOR DEPUTY SHERIFF MEMBERS (DSH-I)

Chapter 559 of the Laws of 2001 establishes a 25-Year Retirement Program for Deputy Sheriffs. Any person who was a *Deputy Sheriff Member* on December 12, 2001 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 10, 2002, provided he or she was a *Deputy Sheriff Member* on the date the application was filed. Any member who becomes a *Deputy Sheriff Member* after December 12, 2001, may elect to become a *Participant* in the *Program* by filing within 180 days after becoming a *Deputy Sheriff Member*, a duly executed application with NYCERS provided he or she is a *Deputy Sheriff Member* at the time of filing such application.

SERVICE RETIREMENT BENEFIT (DSH-I)

Participants may retire after having credit for 25 or more years of *Credited Service as a Deputy Sheriff Member*, regardless of age, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of service as a Deputy Sheriff Member:

An *Annuity* (the actuarial equivalent of the member's required contributions)

plus

a *Pension for ITHP*

plus

a *Pension*, which when added to the *Annuity* and *Pension for ITHP* equals:

55% of *Final Average Salary (FAS)*

plus

an additional 1.7% *FAS* of for each year (or fraction) beyond the first 25 years of *Allowable Service* beyond the required minimum period of service (25 years of *Credited Service*)

plus

an annuity which is the actuarial equivalent of the excess accumulated deductions (ASF) beyond the required amount for the 25 year period of service

plus

an annuity which is the actuarial equivalent of the excess *ITHP* credited beyond the required 25 year period of service and its associated interest

NO PARTICIPANT WAS ELIGIBLE TO RETIRE UNDER THIS PROGRAM PRIOR TO DECEMBER 12, 2001

VESTED RETIREMENT BENEFIT (DSH-I)

There is no provision for vesting.

25-YEAR AND AGE-50 IMPROVED BENEFITS RETIREMENT PROGRAM FOR AUTOMOTIVE SERVICE WORKER MEMBERS (AUT-I)

Chapter 414 of the Laws of 2002 (originally Chapter 560 of Laws of 2001) established a 25-Year/Age 50 Retirement Program for *Automotive Service Worker Members*. Any person who was a *Automotive Service Worker Member* on December 12, 2001 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 10, 2002, provided he or she was an *Automotive Service Worker Member* on the date the application was filed. Any member who becomes an *Automotive Service Worker* after December 12, 2001, may elect to become a *Participant* in the *Program* by filing within 180 days after becoming an *Automotive Service Worker Member*, a duly executed application with NYCERS provided he or she is an *Automotive Service Worker Member* at the time of filing such application. Chapter 681 of the Laws of 2003 extended the provision of this program to include seven additional titles.

SERVICE RETIREMENT BENEFIT (AUT-I)

Participants that are at least 50 years of age may retire after having credit for 25 or more years of *Allowable Service* as an *Automotive Service Worker Member*, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of *Credited Service* as an *Automotive Service Member*:

A *Pension* which equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% of *FAS* for each additional year (or fraction) of *Allowable Service* beyond the required 25 years, but not to exceed more than five years of additional *Allowable Service* as an *Automotive Service Worker Member*

VESTED RETIREMENT BENEFIT (AUT-I)

There is no provision for vesting.

25-YEAR IMPROVED BENEFIT PROGRAM FOR SPECIAL OFFICER MEMBERS (SPO-I)

Chapter 582 of the Laws of 2001 and Chapter 617 of the Laws of 2002 established a 25-Year

Retirement Program for *Special Officer Members*. Chapter 617 of the Laws of 2002 added covered titles effective October 2, 2002 with the 180 day open period beginning on that date. Any person who was a *Special Officer Member* on December 19, 2001 (or October 2, 2002 for added titles) could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 17, 2002 (or March 31, 2003 for added titles), provided he or she was a *Special Officer Member* on the date such application was filed. Any member who becomes a *Special Officer Member* after December 19, 2001, (or October 2, 2002 for added titles) may elect to become a *Participant* in the *Program* by filing within 180 days after becoming a *Special Officer Member*, a duly executed application with NYCERS provided he or she is a *Special Officer Member* at the time of filing such application. Chapter 641 of the Laws of 2003 extended the provisions of this program to include Urban Park Rangers and Associate Urban Park Rangers.

SERVICE RETIREMENT BENEFIT (SPO-I)

Participants may eligible to retire after having credit for 25 or more years of *Allowable Service* as a *Special Officer Member*, regardless of age, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of Allowable Service as a Special Officer Member:

An *Annuity* (the actuarial equivalent of the member's required contributions)

plus

a *Pension for ITHP*

plus

a *Pension*, which when added to the *Annuity* and *Pension for ITHP* equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% *FAS* of for each year (or fraction) beyond the first 25 years of *Allowable Service* as a *Special Officer Member*, but not to exceed more than five years of additional *Allowable Service* as a *Special Officer Member*

Note: A Tier 2 *Participant* cannot receive a greater benefit than would be received by a Tier 1 *Participant*.

VESTED RETIREMENT BENEFIT (SPO-I)

There is no provision for vesting.

25-YEAR RETIREMENT PROGRAM FOR POLICE COMMUNICATION (911) OPERATORS

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

SERVICE RETIREMENT BENEFIT

Participants who have completed 25 or more years of *Credited Service*, paid all *Additional Member Contributions* and file for retirement at least 30 but not more than 90 days before it is to be effective will be eligible to receive a service retirement benefit.

The Service Retirement Benefit is:

50% of *Final Average Salary (FAS)* for the first 25 years of **Credited Service**

plus

an additional 2% FAS of for each year (or fraction) beyond the first 25 years of *Allowable Service* up to a maximum of 30 years.

VESTED RETIREMENT BENEFIT

There is no provision for vesting for Tier 2 participants.

ORDINARY DEATH BENEFITS FOR TIER 2 MEMBERS

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

If a member selected Death Benefit Plan 1, the beneficiaries of Tier 2 members who die in service collect the greater of Death Benefit Plan 2 or Death Benefit Plan 1.

Previously, any person who joined NYCERS after June 30, 1973, other than members of the uniformed forces of the departments of Correction and Sanitation and Transit operating-force members, were required to choose between the two following death benefit plans, under the terms of which a benefit is paid at his or her death:

DEATH BENEFIT PLAN 1: Pays a benefit equal to one month's salary for each year of *Credited Service*, up to a maximum of three year's salary. In addition, the member's *Accumulated Deductions* are refunded. If the member would have been eligible to receive an unreduced retirement allowance at the time of death, the benefit is the reserve on the retirement allowance which would have been payable had he or she retired on the day before the date of death, if greater.

DEATH BENEFIT PLAN 2: Pays a benefit equal to one year's salary for each year of *Credited Service*, up to a maximum of three years' salary after three years of *Credited Service*. In addition, the member's *Accumulated Deductions* are refunded.

For either Death Benefit Plan 1 or 2, a benefit is also payable upon death after retirement. Such benefit is a percentage of the benefit in force immediately before retirement as follows:

If death occurs in the first year after retirement:

50% of such benefit;

If death occurs in the second year after retirement:

25% of such benefit;

If death occurs in the third year of retirement or later:

10% of the benefit in force at age 60, if any, or at retirement if before age 60.

If you selected Death Benefit Plan 2 the percentage payable will be reduced annually once you attain age 61 while in City service, regardless of their age when joining NYCERS.

Age	Percentage Payable
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+	50% of benefit in force

MEMBERS OF THE TRANSIT OPERATING-FORCE AND THE UNIFORMED FORCES OF THE DEPARTMENTS OF CORRECTION AND SANITATION WHO DIE IN SERVICE ARE COVERED BY A DEATH BENEFIT UPON COMPLETION OF 90 DAYS OF SERVICE, PROVIDED THEY WERE BEING PAID ON THE PAYROLL AT THE TIME OF DEATH.

THE DEATH BENEFIT IS EQUAL TO THREE TIMES THE MEMBER'S SALARY, RAISED TO THE NEXT HIGHER \$1,000.

THIS BENEFIT IS IN ADDITION TO PAYMENT OF THE *MEMBER'S CONTRIBUTION ACCUMULATION FUND ACCOUNT*.

ACCIDENTAL DEATH BENEFIT

An Accidental Death Benefit is payable if the death of a member in City service is the result of an accident sustained in the actual performance of duty, without willful negligence on the part of the member, subject to approval by NYCERS' Medical Board.

An *Eligible Beneficiary*, in priority order, is:

- ▶ A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage.
- ▶ Surviving children until age 18
- ▶ Dependent parents
- OR**
- ▶ Anyone you name as your beneficiary for your Ordinary Death Benefit (**SEE IMPORTANT NOTE**)

In the event that a class of *Eligible Beneficiaries* consists of more than one person, benefits shall be divided equally among the persons in such class (such as more than one surviving child under the age of 18).

If an *Eligible Beneficiary* receiving the Accidental Death Benefit becomes ineligible to continue to receive such benefit, the benefit shall be continued for all other members of the eligible class of beneficiaries and, if none, to each successive class, if any, during their eligibility to receive such a benefit.

IMPORTANT NOTE:

Should your death be the result of an on-the-job accident, and if no *Eligible Beneficiary* (as listed above) exists at the time of your death, then the Accidental Death Benefit may be paid, upon application, to the person designated as the beneficiary to receive payment of your Ordinary Death Benefit. (either primary or contingent but not both).

