

Triborough Bridge and Tunnel Authority 20-Year/Age 50 Retirement Plan (DIS-25) For Tier 4 Members

Tier 4



NYC EMPLOYEES'
RETIREMENT SYSTEM

May 2023

This brochure describes the benefits of the Triborough Bridge and Tunnel Authority (TBTA) Retirement Plan (TBTA 20/50 Plan).

The Triborough Bridge and Tunnel Authority (TBTA), also known as MTA Bridges and Tunnels 20-Year/Age 50 Retirement Plan (TBTA 20/50 Plan) is available **ONLY** to those employed in a TBTA Eligible Position.

A TBTA Eligible Position is one held by a Tier 4 member who is employed as a TBTA Bridge and Tunnel Officer, Sergeant or Lieutenant in a non-managerial position.

PARTICIPATION

Participation in the TBTA 20/50 Plan may be **optional** or **mandatory** depending on your employment and/or NYCERS membership status on August 2, 1995.

Anyone who was a NYCERS member and employed in a TBTA Eligible Position on August 2, 1995 had an option to become a participant in the TBTA 20/50 Plan by filing an election form with NYCERS no later than January 29, 1996. A "re-opener" enacted in 1997 offered another opportunity for those in a TBTA Eligible Position to elect to participate in the plan provided an election form was filed no later than October 15, 1997. **Both options have expired.**

Anyone who was a NYCERS member on August 2, 1995 in a title other than a TBTA Eligible Position and subsequently becomes employed in a TBTA Eligible Position has an option to join the TBTA 20/50 Plan. Election Form #164 must be filed within 180 days of becoming employed in a TBTA Eligible Position.

ONCE AN ELECTION TO PARTICIPATE IN THE TBTA 20/50 PLAN IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

Participation is **MANDATORY** for any person who becomes employed in a TBTA Eligible Position and a NYCERS Tier 4 member after August 2, 1995.

Participants who cease to hold a TBTA Eligible Position will no longer be able to participate in the TBTA 20/50 Plan.

Participants who terminate service from a TBTA Eligible Position and return to a TBTA Eligible Position at a later date will again be required to participate in the TBTA 20/50 Plan.

CONTRIBUTIONS

As a Tier 4 member, participants are required to contribute 3% of their pensionable gross wages until they attain 10 years of Credited Service or reach the tenth anniversary of their membership – whichever is earlier. These contributions are referred to as Basic Member Contributions (BMCs) and they are held in the Member Contribution Accumulation Fund (MCAF).

As a member of the TBTA 20/50 Plan, participants are also required to contribute Additional Member Contributions (AMCs) at one of the following rates:

*TBTA Officers: 5.5% of gross wages

*TBTA Sergeants or Lieutenants: 6% of gross wages

AMCs must be paid on all pensionable gross wages earned from service rendered in a TBTA Eligible Position on or after February 3, 1995 and are required to be made until the later of:

(1) 20 years of Credited Service in a TBTA Eligible Position;

OR

(2) The third anniversary of participation in the TBTA 20/50 Plan.

AMCs are maintained in the Retirement Reserve Fund (RRF), which is an account maintained separately from the MCAF account. Both funds earn interest at a rate of 5%, compounded annually.

Except for AMCs required between February 3, 1995 and August 2, 1995, all contributions are Federal tax deferred, meaning that you do not pay Federal taxes on the contributions, only New York State and local taxes. Contributions made while on Union leave are **not** Federal tax deferred.

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

DEFICITS

Failure to pay any of the required contributions will result in a deficit in either the Member Contribution Accumulation Fund (BMCs) or the Retirement Reserve Fund (AMCs). If the deficit is identified prior to retirement, NYCERS will notify the member so they can resolve the deficit.

If there is an unresolved BMC deficit at retirement in the MCAF account only, NYCERS will notify the member of the choice to either pay the deficit in full or apply an actuarial reduction (a lifetime reduction to your pension based on your deficit amount) to resolve the deficit.

