



Tier 3 SPD Updates

Updated December 2009

This is a glimpse of all that has changed since the last printing of the Tier 3 Summary Plan Description booklet. The most recent version of this update can always be found online under Plans and Updates at www.nycers.org. For more information about recent legislation that has affected NYCERS, please refer to the Legislation page of our website.

<p>Table of Contents: Page #s will be adjusted to accommodate the insertion of the CF-20 Plan.</p>	<p>Page 6: Purchased Service Add the cost of purchased service is based on 3% of wages and the applicable AMC rate for the time being purchased. Replace the statement “You may file a request to purchase Previous Service as long as your membership in NYCERS is still active.” with “You may file a request to purchase Previous Service as long as you are in Active Service. (Vested members are not eligible to purchase previous service).” Correction officers who were suspended for economic reasons on or after May 1, 2003 and returned to service prior to July 1, 2004 may be eligible to receive service credit.</p>
<p>Board of Trustees: Bud C. Larson, Mayor’s representative, replaces Martha Stark as Chairperson of the Board. Scott Stringer replaces Virginia Fields as Manhattan Borough President. Ruben Diaz, Jr. replaces Adolfo Carrion, Jr. as Borough President of The Bronx. Diane D’Alessandro is named Executive Director November 7, 2005. Gregory Floyd replaces Carroll Haynes as President of Local 237. John C. Liu replaces William Thompson, Jr. as Comptroller of the City of New York. Bill de Blasio replaces Betsy Gotbaum as Public Advocate. John Samuelsen replaces Roger Toussaint as President of TWU.</p>	<p>Pages 8-9: Military Service Credit If you purchase military time under Chapter 548 of the Laws of 2000 and that service credit does not increase your retirement allowance or death benefit, any payments (with interest) will be refunded by NYCERS.</p>
<p>Page 2: Toll Free Number NYCERS Toll Free # is 1-877-669-2377 (1-877-6NYCERS) if you are calling from a NYC area code</p>	<p>Page 11: Special Programs Reference the new CF-20 Plan in the note "in addition" which addresses the plans that have required AMCs.</p>
<p>Page 3: Various Tier 3 Plans Reference the new Correction Force (CF-20) Plan in the paragraph that describes the names of the various Tier 3 Retirement Plans and Programs.</p>	<p>Page 12: Additional Member Contributions Indicate that both the CO-20 and CC-20 Plans are closed to members who first become a Tier 3 Correction member on or after October 19, 2004. Those members are mandated to join the new CF-20 Plan. The CC-20 (Captains) AMC rate for all periods from 12/19/90 and going forward is now 5.11%, except for those CO-20 members who (a) paid an AMC rate of 3.61%, (b) were CO-20 members on 10/18/04, and (c) became correction members of the rank of captain or above after 10/18/04.</p>
<p>Page 4: Social Security Participation For Calendar Year 2010, the maximum salary subject to the Federal Insurance Contributions Act is \$106,800.</p>	
<p>Page 5: CF-20 Plan Reference the new CF-20 Plan in the service credit introductory paragraph, as well as the box warning members about credit for purchased service.</p>	

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The 15 year limitation regarding contribution deficiency offsets is no longer applicable. CC-20 participants (existing or those who joined through the reopener) can offset any CC-20 contribution deficiency by the amount of previous CO-20 AMCs already paid. CC-20 members who pay AMCs in excess of what was required, are eligible to receive a refund of that excess if they have 20 or more years of service and they retire on or after 10/19/04.

Page 13: AMC Refunds

Add that upon the death of a participant in the CO-20 Program (if the death occurs on or after 10/20/04) the beneficiary will be eligible for a refund of the member's AMCs, plus interest. Refer to the Refunds Section for additional details. (this information also mentioned on pages 17 and 42).

Page 14: Patriot Plan

The Patriot Plan suspends a member's obligation to repay any loan while the member is absent on Military Status for up to a maximum of 5 years. The law is effective until July 1, 2010, unless extended.

Loan Service Fee Increase

Effective July 1, 2009 the service fee to process loans and the Change of Repayment Form service fee will be increased from \$30 to \$40.

Page 17: Refund of Basic Tier 3 Contributions

Because we are adding the CF-20 program, need to change "either of the Special Programs" to say "any of the Special Programs." (occurs in last sentence under the section called Refunds of Basic Tier 3 Contributions).

Refund of AMCs

Add same note as mentioned on Page 13 (CO-20 can get a refund of AMCs for any reason if they have less than 15 years, plus regardless of years AMC refunded to beneficiary if member died on or after 10/20/04).

Page 19: Vesting

Add the page number reference for the new CF-20 Plan (this section refers them to the complete plan description for details on vesting. CF-20 members receive vested benefits for Correction Officer service only).

Page 22: Service Retirement Process

For calls outside NYC area codes dial 1-877-669-2377 (1-877-6NYCERS).