The Accidental Death Benefit is:

A lump-sum payment equal to your *Accumulated Deductions* to be paid to your designated beneficiary, or to your estate if no valid designation is on file with NYCERS
plus

Your *Eligible Beneficiary* will be entitled to apply for payment equal to:

A lump-sum payment equal to the amount in your ITHP account

plus

A pension equal to 50% of your *Final Compensation*

less

100% of any Workers' Compensation benefits

GROUP TERM LIFE INSURANCE PLAN

The Rules adopted by the Board of Trustees in accordance with Chapter 581 of the Laws of 1970 provide that the first \$50,000 of each benefit on account of death in active service is payable from the funds of the Group Term Life Insurance Plan. The amount in excess of \$50,000, if any, is payable from the funds of the retirement system.

TIER 2 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT ALLOWANCE)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Allowance payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:

RETURN OF ANNUITY RESERVE

Option 1 provides the pensioner with a reduced monthly lifetime allowance. If the pensioner dies before the *Annuity* portion of his or her payments equal the total value of the *Annuity* reserve set aside to pay his or her *Annuity* on the date of retirement, the balance is paid to the designated beneficiary in either a lump sum or monthly payments. Option 1 cannot be elected for the *ITHP* or *Pension* portions of the retirement allowance. More than one beneficiary may be named and the beneficiary(ies) may be changed at any time.

OPTION 2:

100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 100% of the reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:

50% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives 50% of the reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTIONS 4-2 AND 4-3:

POP-UP JOINT-AND-SURVIVOR OPTIONS

These options are variations of Options 2 and 3. The pensioner receives a reduced monthly lifetime allowance under either a 100% or 50% joint-and-survivor arrangement, but if the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Allowance.

**OPTION 4:
LUMP-SUM PAYMENT**

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary(ies) receives a limited lump-sum payment specified by the pensioner at the time he or she chose this option. More than one beneficiary can be named and the beneficiary(ies) can be changed at any time.

NOTE: A pensioner may elect to receive any form of payment that is the actuarial equivalent of their Maximum Retirement Allowance, as certified by NYCERS' Chief Actuary and approved by the Board of Trustees.

OPTION 5 (FIVE-YEAR CERTAIN)

The pensioner receives a reduced monthly lifetime allowance. If the pensioner dies within five years of retirement, the reduced monthly retirement allowance will be paid to the surviving designated primary beneficiary for the unexpired balance of the five-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the remainder of the five-year period is continued to the pensioner's designated contingent beneficiary. If none exists, it is paid in a lump-sum to the estate of the pensioner.

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

OPTION 6 (TEN-YEAR CERTAIN)

The pensioner receives a reduced monthly lifetime allowance. If the pensioner dies within ten years of retirement, the reduced monthly retirement allowance will be paid to the surviving designated primary beneficiary for the unexpired balance of the ten-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the remainder of the ten-year period is continued to the pensioner's designated contingent beneficiary. If none exists, it is paid in a lump-sum to the estate of the pensioner.

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

TIER 3

ARTICLE 14 - COORDINATED ESCALATOR RETIREMENT PLAN

Members who **are not** employed in the uniformed force of the NYC Department of Correction but who last joined NYCERS after July 26, 1976 and prior to September 1, 1983 who were automatically made Tier 4 members on September 1, 1983 retain their right to elect Tier 3 benefits. Depending on the member's situation the Tier 3 benefits may be more advantageous than Tier 4 benefits, but that is seldom the case.

Members of the uniformed force of the NYC Department of Correction who join NYCERS on or after July 27, 1976 are Tier 3 members subject to ARTICLE 14 of the Retirement and Social Security Law (RSSL).

TIER 3 RIGHTS FOR CERTAIN TIER 4 MEMBERS

NORMAL SERVICE RETIREMENT BENEFIT

- ▶ **Age 62 or later with less than 20 years of *Credited Service*:**
 $1 \frac{2}{3}\%$ *times FAS times years of Credited Service*,
minus
 one-half of the Primary Social Security benefit resulting from covered employment for which the member also received service credit in NYCERS.
- ▶ **Age 62 or later with 20 or more years of *Credited Service*:**
 2% *times FAS times years of Credited Service* (but not more than 30 years of such service),
minus
 one half of the Primary Social Security benefit resulting from covered employment for which the member also received service credit in NYCERS.

EARLY SERVICE RETIREMENT BENEFIT

For members age 55 or older, with 5 but less than 20 years of service:
 $1 \frac{2}{3}\%$ of *FAS* multiplied by the years of *Credited Service*.

- ▶ For members age 55 or older, with 20 or more years of *Credited Service*, but not more than 30 years of service:
 2% of *FAS* multiplied by the years of *Credited Service*.

Members choosing to retire early will be subject to a reduction of their pension benefit. Please refer to the table on the following page, which specifies the percentage of benefit reduction between the ages of 55-61.

**YOUR BENEFITS WILL BE SUBJECT
TO THE FOLLOWING REDUCTIONS AT RETIREMENT**

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

Service Retirement benefits (Early and Normal) are reduced at age 62 by one-half of the Primary Social Security benefit resulting from covered employment for which the member also received service credit in NYCERS. **(This reduction does not apply to members of the uniformed-force of the NYC Department of Correction.)**

VESTED RETIREMENT BENEFIT

A member who terminates City service with five or more years of *Credited Service* may receive payment of a retirement benefit at age 62 and later, as a Normal Service Retirement benefit, as described above. Or they may elect to receive a reduced benefit prior to age 62 (refer to the Benefit Reduction Chart above)

ESCALATION OF BENEFITS

- ▶ No escalation is provided at any time for persons taking Early Service Retirement with immediate payability, but is provided on Ordinary Death and Accidental Death benefit payments which are paid other than as a lump-sum.
- ▶ For service retirement at age 65 or older, the benefit is increased, (or decreased), annually by the lesser of 3% or the actual percentage increase, (or decrease), in the Consumer Price Index. The retirement benefit is never reduced below the amount set at the date of retirement.
- ▶ Benefits for service retirement between ages 62 and 65 are subject to the escalation rate as in the paragraph above. However, such escalation rate is reduced by one-thirty-sixth for each month the benefit commencement date precedes age 65.

NOTE: Cost-of-living adjustments, as described above, commence on the first day of April following the effective date of the member's service retirement. The first year's escalation is prorated depending upon the date of retirement.

ALTERNATE BENEFITS

ORDINARY DISABILITY RETIREMENT

(Section 506 of the RSSL)

A member who has credit for five or more years of service, and who has been awarded Primary Social Security Disability benefits is eligible for Ordinary Disability Retirement.

The Ordinary Disability Retirement Benefit **is the greater of:**
2% times FAS times years of Credited Service (not to exceed 30 years)
or
 One-third of FAS

Both calculations are reduced by:
 50% of the Primary Social Security Disability benefit resulting from covered employment for which the member also received service credit in NYCERS,
and
 100% of any Workers' Compensation payments.

NOTE: A member who is eligible for Ordinary Disability Retirement, and who is subsequently determined to be eligible for a Service Retirement Benefit shall not lose the right to Ordinary Disability Retirement benefits.

ACCIDENT DISABILITY RETIREMENT

(Section 507 of the RSSL)

A member is eligible for Accident Disability Retirement, if he or she has been awarded Primary Social Security Disability benefits, and is found by the retirement system's Medical Board to be disabled as the result of an accident sustained in the line of duty, not caused by his or her own willful negligence.

The Accident Disability Retirement Benefit is:
 60% of FAS
less:
 50% of the Primary Social Security Disability benefit resulting from covered employment for which the member also received service credit in NYCERS,
and
 100% of any Workers' Compensation payments.

NOTE: A member who is eligible for Accident Disability Retirement, and who is subsequently determined to be eligible for a Service Retirement Benefit shall not lose the right to Accident Disability Retirement benefits.

WORLD TRADE CENTER PRESUMPTION FOR ACCIDENTAL DISABILITY RETIREMENT

This law creates a presumptive eligibility for an accidental disability benefit in connection with the World Trade Center tragedy of September 11, 2001. To qualify for the presumption provided in this law eligible members must 1) have passed a physical exam for entry into public service; 2) have participated in the Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 at either the WTC site, the Fresh Kills Landfill, the New York City Morgue or temporary morgues on the piers on the West Side of Manhattan, or the barges between the West Side of Manhattan and the Fresh Kills Landfill for a minimum of forty hours; 3) file a Notice of Participation and 4) become disabled by a qualifying condition or impairment of health as defined in the law at some point in their lifetime.

A Notice of Participation which informs NYCERS that eligible members have participated in the WTC Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 must be filed by June 13, 2007. A Notice of Participation is not a disability application. Should eligible members become disabled in the future, the Notice of Participation protects their right to file a disability application.

GENERAL LIMITATIONS ON CONTINUED RECEIPT OF DISABILITY BENEFITS
(Ordinary and Accident - Sections 506 and 507 of the Retirement and Social Security Law)

If a member ceases to be eligible for Primary Social Security Disability benefits before attaining age 65, the disability retirement benefit payable from this system ceases. However, if such member is otherwise eligible, the NYC Department of Citywide Administrative Services shall place the name of such person on a preferred eligible list for positions in a salary grade not exceeding that from which he or she was retired. In such event, benefits are continued until the member is first offered a position at such salary grade.

ORDINARY DEATH BENEFITS

Applicable to members who last joined NYCERS after July 26, 1976 and prior to September 1, 1983 and die between April 1, 2006 and March 31, 2007.

Tier 3 Ordinary Death Benefits are capped at maximum amounts, and are increased on April 1st of each year, based on increases in the Consumer Price Index.