If there is an AMC deficit at retirement in the RRF account, participants are not eligible for vested retirement or service retirement.

ONCE AN ELECTION TO PARTICIPATE IN THE TBTA 20/50 RETIREMENT PLAN IS FILED WITH NYCERS, IT MAY NOT BE REVOKED.

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LOANS

TBTA 20/50 Plan participants may borrow up to 75% of the BMCs held in the MCAF account and up to 75% of the AMCs held in the RRF account. Loans are subject to the same terms and conditions applicable to Tier 4 members. Please consult Loans Brochure #911 for additional information.

REFUNDS

TBTA 20/50 Plan participants who have rendered less than 10 years of Credited Service and who leave City service may apply for a refund of BMCs and AMCs, plus accrued interest, effectively terminating their membership. Members with between 5 and 10 years of Credited Service must also waive their right to a Vested Retirement Benefit. Refunds of BMCs are not possible for members with 10 or more years of Credited Service, except in cases of a participant's death.

Participants who cease to hold a TBTA Eligible Position for any reason whatsoever and who have rendered less than 15 years of Credited Service in a TBTA Eligible Position have the option of withdrawing their AMCs, plus accrued interest. AMCs may be withdrawn if a participant with less than 15 years of Credited Service in a TBTA Eligible Position changes titles to a non-TBTA Eligible Position and remains in City service. After receiving the refund of AMCs, the participant will no longer be entitled to a benefit under the TBTA 20/50 Plan but will be entitled to a benefit from their underlying Tier 4 plan (assuming service requirements have been met).

A participant who ceases to be employed in a TBTA Eligible Position and withdraws their AMCs (and earned interest), and later becomes a participant again, will be charged with a deficit (including 5% per-annum statutory interest) calculated as if such AMCs had never been made. Payment of a deficit can be made in a lump sum or through payroll deductions.

VESTED RETIREMENT BENEFIT

If a participant leaves City service with at least five, but less than 20, years of Credited Service and AMC contributions have not been refunded, they will be entitled to a Vested Retirement Benefit under the TBTA 20/50 Plan. This benefit becomes payable on the date they would have completed 20 years of Credited Service or reach age 50, whichever is later.

The Vested Retirement Benefit is calculated using the following formula:

$2.5\% \text{ times Final Average Salary times the number of years of Credited Service.}$

SERVICE RETIREMENT

Participants in the TBTA 20/50 Plan are eligible to receive a Service Retirement Benefit upon attaining age 50 with 20 or more years of Credited Service. The Service Retirement Benefit is calculated using the following formula:

$50\% \text{ of Final Average Salary (FAS) for the first 20 years of Credited Service, plus}$

$1.5\% \text{ times FAS times the number of years of Credited Service in excess of 20, up to a maximum of 30 years.}$

Final Average Salary is defined as the greater of:

The average of wages earned during any three consecutive calendar years

OR

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

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

BASIC TIER 4 BENEFITS

Participants in the TBTA 20/50 Plan are entitled to other benefits applicable to Tier 4 members besides the Vested and Service Retirement Benefits conferred by such plan. Such other benefits include disability benefits and death benefits. However, in the case of an accidental death (the result of an accident on the job or while in military service) a state-funded Special Accidental Death Benefit is payable to the widow/widower, or the children of the deceased (under 18 years of age or under the age of 23 if a student) if the widow/widower is deceased. This benefit is in addition to the Accidental Death Benefit applicable to all Tier 4 members and brings the total Accidental Death Benefit to a pension equal to 100% of the deceased member's salary.

UNDERLYING PLAN

Retirement from Underlying 62/5 Plan:

Participants in the TBTA 20/50 Plan, including vested members who have left City service, who do not meet the TBTA 20/50 Plan's requirement of attaining age 50 with 20 or more years of Credited Service may retire from the Basic 62/5 Plan, assuming service requirements have been met for the underlying plan. All requirements and benefits of the Basic 62/5 Plan will apply, including the ability to retire prior to age 62 with a benefit reduction except in the case of vested members.

