

Triborough Bridge and Tunnel Authority 20-Year Retirement Plan (4TB-20) For Tier 4 Members

This brochure describes the benefits of the Triborough Bridge and Tunnel Authority (TBTA) Retirement Plan (4TB-20 Plan).

The Triborough Bridge and Tunnel Authority (TBTA), also known as MTA Bridges and Tunnels 20-Year Retirement Plan (4TB-20 Plan) is available **only** to those employed in a TBTA Eligible Position.

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

Participation

Participation in the 4TB-20 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 4TB-20 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 4TB-20 Plan. These participants will be sent Election Form #164 after which they will have 180 days to elect into the 4TB-20 Plan.

**Once an election to participate in the 4TB-20 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 4TB-20 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 4TB-20 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 4TB-20 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 4TB-20 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.

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.

Loans

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.

Buyback

Plan members may purchase previous public service rendered anywhere in New York City or New York State, but only previous TBTA service will count as Allowable Service. The cost is 3% of the wages earned during the period they are buying back, plus 5% interest compounded annually from the date of their previous service until the date of payment.

4TB-20 Plan members will also be charged AMCs, plus interest, for prior service rendered in a special plan title.

Military Buyback

Federal and state laws allow members to purchase service credit for time spent in U.S. Military service – the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Article 20 of the New York State Retirement and Social Security Law (RSSL), respectively. Under Article 20, the cost is 3% *times* the number of years of military service being purchased *times* the salary they earned during the 12 months prior to the date of their application. Under USERRA, the cost is the equivalent of the contributions required if they had never left for military service. No interest is charged on military buyback.

Refunds

4TB-20 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 will be reduced by the present value of any loan. 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 4TB-20 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 4TB-20 Plan. This benefit becomes payable on the date they would have completed 20 years of Credited Service.

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 Plan are eligible to receive a Service Retirement Benefit upon attaining 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% *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.

Underlying Plan

Retirement from Underlying 62/5 Plan: Participants in the 4TB-20 Plan, including vested members who have left City service, who do not meet the 4TB-20 Plan's requirement of attaining 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.

Disability Retirement

As a 4TB-20 Plan member, participants are eligible for a Disability Retirement Benefit at any age if they have 10 or more years of Credited Service and NYCERS' Medical Board determines that they are physically or mentally incapacitated to perform their job duties and were so incapacitated at the time that they ceased performance of their duties.

If participants have less than 10 years of Credited Service, they are eligible to receive a Disability Retirement Benefit if NYCERS' Medical Board determines that they are physically or mentally incapacitated to perform their job duties AND their disability is the result of an accidental injury sustained in the performance of their duties, and not caused by their own willful negligence.

The Disability Retirement Benefit is equal to the greater of:

- $\frac{1}{3}$ of the member's FAS; **or**
- 1 $\frac{2}{3}$ % *times* FAS *times* years of Credited Service; **or**
- If they are eligible for a service retirement, their Service Retirement Benefit.

Survivor Benefits

In the event of a participant's death prior to retirement, their NYCERS membership entitles their beneficiaries to a death benefit. There are two primary types of death benefits – Ordinary Death Benefits and Accidental Death Benefits.

An Ordinary Death Benefit (ODB) is a lump-sum benefit payable to the member's beneficiary/ beneficiaries if they die while in active service, before retirement, whether or not death occurs as the result of an accident sustained on the job.

An ODB will be paid only if:

- a. The participant was being paid on payroll at the time of their death; **or**
- b. They were off payroll or they were on an authorized leave without pay at the time of their death; **and**
 1. They were on payroll, in service, and paid within the last 12 months before death; **and**
 2. They were not gainfully employed since last on the payroll; **and**
 3. They had credit for one or more years of continuous service since they last entered the service of their employer. **or**
- c. Effective October 1, 2000, the participant was on an authorized leave of absence without pay for medical reasons which has continuously been in effect since the participant was last paid on the payroll, provided the participant was in service and last paid on the payroll within the four-year period prior to the participant's death.

The ODB payable is a multiplication of the participant's yearly salary as indicated below:

- If they have at least one, but less than two years of service, a lump-sum benefit equal to one year's current salary
- If they have at least two, but less than three years of service, a lump-sum benefit equal to two *times* current salary
- If they have at least three years of service, a lump-sum benefit equal to three *times* current salary.

The benefit is reduced for each year a participant remains in active service beyond age 60.

Their beneficiary/beneficiaries will also receive a refund of their BMCs plus earned interest, and a refund of their AMCs if they rendered less than 15 years of Credited Service in a TBTA Eligible Position, plus earned interest.

If the participant has at least 10 years of Credited Service, is awaiting payability of a Vested Retirement Benefit, and dies prior to age 63, their beneficiaries will receive a lump-sum death benefit based on 50% of the ODB that would have been payable if the participant had died on their last day in active service, plus the refund of their BMCs plus interest. If they die prior to having 15 years of Credited Service in a TBTA Eligible Position and attaining age 63, AMCs plus interest will be refunded as well.

If the participant did not render 10 or more years of Credited Service, only the return of their contributions in the MCAF and RRF, plus interest, will be payable to the participant's Estate.

An Accidental Death Benefit (ADB) is payable to Eligible Beneficiaries, who are defined in law, if NYCERS' Medical Board determines that the member's death was the result of an accident sustained in the performance of their duty, not caused by their own negligence, or while in military service.

The annual benefit equals 50% of the wages the participant earned during their last year of service, or their annual wage rate if they had less than one year of service. Their BMCs are not refunded to their beneficiaries, but their AMCs will be refunded if they died prior to attaining 15 years of Credited Service in a TBTA Eligible Position.

A state-funded Special Accidental Death Benefit is also payable to the widow/widower, or if there is no widow/widower, the children of the deceased (under 18 years of age or under the age of 23 if a student) or, if there are no eligible children, the parents of the deceased. The Special Accidental Death Benefit is a monthly payment separate from the Accidental Death Benefit. This benefit is in addition to the Accidental Death Benefit and brings the total Accidental Death Benefit to a pension equal to 100% of the participant's salary.