If death occurs before age 60, and *Credited Service* equals:

AT LEAST	BUT NOT MORE THAN	AMOUNT OF BENEFIT (AS OF APRIL 1, 2006)
One Year	Two Years	One <i>times</i> final rate of pay, but not in excess of \$43,100
Two Years	Three Years	Two <i>times</i> final rate of pay, but not in excess of \$86,200
Three Years or More		Three <i>times</i> final rate of pay, but not in excess of \$107,700

If death occurs at age 60 or later, the above benefits will be reduced to the following percentages:

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

PLEASE NOTE: If a member who joined NYCERS between July 27, 1976 and July 25, 1986 is eligible for a Vested Retirement Benefit on the date of his or her death, and his or her *Eligible Beneficiary* is their surviving spouse, he or she, in lieu of the lump-sum benefit provided above, may elect to receive a death benefit of:

- ▶ a lump-sum payment equal to one-third of the lump-sum death benefit, **plus**
- ▶ a Pension equal to 1% *times Final Average Salary times* the member's years of *Credited Service* on the date of death.

If the surviving spouse is more than 10 years younger than the member, the *Pension* described above will be actuarially reduced because of such age difference.

In the event of the death or remarriage of the spouse before an amount equal to the full lump-sum death benefit has been paid, then the difference between the amount paid out and the full lump-sum death benefit will be paid to the spouse or his or her estate, as the case may be.

DEATH BENEFIT FOR VESTED MEMBERS

There is a pre-retirement death benefit payable in the event of the death of a Tier 3 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the member's accumulated deductions, with interest.

ACCIDENTAL DEATH BENEFIT

If a member dies as a result of an accident sustained in the line of duty, without willful negligence on his or her part, a *Pension* equal to 50% of *FAS* is payable to an *Eligible Beneficiary*.

An *Eligible Beneficiary*, in priority order, is:

- ▶ A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage.
- ▶ Surviving children until age 25.
- ▶ Dependent parents.
- ▶ Any dependent on the final Federal income tax return of the member, until age 21.

In the event that a class of *Eligible Beneficiaries* consists of more than one person, benefits shall be divided equally among the persons in such class (such as more than one surviving child under the age of 25).

If an *Eligible Beneficiary* receiving the Accidental Death Benefit becomes ineligible to continue to receive such benefit, the benefit shall be continued for all other members of the eligible class of beneficiaries and, if none, to each successive class, if any, during their eligibility to receive such benefit.

SPECIAL NOTE:

If none of the people mentioned above survive the member, the benefit may then be distributed to a person whom the member may have nominated by written designation as his or her beneficiary for payment of the Ordinary Death Benefit.

UNIFORMED CORRECTION FORCE 25 YEAR PLAN

In this plan, Correction Officers appointed after July 27, 1976 can retire after 25 years of *Credited Service* without regard to age, and without a benefit reduction due to retirement prior to age 62.

The Service Retirement Benefit is:

50% of your Final Average Salary

Note: You will receive credit for only your first 25 years of Credited Service.

This benefit is not reduced by Primary Social Security.

There is no Vesting provision with this plan.

NORMAL SERVICE RETIREMENT (UNIFORMED CORRECTION FORCE)

A Tier 3 Uniformed Correction Force member who, if for some reason, does not meet the requirements for his or her Plan or Program, always has the underlying right to a Service Retirement Benefit under the Normal Service Retirement Benefit at age 62.

- ▶ **For members with five but less than 20 years of *Credited Service*:**
1 2/3% times FAS times years of *Credited Service*
- ▶ **For members with 20 or more years of *Credited Service*:**
2% times FAS times years of *Credited Service* (but not more than 30 years of such service)

This benefit is not reduced by social security.

VESTED RETIREMENT (UNIFORMED CORRECTION FORCE)

The Vested Retirement Benefit is payable at age 62, on an unreduced basis, or as a reduced benefit as early as age 55.

**YOUR BENEFITS WILL BE SUBJECT
TO THE FOLLOWING REDUCTIONS AT RETIREMENT**

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

This benefit is not reduced by social security.

UNIFORMED CORRECTION FORCE DISABILITY RETIREMENT BENEFITS

ORDINARY DISABILITY BENEFITS

A member must have a minimum of 10 years of *Credited Service* (rendered subsequent to July 26, 1976), including five years of membership service, to be eligible for a Disability Retirement Benefit.

Note: If any such 10 years of *Credited Service* includes purchased service rendered in a former membership, such purchased service need not have been rendered after July 26, 1976.

There is no minimum service credit required to be eligible for a Disability Retirement Benefit, if the disability was caused by a line-of-duty accident and the accident was not caused by the member's own willful negligence.

The Disability Retirement Benefit is the greater of:
 one-third of *FAS*,
or
 1 2/3% *times FAS times years of Credited Service*.

NOTE: Where a member is eligible for service retirement, and that benefit would be greater than either of the above calculations, then the member's Disability Retirement Benefit will be equal to the Service Retirement Benefit.

THREE-QUARTERS ACCIDENTAL DISABILITY RETIREMENT

Chapter 622 of the laws of 1997 added Section 507-c of the RSSL (subdivision a), which provides that members of the uniformed force of the NYC Correction Department who become physically or mentally incapacitated as the natural and proximate result of an injury sustained in the performance and discharge of duties by an act of an inmate shall be entitled to a disability benefit equal to three-quarters of *Final Average Salary*.

HEART BILL

Chapter 546 of the laws of 1998 added Section 207-o of the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance and discharge of duty for members of uniformed force of the NYC Department of Correction. Such members are entitled to a disability benefit equal to three-quarters of *Final Average Salary*. The presumption may be rebutted by competent medical evidence.

HAT BILL

Chapter 622 of the Laws of 1997 added Section 507-c of the RSSL (subdivision b), which provides that members of the uniformed force of the NYC Department of Correction who contract HIV (where there may have been exposure to a bodily fluid of an inmate or any person confined in an institution under the jurisdiction of the Department of Correction or the Department of Health), tuberculosis or hepatitis are presumed to have contracted such disease in the performance and discharge of duty. Such members are entitled to a disability benefit equal to three-quarters of *Final Average Salary*. The presumption may be rebutted by competent medical evidence.

DEATH BENEFITS

ORDINARY DEATH BENEFIT

Any Tier 3 member of the uniformed-force of the NYC Department of Correction on or after July 26, 1986 is covered for an Ordinary Death Benefit upon completion of 90 days of service as a member. The amount of the Ordinary Death Benefit is equal to three times the member's salary, raised to the next higher multiple of \$1,000. In addition, the member's *Accumulated Deductions* are payable.

SPECIAL ACCIDENTAL DEATH BENEFIT (CORRECTIONS)

The special accidental death benefit shall be paid to the widow or widower, or to the child under the age of 18 or under the age of 23 if a student, of a deceased member of the uniformed force of the NYC Correction Department who has died of injuries sustained in the line of duty as the natural and proximate of an accident, not caused by the member's own willful negligence:

The special accidental death benefit is a supplemental monthly payment in addition to the accidental death benefit pension. This benefit is state-funded while the accidental death benefit is financed by NYCERS. The effect of the benefit is to continue paying the equivalent of the deceased's last year's earnings, including earned overtime, night differential and holiday pay, increased annually by a percentage determined on the basis of the Consumer Price Index (CPI). The maximum potential benefit will be reduced by the basic amount of Social Security survivor's benefit and the Workers' Compensation award payable due to the death of the deceased member. The benefit is not reduced by any amounts payable to any children

PRESUMPTIVE ACCIDENTAL DEATH BENEFITS UNDER HEART BILL (CORRECTIONS)

Members of the Uniformed Forces of the Departments of Sanitation and Correction and FDNY Emergency Medical Technicians who die from a heart ailment shall be entitled to a presumption that such heart ailment was incurred in the performance and discharge of duty. The Eligible Beneficiary(ies) of such members are entitled to an accidental death benefit which is paid in accordance with the relevant statute(s) governing accidental death benefits for their respective titles.

20-YEAR RETIREMENT PROGRAM FOR TIER 3 CORRECTION MEMBERS BELOW THE RANK OF CAPTAIN (CO-20)

Chapter 936 of the Laws of 1990 established a 20-Year Retirement Program for NYC Correction members below the rank of Captain who are subject to ARTICLE 14 of the RSSL. A NYC Department of Correction member below the rank of Captain who was a Tier 3 member of NYCERS on December 19, 1990 (or were members before September 1, 1983), and elected to become a *Participant* in the 20-Year Retirement Program, will be eligible to receive an unreduced retirement allowance after having 20 or more years of *Credited Service*. A member who becomes subject to ARTICLE 14 after December 19, 1990 because he or she is appointed as a Correction member below the rank of Captain (and became a member of NYCERS after August 31, 1983) is automatically enrolled in the 20-Year Retirement Program and is required to have 20 or more years of Allowable Correction Service to be eligible to retire under the Program.

SERVICE RETIREMENT BENEFIT (CO-20)

Participants may retire after having 20 or more years of *Credited Service* or *Allowable Correction Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of *Allowable Correction Service*,
50% of FAS

For all years of *Allowable Correction Service*, other than the first 20 years of such service,
1 2/3% of FAS times the years of such service (not to exceed 30 years).

VESTED RETIREMENT BENEFIT (CO-20)

A *Participant* in the 20-Year Retirement Program for Tier 3 Correction members below the rank of Captain, who resigns after having five or more years of *Credited Service* or *Allowable Correction Service* (see above), but less than 20 years of such service, is eligible to apply for a Vested Retirement Benefit.

The Vested Retirement Benefit is:

2½% of FAS for each year, or fraction thereof, of *Credited Service*.

