

Advance Payment for Service Retirees

Below are the fixed rate calculations used to determine your monthly advance pension payment for Service Retirement (calculations are different for Vested Retirement and Disability Retirement). This is only a temporary partial pension payment and your temporary option selection is **not** factored into it. For Tier 3, Tier 4 and Tier 6 members **only**, your fixed rate calculation will be compared with 80% of your approximate full pension payment (which will factor in your temporary option selection and designated beneficiary), and your advance pension payment will be whichever calculation is greater. Once you select a final option, NYCERS will calculate and pay your full pension payment. See page 5 for more information about the Final Salary, Final Average Salary (FAS), Final Compensation and/or Average Compensation used in calculating your pension payment.

The date of your retirement will determine when you receive your first payment. If you retire on the 1st or 2nd of the month, you will receive an advance payment at the end of the month in which you retire (e.g., if you retire on January 2, your first advance payment will be around January 31). If you retire on the 3rd of the month or later, you will receive an advance payment at the end of the following month (e.g., if you retire on January 3, your first advance payment will be around February 28). See [Pension Payment Calendar Fact Sheet #713](#) on nycers.org for this year's pension payment schedule. **No advance (partial) pension payment will be sent to you until NYCERS has a copy of your birth certificate or other valid birthdate evidence on file.**

Tier 6

If you retire under the Basic Tier 6 Plan (63/5), your monthly advance payment is:

- **Less than 20 years:** $[(1.20\% \times \text{five-year FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$
- **20 or more years:** $[(1.50\% \times \text{five-year FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$

Your monthly advance payment is 40% *times* five-year FAS *divided* by 12, if you retire under:

- Automotive Member 25-Year/Age 50 Plan (6AU-25)
- Deputy Sheriff 25-Year Plan (6DS-25)
- Dispatcher 25-Year Plan (6DI-25)
- Emergency Medical Technician 25-Year Plan (6EM-25)
- Fire Protection Inspector 25-Year Plan (6FP-25)
- Police Communications Technician 25-Year Plan (6PC-25)
- Special Peace Officer 25-Year Plan (6SO-25)
- Transit Operating Force 25-Year/Age 55 Plan (6TR-25)

- Triborough Bridge and Tunnel Authority 20-Year Plan (6TB-20)

Tier 4

If you retire under the Basic Tier 4 Plan (62/5), 55/25 Plan (55/25) or 57/5 Plan (57/5), your monthly advance payment is:

- **Less than 20 years:** $[(1.20\% \times \text{FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$
- **20 or more years:** $[(1.50\% \times \text{FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$

Your monthly advance payment is 40% *times FAS divided* by 12, if you retire under:

- Automotive Member 25-Year/Age 50 Plan (AUT 25/50)
- Dispatcher 25-Year Plan (DIS-25)
- Emergency Medical Technician 25-Year Plan (EMT-25)
- Fire Protection Inspector 25-Year Plan (FPI-25)
- 911 Operators 25-Year Plan (PCT-25)
- Sanitation 20-Year Plan (SA-20)
- Sanitation 30-Year Plan (SA-30)
- Special Peace Officer 25-Year Plan (SPO-25)
- Triborough Bridge and Tunnel Authority 20-Year Plan (4TB-20)

Your monthly advance payment is 44% *times FAS divided* by 12, if you retire under:

- Deputy Sheriff 25-Year Plan (DSH-25)

Your monthly advance payment is 40% *times FAS divided* by 12 if you have **less than 30 years** or 45% *times FAS divided* by 12 if you have **30 or more years**, if you retire under:

- Transit Operating Force 25-Year/Age 55 Plan (T25/55)

Tier 3

If you retire under the Basic Tier 3 Plan (62/5), your monthly advance payment is:

- **Less than 20 years:** $[(1.20\% \times \text{FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$
- **20 or more years:** $[(1.50\% \times \text{FAS} \times \text{years of service}) - (\text{outstanding loan} \div \text{loan factor})] \div 12$

Your monthly advance payment is 40% *times FAS divided* by 12, if you retire under:

- Correction Officer 25-Year Plan (CO-25)
- Correction Officer 20-Year Plan (CO-20)
- Correction Captain 20-Year Plan (CC-20)
- Correction Force 20-Year Plan (CF-20)

Your monthly advance payment is 35% *times* five-year FAS *divided by* 12 if you have **less than 22 years** or 40% *times* five-year FAS *divided by* 12 if you have **22 or more years**, if you retire under:

- Correction Force 22-Year Plan (CF-22)
- Correction Force 22-Year Enhanced Disability Benefit Plan (CF-22E)
- District Attorney Investigators 22-Year Plan (DA-22)
- Sanitation Force 22-Year Plan (SA-22)
- Sanitation Force 22-Year Enhanced Disability Benefit Plan (SA-22E)

Tier 2

Your monthly advance payment is 44% *times* FAS *divided by* 12, if you retire under:

- Modified Career Pension Plan (Plan C)
- Age 55 Improved Benefit Plan (CPP-I)
- District Attorney Investigators 20-Year Plan (20IDA)
- DA Investigators 25-Year Plan (25IDA)
- Deputy Sheriff 25-Year Plan (DSH-I)

Your monthly advance payment is 1.20% *times* full years of service *times* FAS *divided by* 12, if you retire under:

- Modified Increased Service Fraction Plan (Plan D)
- Age 55 Improved Service Fraction Plan (ISF-I)

Your monthly advance payment is 80% *times* 1% *times* full years of service *times* Final Compensation *divided by* 12, if you retire under:

- Modified One Percent Plan (1/100)

Your monthly advance payment is 40% *times* FAS *divided by* 12, if you retire under:

- Automotive Workers 25-Year/Age 50 Plan (AUT-I)
- Correction Members Below the Rank of Captain 20-Year Plan (CI-20)
- Correction Members Above the Rank of Captain 20-Year Plan (CP-20)
- Dispatcher 25-Year Plan (DIS-I)
- EMT 25-Year Plan (EMT-I)
- Police Communication Operators Plan (911)
- Sanitation 20-Year Plan (SI-20)
- Special Officers 25-Year Plan (SPO-I)
- Triborough Bridge and Tunnel Authority (TBTA) 20-Year/Age 50 Plan (2050I)

Your monthly advance payment is 35% *times* FAS *divided by* 12, if you retire under:

- Modified Correction Officers 20-Year Plan (P-20)
- Modified Sanitation 20-Year Plan (S-20)
- Modified Transit 20-Year Plan (T-20)

Tier 1

Your monthly advance payment is 44% *times* earnings *divided* by 12, if you retire under:

- Career Pension Plan (Plan A)
- Special Officer 25-Year Plan (SPO)

Your monthly advance payment is 1.20% *times* full years of service *times* last full year of earnings *divided* by 12, if you retire under:

- 55-Year Increased Service Fraction Plan (Plan B)

Your monthly advance payment is 80% *times* 1% *times* full years of service *times* Final Compensation *divided* by 12, if you retire under:

- Age 55 One Percent Plan (1/100)

Your monthly advance payment is 44% *times* FAS *divided* by 12, if you retire under:

- Dispatcher 25-Year Plan (D-25)
- Emergency Medical Technician 25-Year Plan (E-25)

Your monthly advance payment is 40% *times* earnings *divided* by 12, if you retire under:

- Correction Officers 20-Year Plan (P-20)
- Sanitation 20-Year Plan (S-20)
- Sanitation 25-Year Plan (S-25)
- Transit 20-Year Plan (T-20)
- Transit 20-Year Non-Contributory Plan (20N/C)

Reduction Factors for Advanced Payments (Service Retirements)

Certain plans allow you to retire for Service Retirement prior to your plan's normal retirement age with a reduced benefit. If you elect to receive your benefit early, your advance payment will be reduced according to the applicable reduction factor below:

Age at Retirement	Tier 2 Reduction for CPP and ISF	Tier 3 Reduction for Basic 62/5	Tier 4 Reduction for Basic 62/5	Tier 6 Reduction for Basic 63/5
63	0%	0%	0%	0%
62	0%	0%	0%	6.5%
61	6.0%	6.7%	6.0%	13.0%
60	12.0%	13.3%	12.0%	19.5%
59	15.0%	16.7%	15.0%	26.0%
58	18.0%	20.0%	18.0%	32.5%
57	21.0%	23.3%	21.0%	39.0%
56	24.0%	26.7%	24.0%	45.5%
55	27.0%	30.0%	27.0%	52.0%