Page 24: Service Retirement Dollar Limitations

Chapter 623 of the Laws of 2004 established an excess benefit plan. The result of this legislation is that NYCERS members are generally no longer affected by the IRS Section 415 Limits because the excess benefit plan replaces any amounts limited by IRS Section 415.

Chapter 623 of the Laws of 2004 also made provisions for excess benefits to be paid retroactively to all pensioners who retired on or after July 1, 2000. Excess benefits are incorporated automatically into a retiree's normal payment amount.

Page 25: Service Retirement Benefits

Add the new CF-20 Plan description page number references (this section describes the CO-25 as the fall-back plan to the CO-20, CC-02 and now CF-20 plan descriptions).

Page 26: Escalation of Benefits

The Escalation rates effective April 1, 2009 for members who retired under Tier 3 (Article 14) is 1.35% if the date of retirement is prior to April 1, 2005. If the date of retirement is April 1, 2005 through March 31, 2008 the escalation rate is 1.14 %. If the date of retirement is April 1, 2005 through March 31, 2008 the escalation rate is 0.09 % (prorated). This rate also appears on Page 40.

Page 35: Disability Retirement

The income limitation for Disability Retirement is the following:

2006-\$25,000
2007-\$26,000
2008-\$26,000

Page 37: Medical Board

Fix typo in heading "Appearing Before NYCERS' Medical Board for Examination".

Page 41: Disability Retirement

This creates a presumption that eligible members/retirees who develop pre-defined qualifying conditions or health impairments as a result of participating in rescue, recovery, or cleanup operations at one of four covered sites contracted such condition in the performance and discharge of duty thereby conferring an accidental disability benefit. A precursory notice MUST be filed no later than September 11, 2010.

Chapter 214 of the Laws of 2007 expands the covered sites

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defined in the WTC Presumptive Disability Law to include members who repaired, cleaned or rehabilitated vehicles contaminated by debris at the WTC site, regardless of whether the vehicles were tended to at the WTC site.

Chapter 489 of the Laws of 2008 makes several changes. Please refer to our WTC Fact Sheet on our website.

Page 42: Refund of AMCs

Same note about CO-20 AMCs upon death (see also pages 13 and 17).

Accidental Death Benefit

A correction needs to be made to this section. The Accidental Death Benefit is equal to 50% of the member's Final Average Salary.

Page 43: Survivor Benefits

Any member who died while on active military duty other than for training purposes on or after 6/14/2005 shall be considered to have died as the natural and proximate result of an accident sustained in the performance of duty. Such members' beneficiaries shall be entitled to the respective accidental death benefits applicable to their respective title(s).

WTC Death Benefits - This provides line-of-duty death benefits to the statutory beneficiaries of eligible employees who die from a qualifying condition or impairment of health contracted as a result of their participation in WTC rescue, recovery or clean-up operations.

Page 44: Special Accidental Death Benefits

The special accidental death benefit for eligible beneficiaries of deceased Correction Officers was increased by 3% or more for deaths that occurred in 2008 or earlier.

Page 46: Outstanding Loans at Retirement

All retirees are permitted 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.

Page 52: Return to Public Service

Although there are no earning limitations for those returning to public benefits corporations (such as

HHC, Transit, OTB, etc.) each agency has their own internal policies. Please contact the agency directly for more information.

Page 53: Post-Retirement Employment

Update the Section 212 (re-employment after retirement earnings) to \$30,000 for 2009.

Update the Disability Income Limitation (Personal Service Income). 2008 limits were \$26,000.

Page 54: Special Programs

Mention that the new CF-20 is also one of the Special Programs described in this SPD.

Page 55: Special Programs Eligibility

Add a note that no one first becoming a Tier 3 member and a Corrections Officer on or after 10/19/04 can join the CO-20 Plan (must join CF-20). The same note goes on Page 58 (CC-20 program).

Page 58: Special Programs - CC-20

Note that new members can no longer join the CC-20 Plan. Also at bottom of page revise the paragraph on the refund of AMCs upon the death of the member. (see pages 13, 17, and 42 - same reference).

Page 62: Glossary

Explains the new CF-20 plan. For complete details, please obtain a copy of NYCERS brochure # 917. This is available on our web site under "Plans and Brochures" or by request from our Call Center or Customer Service Center. The following is a brief overview:

Plan is restricted to Officer below the rank of Captain, Correction Captain, Asst Deputy Warden, Deputy Warden, Deputy Warden-in-Command, Deputy Chief, or Chief of Department.

Need 20 years of Allowable Correction Service Retirement benefit is 50% FAS for the first 20 years and 1 $\frac{2}{3}$ for each year thereafter

Vesting is 2 $\frac{1}{2}$ FAS for each year of Allowable Correction Service

Contributions are 3% basic (to be paid for 10 years) and 4.61% AMCs (to be paid for 20 years)

Page 64: Glossary

Fix page number reference for Personal Service Income.

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Page 65: Glossary

Add the new CF-20 plan to the list of mentioned Special Programs under T3.