The Vested Retirement Benefit will become payable on the earliest date the *Participant* could have retired with credit for 20 years of *Allowable Correction Service*, if he or she had continued in such service.

DEATH BENEFIT FOR VESTED MEMBERS (CO-20)

There is a pre-retirement death benefit payable in the event of the death of a Tier 3 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 *Credited Service* at the time of death. The death benefit is one-half of the ordinary death benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the member's accumulated deductions, with interest.

20-YEAR RETIREMENT PROGRAM FOR TIER 3 CORRECTION OFFICERS OF THE RANK OF CAPTAIN OR ABOVE (CC-20)

Chapter 631 of the Laws of 1993 established a 20-Year Retirement Program for NYC Correction Officers of the rank of Captain or above who are subject to ARTICLE 14 of the RSSL. A NYC Correction Officer of the rank of Captain or above, who was a Tier 3 member of NYCERS on August 4, 1993 (or were members before September 1, 1983), and elected to become a *Participant* in the 20-Year Retirement Program (*Program*), or any member who thereafter became eligible to file an election to participate in the *Program* and did so, is eligible to receive an unreduced retirement benefit after having 20 or more years of *Credited Service*.

A NYC Correction Officer of the rank of Captain or above who becomes subject to ARTICLE 14 after August 4, 1993 because they are appointed as a Correction Captain (and become a member of NYCERS after August 31, 1983) is automatically enrolled in the 20-Year Retirement Program and are required to have 20 or more years of *Allowable Correction Service* to be eligible to retire under the *Program*.

CORRECTION CAPTAIN REOPENER FOR TIER 3 MEMBERS

Chapter 622 of the Laws of 2004. This law permits members who failed to elect the 20 Year Plan for Correction Captains and above (CC-20 Plan) to now elect to become a participant in this plan. This law applies to those Tier 3 correction members of the rank of Captain or above who were eligible to participate in this plan on 8/4/93 and also to those Tier 3 correction members who became a correction member of the rank of Captain or above prior to 10/20/04.

SERVICE RETIREMENT BENEFIT (CC-20)

Participants may retire after having credit for 20 or more years of *Credited Service* or *Allowable Correction Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of Allowable Correction Service,

50% of FAS,

plus

For all years of Allowable Correction Service, other than the first 20 years of such service (not to exceed 30 years)

1 2/3% of FAS.

VESTED RETIREMENT BENEFIT (CC-20)

A *Participant* in the 20-Year Retirement Program for Tier 3 Correction Officers of the rank of Captain or above, who resigns after having credit for five or more years of *Credited Service* or *Allowable Correction Service* (see above), but less than 20 years of such service, is eligible to apply for a Vested Retirement Benefit.

The Vested Retirement Benefit is:

2½% of FAS for each year, or fraction thereof, of *Credited Service*.

The Vested Retirement Benefit will become payable on the earliest date the *Participant* could have retired with credit for 20 years of *Credited Service* or *Allowable Correction Service*, if he or she had continued in such service.

DEATH BENEFIT FOR VESTED MEMBERS (CC-20)

There is a pre-retirement death benefit payable in the event of the death of a Tier 3 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the refund of the member's accumulated deductions, with interest.

20-YEAR RETIREMENT PROGRAM FOR TIER 3 CORRECTION FORCE MEMBERS (CF 20)

Chapter 622 of the Laws of 2004 establishes a 20-year retirement program for NYC Correction Members. Any person who becomes a NYC correction member and a Tier 3 member on or after 10/19/04 will be a member of this plan. The 20-Year Correction Officers Plan and the 20-Year Correction Captains Plan are close to anyone not having Tier 3 rights on the effective date of this law.

SERVICE RETIREMENT BENEFIT (CF-20)

Participants may retire after having 20 or more years of *Allowable Correction Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

For the first 20 years of Allowable Correction Service,

50% of FAS

For all years of Allowable Correction Service, other than the first 20 years of such service,

1 2/3% of FAS times the years of Allowable Correction Service (not to exceed 30 years).

VESTED RETIREMENT BENEFIT (CF-20)

A *Participant* in the 20-Year Retirement Program for Tier 3 Correction members who resigns after having five or more years of *Service*, but less than 20 years of such service, is eligible to apply for a Vested Retirement Benefit.

The Vested Retirement Benefit is:

2½% of FAS for each year, or fraction thereof, of *Service*.

The Vested Retirement Benefit will become payable on the earliest date the *Participant* could have retired with credit for 20 years of *Allowable Correction Service*, if he or she had continued in such service.

DEATH BENEFIT FOR VESTED MEMBERS (CO-20)

There is a pre-retirement death benefit payable in the event of the death of a Tier 3 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 *Credited Service* at the time of death. The death benefit is one-half of the ordinary death benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the member's accumulated deductions, with interest.

TIER 3 RETIREMENT OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT BENEFIT)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Benefit, payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:

100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime benefit. When the pensioner dies, the surviving beneficiary receives the same reduced monthly benefit for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 2:

OTHER JOINT-AND-SURVIVOR OPTIONS

The pensioner receives a reduced monthly lifetime benefit. When the pensioner dies, the surviving beneficiary receives a benefit of 90% or less, depending on the pensioner's choice, in increments of not less than 10%, of the pensioner's reduced monthly benefit for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:

FIVE-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner 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 pensioner, the balance of the payments due for the unexpired balance of the five-year period is continued to the pensioner's contingent beneficiary or, if none exists, is paid in a lump-sum to the estate of the pensioner. Should a designated beneficiary who has started to receive payments after the death of the pensioner thereafter die before the unexpired balance of the five-year period, the balance of the payments for the unexpired balance of the five-year period is paid in a lump-sum to the designated contingent beneficiary or, if none exists, to the estate of the primary beneficiary.

OPTION 4:

TEN-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within 10 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 10-year period. If the designated primary beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the 10-year period is continued to the pensioner's contingent beneficiary or, if none exists, is paid in a lump-sum to the estate of the pensioner. Should a designated beneficiary who has started to receive payments after the death of the pensioner thereafter die before the unexpired balance of the 10-year period, the balance of the payments for the unexpired balance of the 10-year period is paid in a lump-sum to the designated contingent beneficiary or, if none exists, to the estate of the primary beneficiary.

Members who retire on or after November 21, 1992 are eligible to elect Option 5, the Pop-Up Option.

**OPTION 5:
POP-UP OPTION**

The Pop-Up Option is a variation of Options 1 and 2. The pensioner receives a reduced monthly lifetime benefit under a 100%, 90% or less, depending on the pensioner's choice, in increments of not less than 10%, of the pensioner's reduced benefit under a joint-and-survivor selection. If the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Benefit.

TIER 4

ARTICLE 15 - COORDINATED RETIREMENT PLAN

SERVICE RETIREMENT BENEFIT

Tier 4 membership is mandatory for all employees who complete six months in a permanent position in the competitive or labor class after July 26, 1976, **EXCEPT**

- ▶ members who are employed in the uniformed-force of the NYC Department of Correction who are Tier 3 members governed by ARTICLE 14 of the Retirement and Social Security Law (RSSL), and
- ▶ members employed as Investigators by District Attorneys' offices who are Tier 2 members governed by ARTICLE 11 of the RSSL.

Permanent employees may voluntarily join NYCERS at any time during the first six months of covered employment. Tier 4 membership is optional, by voluntary enrollment, for employees who receive appointment to a provisional, non-competitive, exempt or unclassified position.

Under the *Basic Tier 4, 62/5 Plan*, members are eligible for a Service Retirement Benefit at age 62 with five or more years of *Credited Service*, including at least two years of *Membership Service*.

The *Final Average Salary (FAS)* on which retirement benefits are based is determined by adding the highest annual wages earned for any three consecutive years and dividing that sum by three. If the wages earned during any year included in the *FAS* exceeds that of the average of the previous two years by more than 10%, the amount in excess of 10% will be excluded from the computation of the *FAS*.

The Service Retirement Benefit is:

With less than 20 years of *Credited Service*,
 1 2/3% of *FAS times* the years of *Credited Service*.

With 20 or more years of *Credited Service*,
 2% of *FAS times* each year of *Credited Service* up to 30 years of such service,
plus
 1½% of *FAS times* each year of *Credited Service* in excess of 30.

EARLY SERVICE RETIREMENT

Basic Tier 4 members who do not belong to a special plan (i.e. 55/25, 57/5 or the TA 25/55 Program) can retire prior to the normal retirement age of 62, if they have met the minimum service requirement. However, they may not retire prior to age 55.

Members may retire and elect to receive their payments between the ages of 55 and 62. The Service Retirement Benefit will be reduced by ½ of 1% for each of the 24 months that the payment date precedes age 62, plus ¼ of 1% for each month it precedes age 60 (before reduction for a survivor option). Please see the table on the following page.

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

VESTED RETIREMENT BENEFIT

A member who terminates City service after having five or more years of *Credited Service*, including at least two years of *Membership Service* subsequent to July 26, 1976 or after last joining a public retirement system, if later, may receive benefits at age 62 in accordance with the Service Retirement Benefit formula set forth above.

Members with between five and 10 years of *Credited Service* may still terminate their membership and receive a refund of their accumulated deductions but in electing to do so, they forfeit their right to any future benefit from NYCERS. However, a member with 10 or more years of *Credited Service* may not receive a refund of his or her accumulated deductions.

DISABILITY RETIREMENT BENEFIT

Ten or more years of *Credited Service* rendered subsequent to July 26, 1976, including at least two years of *Membership Service*, is required for eligibility for a Disability Retirement Benefit. However, if any such 10 or more years of *Credited Service* includes purchased service rendered in a former membership, such purchased service need not have been rendered after July 26, 1976.