Final Salary, Final Average Salary (FAS), Final Compensation and Average Compensation

Below are the strict definitions of your Final Salary, Final Average Salary (FAS), Final Compensation and/or Average Compensation when your pension is calculated. However, when calculating your advance payment, NYCERS will substitute your FAS or Final Compensation with your earnings, or the average of the last three years (five years for Tier 3 CF-22E and SA22E Plan participants retiring with an Enhanced Disability Benefit (EDB)), as indicated on your W2 form. **Note:** NYCERS will look at every paycheck for each year used in your Final Salary, FAS, Final Compensation and/or Average Compensation calculation and determine where the money was earned, not paid.

Final Salary (Tier 1 members and Tier 2 DA Investigators): If you joined NYCERS before July 1, 1973 and are a member of the Uniformed Correction Force or Uniformed Sanitation Force, your Final Salary is the annual rate of salary earnable on the day before your retirement date. Otherwise, your Final Salary is the earned or earnable salary in the year before retirement or the average of the annual compensation earned during any three calendar years.

For Tier 1 members who joined NYCERS after June 17, 1971 and Tier 2 DA Investigators, any year used in the calculation of the Final Salary cannot exceed the average of the previous year's or two years' wages by more than 20%. Any amount in the excess of the 20% is not used in this calculation.

Final Average Salary (FAS): Your FAS is the average of the wages earned in the 36 months (60 months for Tier 3 CF-22E and SA-22E Plan participants retiring with an EDB) prior to your retirement; or, the average of the wages earned in any three (five for Tier 3 CF-22E and SA22E Plan participants retiring with an EDB) consecutive calendar years that provide the highest wage. However, there are some important things to consider:

- Tier 2 members: Any year used in the calculation of the FAS cannot exceed the average of the previous two years' wages by 20%. Any amount in excess of the 20% is not used in this calculation. Tier 2 members may refer to [Calculating Your Final Average Salary Brochure #928](#) on nycers.org to see how your FAS is calculated.
- Tier 3 members (excluding CF-22E and SA-22E Plan participants retiring with an EDB)* and Tier 4 members: Any year used in the calculation of the FAS cannot exceed the average of the previous two years' wages by 10%. Any amount in excess of the 10% is not used in this calculation. If you are retiring with disability benefits and less than five years of service as a Tier 3 22-Year Plan participant, any year without actual earnings will be calculated using projected salaries, in order to fill in any missing years of service. Tier 4 members may refer to [Calculating Your Final Average Salary Brochure #929](#) on nycers.org to see how your FAS is calculated.
- Tier 3 CF-22E and SA-22E Plan participants retiring with an EDB and Tier 6 members:* Any year used in the calculation of the FAS cannot exceed the average of the previous four years' wages by 10%. Any amount in excess of the 10% is not used in this calculation. If you are retiring with an EDB and less than five years of service as a Tier 3 CF-22E or SA22E Plan participant, or you are retiring as a Service/Vested member

with less than seven years of service as a Tier 6 member, any year without actual earnings will be calculated using projected salaries, in order to fill in any missing years of service.

* Prior to April 20, 2024, the FAS for Tier 3 22-Year Plans and Tier 6 members was defined as the average of wages earned in the 60 months prior to your retirement; or, the average of the wages earned in any five consecutive calendar years that provide the highest average wage. Any year used in the calculation cannot exceed the average of the previous four years' wages by 10%. Any amount in the excess of the 10% is not used in this calculation. If you are retiring as a Vested member with less than nine years of service prior to April 20, 2024 your FAS will include projected earnings to fill in any missing years of service.

Final Compensation: The average compensation earned during the five-year period immediately preceding your retirement, or any consecutive five calendar year period before your retirement that would provide you with the greatest average compensation.

Average Compensation: Your Average Compensation is the average compensation earned from the completion of 20 years of service to your retirement date.