The requirement of 10 or more years of *Credited Service* is not applicable to members who apply for a disability retirement, when the disability is the result of a line-of-duty accident not caused by the member's own willful negligence.

The Disability Retirement Benefit is the greater of:
one-third of FAS,

or

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

WORLD TRADE CENTER PRESUMPTION FOR ACCIDENTAL DISABILITY RETIREMENT

This law creates a presumptive eligibility for an accidental disability in connection with the World Trade Center tragedy of September 11, 2001. To qualify for the presumption provided in this law eligible members must 1) have passed a physical exam for entry into public service; 2) have participated in the Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 at either the WTC site, the Fresh Kills Landfill, the New York City Morgue or temporary morgues on the piers on the West Side of Manhattan, or the barges between the West Side of Manhattan and the Fresh Kills Landfill; 3) file a Notice of Participation and 4) become disabled by a qualifying condition or impairment of health as defined in the law at some point in their lifetime.

A Notice of Participation which informs NYCERS that eligible members have participated in the WTC Rescue, Recovery or Clean-Up Operations between 9/11/01 and 9/12/02 must be filed by June 13, 2007. A Notice of Participation is not a disability application. Should eligible members become disabled in the future, the Notice of Participation protects their right to file a disability application.

DISABILITIES OF FDNY EMERGENCY MEDICAL TECHNICIANS

THREE-QUARTERS ACCIDENTAL DISABILITY BENEFIT

Chapter 587 of the laws of 1998 added a new Section 607-b to the Retirement and Social Security Law, which provides that Emergency Medical Technicians (EMT) who become mentally or physically incapacitated as a natural and proximate result of an injury sustained in the performance discharge of duty on or after March 17, 1996 shall be entitled to a disability benefit equal to three-quarters of Final Average Salary.

HEART BILL

Chapter 697 of the Laws of 2002 added Section 207-q to the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance of duty for Emergency Medical Technicians and Paramedics employed by the Fire Department of New York. Such members are entitled to a disability benefit equal to three-quarters of *Final Average Salary*. The presumption may be rebutted by competent medical evidence.

HAT BILL

Chapter 587 of the laws of 1998 added Section 207-o to the General Municipal Law, which provides that an EMT member who contracts HIV (where he or she may have been exposed to bodily fluids of a person under their care or treatment, or while the member examined, transported or had contact with such person in the performance of duties), tuberculosis or hepatitis will be presumed to have contracted such disease in the performance and discharge of duty. Such member is entitled to a disability benefit equal to three-quarters of *Final Average Salary*. The presumption may be rebutted by competent medical evidence.

FINAL MEDICAL REVIEW

If your application for accidental disability retirement is denied by NYCERS' Board of Trustees, either your bargaining representative or the head of the agency by which you are employed may, on your behalf, request a review by the Medical Review Board, a panel of three independent specialists.

For members who are Tier 4 EMT Members, you must file a request with the Final Medical Review Board within 45 days of receipt of the letter denying your application for disability. In order for a request to be valid, you must file a waiver in which you agree that the decision of the Medical Review Board is final and conclusive, and you waive any and all rights to seek another disposition by court, administrative proceeding or any other process.

DISABILITIES OF MEMBERS OF THE UNIFORMED FORCE OF THE NYC DEPARTMENT OF SANITATION

THREE-QUARTERS ACCIDENTAL DISABILITY BENEFIT

Chapter 504 of the Laws of 2002 added a new section 605-b to the RSSL, which provides that members of the uniformed force of the NYC Department of Sanitation who are determined by NYCERS to be physically or mentally incapacitated as the natural or proximate result of an "accident" sustained in the performance and discharge of duty, and such accident was not caused by his/her willful negligence, shall be entitled to a disability benefit equal to three-quarters of Final Average Salary. Eligible members who have either: become disabled subsequent to September 17, 2002 or have been retired for disability under Sections 605 or 507 of the RSSL between November 1, 1982 and September 16, 2002 are entitled to this benefit.

HEART BILL

Chapter 697 of the Laws of 2004 added Section 207-r to the General Municipal Law, which provides a presumption that a disease of the heart was incurred in the performance of duty for members of the uniformed force of the NYC Department of Sanitation. Such members are entitled to a disability benefit equal to three-quarters of *Final Average Salary*. The presumption may be rebutted by competent medical evidence.

FINAL MEDICAL REVIEW

If your application for accidental disability retirement is denied by NYCERS' Board of Trustees, either your bargaining representative or the head of the agency by which you are employed may, on your behalf, request a review by the Medical Review Board, a panel of three independent specialists.

For members who are Tier 4 Uniformed Sanitation Members, you must file a request with the Final Medical Review Board within 15 days of receipt of the letter denying your application for disability.

In order for a request to be valid, you must file a waiver in which you agree that the decision of the Medical Review Board is final and conclusive, and you waive any and all rights to seek another disposition by court, administrative proceeding or any other process.

THREE-QUARTER ACCIDENTAL DISABILITY BENEFIT FOR NEW YORK CITY DEPUTY SHERIFFS

Chapter 516 of the laws of 2003 added a new section 605-c to the RSSL, which provides that NYC Deputy Sheriffs who become physically or mentally incapacitated for the performance of duties as the natural and proximate result of an accident, not caused by his/her willful negligence are entitled to a disability benefit equal to three-quarters of final average compensation, which is defined as wages earned during any five consecutive years (subject to certain limitations).

ORDINARY DEATH BENEFITS FOR TIER 4 MEMBERS

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

If a member selected Death Benefit Plan 1, the beneficiaries of Tier 4 members who die in service collect the greater of Death Benefit Plan 2 or Death Benefit Plan 1.

Previously, any person who joined NYCERS after June 30, 1973, other than members of the uniformed forces of the departments of Correction and Sanitation and Transit operating-force members, were required to choose between the two following death benefit plans, under the terms of which a benefit is paid at his or her death:

DEATH BENEFIT PLAN 1: Pays a benefit equal to one month's salary for each year of *Credited Service*, up to a maximum of three year's salary. In addition, the member's *Accumulated Deductions* are refunded. If the member would have been eligible to receive an unreduced retirement allowance at the time of death, the benefit is the reserve on the retirement allowance which would have been payable had he or she retired on the day before the date of death, if greater.

DEATH BENEFIT PLAN 2: Pays a benefit equal to one year's salary for each year of *Credited Service*, up to a maximum of three years' salary after three years of *Credited Service*. In addition, the member's *Accumulated Deductions* are refunded.

For either Death Benefit Plan 1 or 2, a benefit is also payable upon death after retirement. Such benefit is a percentage of the benefit in force immediately before retirement as follows:

If death occurs in the first year after retirement:

50% of such benefit;

If death occurs in the second year after retirement:

25% of such benefit;

If death occurs in the third year of retirement or later:

10% of the benefit in force at age 60, if any, or at retirement if before age 60.

If you selected Death Benefit Plan 2 the percentage payable will be reduced annually once you attain age 61 while in City service, regardless of their age when joining NYCERS.

AGE	PERCENTAGE PAYABLE
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+	50% of benefit in force

SPECIAL NOTE:

The beneficiaries of Tier 4 members who die in service collect the greater of Death Benefit Plan 2 or Death Benefit Plan 1, if the member selected Death Benefit Plan 1.

Anyone who becomes a member of NYCERS before January 1, 2001 will also be covered by Death Benefit 2, unless the member elected Death Benefit Plan 1 in a timely manner, and the death benefit would be greater than under Death Benefit Plan 2.

DEATH BENEFIT PAYABLE TO PRE-JULY 26, 1986 TIER 4 MEMBERS

In the event of the death of a member who joined the retirement system before July 26, 1986, the death benefit payable to his or her beneficiary or estate, as the case may be, is a lump-sum or an Annuity based thereon, calculated by multiplying one-twelfth of the wages earned by such member during the last 12 months of active City service, while a member, by the number of years of Credited Service, not in excess of 36 years of such service. Alternately, the Ordinary Death Benefit described above, which is also available to all other Tier 4 members, is payable.

DEATH BENEFIT FOR MEMBERS OF THE TRANSIT OPERATING-FORCE OR THE UNIFORMED-FORCE OF THE NYC DEPARTMENT OF SANITATION

A Tier 4 member of either the Transit operating-force or the uniformed-force of the NYC Department of Sanitation is covered for a death benefit upon having credit for ninety days of service. The amount of the death benefit is equal to three times the member's salary, raised to the next higher multiple of \$1,000. In addition, the member's *Accumulated Deductions* are payable.

DEATH BENEFIT FOR VESTED MEMBERS

There is a pre-retirement death benefit payable in the event of the death of a Tier 4 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the member's accumulated deductions, with interest.

ACCIDENTAL DEATH BENEFIT

If a member dies as a result of an accident sustained in the performance of his or her duties while in active City service, without willful negligence on his or her part, and while actually a member of NYCERS, a pension equal to 50% of the *Wages* earned by him or her during the last year of *Credited Service* will be paid to an *Eligible Beneficiary*.

An *Eligible Beneficiary*, in priority of the order is:

- ▶ A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage
 - ▶ Surviving children until age 25
 - ▶ Dependent parents, determined under regulations promulgated by NYCERS' Board of Trustees
 - ▶ Any dependent on the final Federal income tax return of the member, until age 21
- OR**
- ▶ Anyone you name as your beneficiary for your Ordinary Death Benefit (SEE IMPORTANT NOTE)

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

If an *Eligible Beneficiary* receiving the Accidental Death Benefit becomes ineligible to continue to receive such benefit, the benefit shall be continued for all other members of the eligible class of beneficiaries and, if none, to each successive class, if any, during their eligibility for such benefit.

IMPORTANT NOTE:

Should your death be the result of an on-the-job accident, and if no *Eligible Beneficiary* (as listed above) exists at the time of your death, then the Accidental Death Benefit may be paid, upon application, to the person designated as the beneficiary to receive payment of your Ordinary Death Benefit. (either primary or contingent but not both).

SPECIAL ACCIDENTAL DEATH BENEFIT (EMT & TBTA ONLY)

The special accidental death benefit shall be paid to the widow or widower, or to the child under the age of 18 or under the age of 23 if a student, of NYCERS members in the following titles who have died of injuries sustained in the line of duty as the natural and proximate of an accident, not caused by the member's own willful negligence:

- ▶ A deceased EMT or Advanced EMT
- ▶ A deceased member of the Triborough Bridge and Tunnel Authority

The special accidental death benefit is a supplemental monthly payment in addition to the accidental death benefit pension. This benefit is state funded while the Accidental Death Benefit is financed by NYCERS. The effect of the benefit is to continue paying the equivalent of the deceased's last year's earnings, including earned overtime, night differential and holiday pay, increased annually by a percentage determined on the basis of the Consumer Price Index (CPI). The maximum potential benefit will be reduced by the basic amount of Social Security survivor's benefit and the Workers' Compensation award payable due to the death of the deceased member. The benefit is not reduced by any amounts payable to any children

PRESUMPTIVE ACCIDENTAL DEATH BENEFITS UNDER HEART BILL (SANITATION & EMT)

Members of the Uniformed Forces of the Departments of Sanitation and FDNY Emergency Medical Technicians who die from a heart ailment shall be entitled to a presumption that such heart ailment was incurred in the performance and discharge of duty. The *Eligible Beneficiary(ies)* of such members are entitled to an accidental death benefit which is paid in accordance with the relevant statute(s) governing accidental death benefits for their respective titles.

LOANS (TIERS 3 AND 4 MEMBERS)

A Tier 4 member in active service, who has credit for at least one year of *Membership Service*, may borrow up to 75% of the amount last posted to his or her Member Contribution Accumulation Fund (MCAF) account, minus any outstanding loan.

The following restrictions apply to all Tier 4 loans.

- ▶ A member must be in active service on a participating employer's payroll to be issued a loan.
- ▶ Loans are limited to no more than one loan during any twelve-month period.
- ▶ The minimum amount of a loan is \$1,000. (A member must have at least \$1,334 to his or her credit in his or her MCAF account to qualify for the minimum loan amount.)
- ▶ There is a service fee of \$20.00 that is charged for processing a loan application. The fee is deducted from the amount of the loan check.
- ▶ In addition, there is a mandatory insurance charge on each loan. The current loan insurance premium of .3% is deducted from each payment.
- ▶ Once a loan has been issued, it may not be canceled.
- ▶ Loans are repaid through payroll deductions of not less than 2% of the member's gross salary, for a period not greater than five years.
- ▶ If a member is on active military leave, obligation to repay loans will be suspended, and shall be extended for the same amount of time the member was on military duty.
- ▶ If a member resigns or is terminated, he or she may make arrangements with NYCERS to make periodic direct payments.
- ▶ Non-payment of a loan may result in: forfeiture of future entitlements to borrow; a reduction of retirement benefits; tax liabilities.
- ▶ Loans greater than \$10,000 or consolidated loans over \$50,000 may be subject to taxation.
- ▶ At retirement, outstanding loan balances are subject to taxation.
- ▶ Loans are fully insured after 30 days.

Chapter 511 of the laws of 2005 permits **retirees** to repay, in full, at any time after retirement, the total outstanding loan balance at retirement. This is available for all tiers and all retirees. This law states that the monthly pension benefits paid *after the retiree repays the loan* shall not be reduced by the actuarial equivalent of the loan. Monthly pension benefits paid *prior to the repayment* of the loan will not be adjusted.

20-YEAR RETIREMENT PROGRAM FOR MEMBERS OF THE UNIFORMED-FORCE OF THE NYC DEPARTMENT OF SANITATION (SA-20)

Chapter 547 of the Laws of 1992 established a 20-Year Retirement Program (Program) for members of the uniformed-force of the NYC Department of Sanitation who are subject to ARTICLE 15 of the RSSL. A member of the uniformed-force of the NYC Department of Sanitation who was a member of NYCERS on July 24, 1992, and elected to become a Participant in the 20-Year Retirement Program, is eligible to receive an unreduced retirement allowance after having credit for 20 or more years of Allowable Sanitation Service.

A person who becomes a member of the uniformed-force of the NYC Department of Sanitation after July 24, 1992, and joins NYCERS upon becoming so employed, is automatically enrolled in the 20-Year Retirement Program.

SERVICE RETIREMENT BENEFIT (SA-20)

Participants may retire after having credit for 20 or more years of *Allowable Sanitation Service*. If they have contributed the required amount of regular member contributions for the first 20 years of such service, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

- ▶ **For the first 20 years of *Allowable Sanitation Service*,**
50% of FAS,
plus
- ▶ **For all years of *Allowable Sanitation Service*, other than the first 20 years of such service,**
1½% of *Final Compensation* times the years of such service,

plus

- ▶ **For each year, (or fraction thereof), of *Credited Service*, other than *Allowable Sanitation Service*,
1% of *Final Compensation*.**

VESTED RETIREMENT BENEFIT (SA-20)

Participants in the *Program* who resign after having credit for five or more years of *Allowable Sanitation Service*, but less than 20 years of such service, and do not withdraw their *Accumulated Member Contributions*, are eligible to apply for a Vested Retirement Benefit, which becomes payable on the date that the *Participant* could have retired with credit for 20 years of *Allowable Sanitation Service*, if he or she had continued in such service.

The Vested Retirement Benefit is:

- ▶ **For each year of *Allowable Sanitation Service* credited to the member at the time of discontinuance,
2½% of *FAS*,**
plus
- ▶ **For each year, or fraction thereof, of *Credited Service* other than *Allowable Sanitation Service*,
1% of *Final Compensation*.**

DEATH BENEFIT FOR VESTED MEMBERS (SA-20)

There is a pre-retirement death benefit payable in the event of the death of a Tier 4 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 *Credited Service* at the time of death. The death benefit is one-half of the Ordinary Death Benefit that would have been payable if the member had died on the last day of service upon which his or her membership was based. The benefit will be payable to the Estate or the designated beneficiary(ies). This is in addition to the refund of the member's accumulated deductions, with interest

25-YEAR AND AGE-55 RETIREMENT PROGRAM FOR NEW YORK CITY TRANSIT AUTHORITY OPERATING-FORCE MEMBERS (T2555)

Chapter 529 of the Laws of 1994 established a 25-Year And Age 55 Retirement Program (*Program*) for New York City Transit Authority operating-force members subject to ARTICLE 15 (Tier 4) of the Retirement and Social Security Law. A New York City Transit Authority operating-force employee who was a Tier 4 member of NYCERS on July 26, 1994, and elected to become a *Participant* in the 25-Year And Age-55 Retirement Program, is eligible to receive an unreduced retirement allowance after having credit for 25 or more years of *Allowable Service in the Transit Authority* and attainment of age 55. A person who becomes a *Transit Authority Member* after July 26, 1994, and joins NYCERS upon becoming so employed, is automatically enrolled in the 25-Year And Age-55 Retirement Program.

SERVICE RETIREMENT BENEFIT (T2555)

Participants may retire with credit for 25 or more years of *Allowable Service in the Transit Authority*. If they have contributed the required amount of regular member contributions for the first 25 years of such service, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

- ▶ **For the first 25 years of *Allowable Service in the Transit Authority*,
50% of *FAS*,**
plus
- ▶ **For each additional year beyond the first 25 years of *Allowable Service in the Transit***

Authority (to a maximum of 30 years of such service),

2% of FAS,

plus

- ▶ **For each additional year of Allowable Service in the Transit Authority in excess of 30 years of such service,**

1½% of FAS.

VESTED RETIREMENT BENEFIT (T2555)

A *Participant* in the *Transit 55/25 Program* with at least 25 years of *Allowable Service in the Transit Authority*, but has not attained age 55, is eligible for a Vested Retirement Benefit which becomes payable on his or her 55th birthday.

A *Participant* with five or more years of *Credited Service* but less than 25 years of *Allowable Service in the Transit Authority* is eligible for a Vested Retirement Benefit under the *62/5 Plan*, payable at age 62.

The Vested Retirement Benefit is computed as follows:

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

plus

- ▶ 1½% times FAS times the years of *Allowable Service in the Transit Authority* in excess of 30.

25-YEAR EARLY RETIREMENT PROGRAM (55/25)

Chapter 96 of the Laws of 1995 established a 25-Year Early Retirement Program (*Program*) for Tier 4 members who were employed in an *Eligible Position* on June 28, 1995. *Eligible Members* who were in Active Service in an *Eligible Position* on June 28, 1995, and elected to become a *Participant* in the 25-Year Early Retirement Program, are eligible to receive an unreduced retirement allowance after having 25 or more years of *Credited Service* and attaining age 55. *Participants* employed in positions designated as physically-taxing who have 25 or more years of *Credited Service* in *Physically-Taxing Positions* will be able to retire at age 50 with no benefit reduction. A person who becomes an *Eligible Member in Active Service* after June 28, 1995 may elect to participate in the Program by filing an application with NYCERS within 90 days after becoming an *Eligible Member in Active Service*.

SERVICE RETIREMENT BENEFIT (55/25)

Participants may retire with 25 or more years of *Credited Service*. If they have contributed the required amount of regular member contributions, and the *Additional Member Contributions* required by the *Program*, the Service Retirement Benefit is:

- ▶ **For the years of Credited Service, up to 30 years of such service,**
2% times FAS

plus

- ▶ **For each additional year of Credited Service in excess of 30 years of such service,**
1½% of FAS.

NO VESTING OR DEFERRING (55/25)

There is no provision for vesting or deferring under this *Program*. A *Participant* must meet both the age and service requirements in order to be eligible for a service retirement benefit under the *Program*. 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 a participant in the *Program*.

AGE-57 RETIREMENT PROGRAM (57/5)

Chapter 96 of the Laws of 1995 established the Age-57 Retirement Program (*Program*) for any person who **was not** employed in an *Eligible Position* on June 28, 1995. A Tier 4 member of NYCERS whose date of membership is prior to June 28, 1995, and who was not employed in an *Eligible Position* on June 28, 1995, and who becomes employed in an *Eligible Position* in *Active Service* after June 28, 1995, may elect to participate in the *Program* by filing an application with NYCERS within 90 days after becoming an *Eligible Member* in active service.

Any person who becomes an *Eligible Member* in active service after June 28, 1995 is mandated into the Age-57 Retirement Program. *Participants* in the *Program* who have five or more years of *Credited Service* will be able to retire at age 57 with no benefit reduction due to age. *Participants* employed in positions designated as physically-taxing who have 25 or more years of *Credited Service* in *Physically-Taxing Positions* will be able to retire at age 50 with no benefit reduction.

SERVICE RETIREMENT BENEFIT (57/5)

Participants may retire with five or more years of *Credited Service*. If they have contributed the required amount of regular member contributions, and the *Additional Member Contributions* required by the *Program*,

The Service Retirement Benefit is:

- ▶ **For *Participants* with less than 20 years of *Credited Service*;**
1 2/3% times FAS times the years of *Credited Service*
- ▶ **For the years of *Credited Service* up to 30 years of such service,**
2% times FAS,
plus
- ▶ **For each additional year of *Credited Service* in excess of 30 years of such service,**
1½% of FAS.

VESTED RETIREMENT BENEFIT (57/5)

Participants will be eligible for a Vested Retirement Benefit after they have five or more years of *Credited Service*, with payability at age 57.

The Vested Retirement Benefit is computed the same as a Service Retirement Benefit.

20-YEAR AND AGE-50 RETIREMENT PROGRAM FOR MEMBERS EMPLOYED AS MTA BRIDGE & TUNNEL OFFICERS, SER- GEANTS AND LIEUTENANTS (TBTA 50/20)

Chapter 472 of the Laws of 1995 established a 20-Year And Age-50 Retirement Program (*Program*) for Tier 4 members of NYCERS who were a *MTA Bridge & Tunnel Member* on August 2, 1995. *MTA Bridge and Tunnel Members* who were in *Active Service* on August 2, 1995 were required to file an election form with NYCERS no later than January 29, 1996. A person who becomes a *MTA Bridge & Tunnel Member* after August 2, 1995 may elect to participate in the *Program* by filing an application with NYCERS within 180 days after becoming a *MTA Bridge & Tunnel Member* in *Active Service*.

Participants may retire at age 50 or later and receive an unreduced retirement allowance after having 20 or more years of *Credited Service*.

SERVICE RETIREMENT BENEFIT (MTA BRIDGE & TUNNELS 50/20)

Participants may retire with 20 or more years of *Credited Service*. If they have contributed the *Additional Member Contributions* required by the *Program**, the Service Retirement Benefit is: **For the first 20 years of Allowable Service**, 50% of *Final Average Salary (FAS)*

plus

For years of additional Allowable Service (to a maximum of 30 years of such service), 1½% *times FAS*

* Should a MTA Bridge & Tunnel member have a deficit in reserves, he or she can still retire and rather than take an actuarial reduction, the member can then elect to receive his or her full *Pension*, and pay off the deficit, with interest, in monthly installments over a period up to nine years. The member also has the option to make a partial payment at retirement only, and/or a total lump-sum payment at any time during the payment period.

VESTED RETIREMENT BENEFIT (MTA BRIDGE & TUNNEL 50/20)

A *Participant* who discontinues service as a *MTA Bridge & Tunnel Member*, and prior to such discontinuance completes at least five but less than 20 years of *Credited Service*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of the *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could have retired for service (the date on which the member would have completed 20 years of MTA Bridge & Tunnel service, if such continuance had occurred).

The Vested Retirement Benefit is:

2½% *times FAS* for each year of *Credited Service*.

25-YEAR RETIREMENT PROGRAM FOR DISPATCHER MEMBERS (DIS25)

Chapter 576 of the Laws of 2000 established a 25-Year Retirement Program (*Program*) for Tier 4 members of NYCERS who were *Dispatcher Members* on December 8, 2000. Any person who was a Tier 4 *Dispatcher Member* on December 8, 2000 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 6, 2001, provided he or she was a *Dispatcher Member* on the date such application was filed. Any NYCERS' Tier 4 member who becomes a *Dispatcher Member* after December 8, 2000 and has pre-existing Tier 4 rights, may elect to become a *Participant* in the *Program* by filing within 180 days after becoming such *Dispatcher Member*, a duly executed application with NYCERS, provided he or she is a *Dispatcher Member* on the date such application is filed.

Any person who becomes a *Tier 4 Dispatcher Member* after December 8, 2000 is automatically enrolled in the 25-Year Retirement Program.

SERVICE RETIREMENT BENEFIT (DIS25)

Participants may retire if they have credit for 25 or more years of *Allowable Service* as a *Dispatcher Member*, and have paid all their *Additional Member Contributions*, the Service Retirement Benefit is:

► **For the first 25 years of Allowable Service as a Dispatcher Member**, 50% of *Final Average Salary (FAS)*

plus

► **For each additional year (or fraction) beyond the first 25 years of Allowable Service as a Dispatcher Member, but not to exceed more than five years of additional service as a Dispatcher Member** 2% of *FAS*

VESTED RETIREMENT BENEFIT (DIS25)

A *Participant* who discontinues service as a *Dispatcher Member*, and prior to such discontinuance completes at least five but less than 25 years of *Allowable Service as a Dispatcher Member*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of the *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could have retired for service (the date on which the member would have completed 25 years of *Allowable Service as a Dispatcher Member*).

The Vested Retirement Benefit is:

A *Pension* of 2% of FAS for each year (or fraction) of *Allowable Service as a Dispatcher Member* credited to the *Participant* at the time of discontinuance.

25-YEAR RETIREMENT PROGRAM FOR EMT MEMBERS (EMT25)

Chapter 577 of the Laws of 2000 established a 25-Year Retirement Program (*Program*) for Tier 4 members of NYCERS who were EMT Members on December 8, 2000. Any person who was a Tier 4 *EMT Member* on December 8, 2000 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 6, 2001, provided he or she was an *EMT Member* on the date such application was filed. Any NYCERS' Tier 4 member who becomes an *EMT Member* after December 8, 2000 and has pre-existing Tier 4 rights, may elect to become a *Participant* in the *Program* by filing within 180 days after becoming such *EMT Member*, a duly executed application with NYCERS, provided he or she is an *EMT Member* on the date such application is filed.

Any person who becomes a Tier 4 *EMT Member* after December 8, 2000 is automatically enrolled in the 25-Year Retirement Program.

SERVICE RETIREMENT BENEFIT (EMT25)

Participants may retire if they have credit for 25 or more years of *Allowable Service as an EMT Member*, and have paid all their *Additional Member Contributions*.

The Service Retirement Benefit is:

- ▶ **For the first 25 years of *Allowable Service as an EMT Member*, 50% of *Final Average Salary (FAS)***
plus
- ▶ **For each additional year (or fraction) beyond the first 25 years of *Allowable Service as an EMT Member*, but not to exceed more than five years of additional service as an *EMT Member***
2% of FAS

VESTED RETIREMENT BENEFIT (EMT25)

A *Participant* who discontinues service as an *EMT Member*, and prior to such discontinuance completes at least five but less than 25 years of *Allowable Service as an EMT Member*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of the *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could

have retired for service (the date on which the member would have completed 25 years of *Allowable Service as an EMT Member*).

The Vested Retirement Benefit is:

A *Pension* of 2% of *FAS* for each year (or fraction) of *Allowable Service as an EMT Member* credited to the Participant at the time of discontinuance.

25-YEAR RETIREMENT PROGRAM FOR DEPUTY SHERIFF MEMBERS (DSH-25)

Chapter 559 of the Laws of 2001 establishes a 25-Year Retirement Program for Tier 4 members of NYCERS who were *Deputy Sheriff Members* on December 12, 2001. Any person who was a *Deputy Sheriff Member* on December 12, 2001 could elect to become a *Participant* in the *Program* by filing a duly executed application with NYCERS no later than June 10, 2002, provided he or she was a *Deputy Sheriff Member* on the date the application was filed.

Any NYCERS' Tier 4 member who becomes a *Deputy Sheriff Member* after December 12, 2001 and has pre-existing Tier 4 rights, may elect to become a *Participant* in the *Program* by filing within 180 days after becoming a *Deputy Sheriff Member*, a duly executed application with NYCERS provided he or she is a *Deputy Sheriff Member* at the time of filing such application.

Any person who becomes a Tier 4 *Deputy Sheriff Member* after December 12, 2001 is automatically enrolled in the 25-Year Retirement Program.

SERVICE RETIREMENT BENEFIT (DSH25)

Participants may retire if they have credit for 25 or more years of *Credited Service*, and have paid all their *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of credited service:

A *Pension* which equals:

55% of *Final Average Salary (FAS)*

plus

1.7% of *FAS* for each additional year (or fraction) beyond the first 25 years of *Credited Service*, but not to exceed more than five years of additional service as a *Deputy Sheriff Member*

NO PARTICIPANT WAS ELIGIBLE TO RETIRE UNDER THIS PROGRAM PRIOR TO DECEMBER 12, 2001

VESTED RETIREMENT BENEFIT (DSH25)

A *Participant* who discontinues service as a *Deputy Sheriff Member*, and prior to such discontinuance completes at least five but less than 25 years of *Credited Service* as a *Deputy Sheriff Member*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could have retired for service on the date which the member would have completed 25 years of *Credited Service*.

The Vested Retirement Benefit is:

A *Pension* of 2.2% of *FAS* for each year of *Credited Service* credited to the *Participant* at the time of discontinuance.

AUTOMOTIVE SERVICE WORKERS 25-YEAR AND AGE 50 RETIREMENT PROGRAM (AUT25)

Chapter 414 of the Laws of 2002 (previously Chapter 560 of Laws of 2001) established a 25-Year/Age 50 Retirement Program for Tier 4 members of NYCERS who were *Automotive Service Worker Members* on December 12, 2001. Any person who was a Tier 4 *Automotive Service Worker Member* on December 12, 2001 could elect to become a Participant in the Program by filing a duly executed application with NYCERS no later than June 10, 2002, provided he or she was an *Automotive Service Worker Member* on the date the application was filed. Any NYCERS' Tier 4 member who becomes an *Automotive Service Worker* after December 12, 2001 and has pre-existing Tier 4 rights, may elect to become a *Participant* in the Program by filing within 180 days after becoming an *Automotive Service Worker Member*, a duly executed application with NYCERS provided he or she is an *Automotive Service Worker Member* at the time of filing such application. Any person who becomes a Tier 4 *Automotive Service Worker Member* after December 12, 2001 is automatically enrolled in the 25-Year and Age 50 Retirement Program. Chapter 681 of the Laws of 2003 extended the provisions of this program to include seven additional titles.

SERVICE RETIREMENT BENEFIT (AUT25)

Participants may retire if they are at least age 50 with credit for 25 or more years of *Credited Service* as an *Automotive Service Worker Member*, and have paid all their *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of credited service:

A *Pension* which equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% of *FAS* for each additional year (or fraction) of *Credited Service*, but not to exceed more than five years

VESTED RETIREMENT BENEFIT (AUT25)

A *Participant* who discontinues service as a *Automotive Service Worker Member*, and prior to such discontinuance completes at least five but less than 25 years of *Credited Service*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of Program, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could have retired for service on the date which the member would have completed 25 years of *Credited Service*, and has reached age 50, as a *Automotive Service Worker Member*.

The Vested Retirement Benefit is:

A *Pension* of 2 % of *FAS* for each year (or fraction) of *Credited Service* at the time of discontinuance.

25-YEAR RETIREMENT PROGRAM FOR SPECIAL OFFICERS (SP025)

Chapter 582 of the Laws of 2001 and Chapter 617 of the Laws of 2002 established a 25-Year Retirement Program for *Special Officer Members*. Chapter 617 of the Laws of 2002 added covered titles effective October 2, 2002 with the 180 day open period beginning on that date. Any person who was a *Special Officer Member* on December 19, 2001 (or October 2, 2002 for added titles) could elect to become a *Participant* in the Program by filing a duly executed appli-

cation with NYCERS no later than June 17, 2002 (or March 31, 2003 for added titles), provided he or she was a *Special Officer Member* on the date such application was filed. Any member who becomes a *Special Officer Member* after December 19, 2001, (or October 2, 2002 for added titles) may elect to become a *Participant* in the *Program* by filing within 180 days after becoming a *Special Officer Member*, a duly executed application with NYCERS provided he or she is a *Special Officer Member* at the time of filing such application. Chapter 640 of the Laws of 2003 extended the provisions of this program to include Urban Park Rangers and Associate Urban Park Rangers.

Any person who becomes a Tier 4 *Special Officer Member* after December 19, 2001 (or October 2, 2002) is automatically enrolled in the 25-Year Retirement Program.

SERVICE RETIREMENT BENEFIT (SPO25)

Participants may eligible to retire after having credit for 25 or more years of *Allowable Service as a Special Officer Member*, regardless of age, and have paid all *Additional Member Contributions*.

The Service Retirement Benefit is:

For the first 25 years of service as a Special Officer Member:

A *Pension* which equals:

50% of *Final Average Salary (FAS)*

plus

an additional 2% of FAS for each year (or fraction) beyond the first 25 years of *Allowable Service as a Special Officer Member*, but not to exceed more than five years of additional *Allowable Service as a Special Officer Member*

VESTED RETIREMENT BENEFIT (SPO25)

A *Participant* who discontinues service as a *Special Officer Member*, and prior to such discontinuance completes at least five but less than 25 years of *Allowable Service as a Special Officer Member*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit which shall vest automatically.

The Vested Retirement Benefit becomes payable on the earliest date the *Participant* could have retired for service on the date which the member would have completed 25 years of *Allowable Service as a Special Officer Member*.

The Vested Retirement Benefit is:

A *Pension* of 2 % of FAS for each year (or fraction) of *Allowable Service as a Special Officer Member* credited to the *Participant* at the time of discontinuance.

25-YEAR RETIREMENT PROGRAM FOR POLICE COMMUNICATIONS (911) OPERATORS

Chapter 682 of the Laws of 2003 established a 25 Year Retirement Plan for Tier 2 and 4 members employed by the NYC Police Department as a Police Communications Technicians, a Supervising Police Communications Technicians or a Principal Police Communications Technicians. There is no age requirement in this bill.

Note: that there is a 180 day filing period for NYCERS members in covered titles who want to opt into the plan.

SERVICE RETIREMENT BENEFIT

A Participant in the program who has completed 25 or more years of *Credited Service*, paid all *Additional Member Contributions*, and files for retirement at least 30 days before it is to be effective will be eligible to receive a service retirement benefit.

The Service Retirement Benefit is:

50% of *Final Average Salary (FAS)* For the first 25 years of *Credited Service*

plus

an additional 2% of *FAS* for each year (or fraction) beyond the first 25 years of *Credited Service* up to a maximum of 30 years.

VESTED RETIREMENT BENEFIT

A *Participant* who discontinues service as a Police Communications Operator with at least five but less than 25 years of *Credited Service*, and has paid (prior to discontinuance) all *Additional Member Contributions* required of *Program*, and does not withdraw in whole or in part his or her *Accumulated Member Contributions* will be entitled to a Vested Retirement Benefit.

The Vested Retirement Benefit becomes payable on the date the *Participant* could have completed 25 years of *Credited Service*.

The Vested Retirement Benefit is:

2 % of *FAS* for each year (or fraction) of *Credited Service*

TIER 4 OPTIONS

SELECTION OF BENEFITS WITHOUT OPTIONAL MODIFICATION (MAXIMUM RETIREMENT BENEFIT)

If a member, upon retirement, does not elect one of the options listed below, his or her benefit will be paid as a Maximum Retirement Benefit payable in monthly installments throughout his or her life, with all payments ceasing at death.

OPTION 1:

100% JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives the same reduced monthly allowance for life. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 2:

OTHER JOINT-AND-SURVIVOR

The pensioner receives a reduced monthly lifetime allowance. When the pensioner dies, the surviving beneficiary receives a lifetime benefit of 25%, 50% or 75% of the pensioner's reduced monthly benefit, depending on the pensioner's choice. Only one beneficiary may be named, and the beneficiary may not be changed once named and the option is in effect.

OPTION 3:

FIVE-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within five years of retirement, the reduced monthly retirement benefit will be paid to the surviving designated beneficiary(ies) for the unexpired balance of the five-year period. If the pensioner's designated beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the five-year period is paid in a lump-sum to the pensioner's contingent beneficiary(ies) or, if none exists, to the estate of the pensioner. 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(ies). If none exists, the lump-sum balance is paid to the estate of the primary beneficiary.

OPTION 4:

TEN-YEAR CERTAIN

The pensioner receives a reduced monthly lifetime benefit. If the pensioner dies within 10 years of retirement, the reduced monthly retirement benefit will be paid to the surviving designated beneficiary(ies) for the unexpired balance of the ten-year period. If the pensioner's designated beneficiary predeceases the pensioner, the balance of the payments due for the unexpired balance of the ten-year period is paid in a lump-sum to the pensioner's contingent beneficiary(ies) or, if none exists, to the estate of the pensioner. Should a designated beneficiary who has started to receive payments after the death of the pensioner thereafter die before the unexpired balance of the ten-year period, the balance of the payments for the unexpired balance of the ten-year period is paid in a lump-sum to the designated contingent beneficiary(ies) or, if none exists, to the estate of the primary beneficiary.

Members who retire on or after November 21, 1992 are eligible to elect Option 5, the Pop-Up Option.

**OPTION 5:
POP-UP OPTION**

The Pop-Up Option is a variation of Options 1 and 2. The pensioner receives a reduced monthly lifetime benefit under a 100%, 75%, 50% or 25% of the pensioner's reduced benefit, depending on the pensioner's choice, under a joint-and-survivor selection. If the beneficiary dies before the pensioner, the pensioner's benefit "pops-up," that is, it automatically becomes the Maximum Retirement Benefit.

