

## Tier 4 SPD Updates

UPDATED MAY 2009



This is a glimpse of all that has changed since the last printing of the Tier 4 Summary Plan Description booklet. The most recent version of this update can always be found online under Plans and Updates at [www.nycers.org](http://www.nycers.org). For more information about recent legislation that has affected NYCERS, please refer to the Legislation page of our website.

### Tier 4 SPD Updates

#### 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 appointed Executive Director, November 7, 2005.

Gregory Floyd replaces Carroll Haynes as President of the International Brotherhood of Teamsters, Local 237.

#### Pg. 2 - Web Site

NYCERS web site has been changed to: [www.nycers.org](http://www.nycers.org).

#### Pg. 3 - Tier 4 Plan

There are now nine Special Occupational Plans. The latest Plan added is:

Police Communications Technicians (911 Operators)  
New Plan eligibility at a glance:

The 911 Operators/25 Year Plan 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.

For more details on this Plan, read NYCERS Brochure #941 (Tier 4).

#### Pg. 5 - Social Security Participation

For Calendar Year 2009, the maximum salary subject to the Federal Insurance Contributions Act (FICA) is \$106,800.

#### Pg. 6 - Purchasing Previous Service

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)."

#### Pg. 7 - Service Credit

Transit Authority 457 Deferred Compensation Plan is now administered by Prudential and can be reached at: 877-756-4682. Transit Authority employees may use 401(k) funds to purchase previous service.

#### Pg. 8 - Purchasing Service Credit for Layoff Time

Chapter 697 of the Laws of 2006 allows Carpenters and Supervisory Carpenters who were laid off because of economy measures on or after June 1, 1991 and who returned to service prior to July 1, 1993 to purchase service credit for the period of time they were laid off.

Chapter 182 of the Laws of 2007 allows employees of the NYC Parks Department in the title of Climber and Pruner, who were laid off on or after July 1, 1991 and returned to service prior to July 1, 1995 to buyback the period of time they were laid off.

#### Pg. 9-10 - 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.

#### Pg. 16-19 - Loans

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

#### Pg. 16 - 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.

#### 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 retiree's benefit will revert to what it would have been had it never been reduced.

## Tier 4 SPD Updates

The new adjusted retirement allowance will be effective upon the date of receipt of payment.

The other updates in this section are too lengthy to capture here. To get the most up-to-date information you can either download the loan brochure or the loan form from our web site, or you can order a hard copy by calling our automated phone system at 347-643-3000.

### **Pg. 22 - Transferred Contributor to BERS**

Transferred contributors who were eligible to join the NYC Board of Education Retirement System (BERS) on or after 1/1/90 but chose to remain NYCERS members are now eligible to transfer to BERS, provided that they apply to transfer by September 28, 2005.

### **Eligible Service Titles transfer to Police Pension Fund and Fire Department Pension Fund**

Recent legislation now includes service rendered under specific titles (EMT, Peace Officer, Sheriff, Deputy Sheriff, Marshal or District Attorney Investigator and any title specified in Appendix A of an agreement reached with the respective police and fire unions) immediately preceding service in the police force or Fire Department to count towards retirement eligibility.

### **Pg. 27 - Service Retirement Process**

The NYC Transit Health Benefits number has been changed to: 347-643-8550.

### **Section 212 Limitation**

For 2008 and thereafter, the maximum earnings are \$30,000.

The maximum earnings limitation does not apply to Police Officers, Correction Officers, Deputy Sheriffs and Fire Marshals who are appointed to the Office of New York City Marshal. Such employees may earn compensation as a New York City Marshal without any diminution of their pension benefit.

### **Pg. 28 - 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 pension payment.

### **Pg. 37 - Disability Retirement**

The income limitation for Disability Retirement is the following:

2006- \$25,000

2007- \$26,000

2008- \$26,000

### **Pg. 38 - Disability Retirement**

Heart Bill for EMTs - This creates a presumption that eligible members who develop heart disease after passing a pre-employment physical examination at the time of original appointment incurred that disease in the performance of duty. Eligible members are entitled to a disability benefit equal to three-quarters of Final Average Salary or an accidental death benefit payable to the eligible beneficiary(ies) in the event the heart ailment caused the member's death.

Accidental Disability for Sanitation—This creates an accidental disability benefit equal to three-quarters of Final Average Salary for uniformed Sanitation members who become mentally or physically incapacitated as a result of an accident sustained in the performance and discharge of duty.

Heart Bill for Sanitation -This creates a presumption that eligible members who develop heart disease after passing a pre-employment physical examination at that time of original appointment incurred that disease in the performance of duty. Eligible members are entitled to a disability benefit equal to three-quarters of Final Average Salary or an accidental death benefit payable to the eligible beneficiary(ies) in the event the heart ailment caused the member's death.

Accidental Disability for Deputy Sheriffs -This creates an accidental disability benefit equal to three-quarters of Final Average Compensation (defined as wages earned during any five consecutive years) for certain members employed as Deputy Sheriffs who become mentally or physically incapacitated as a result of an accident sustained in the performance and discharge of duty.

WTC Disability Bill - 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 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.

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### **Pg. 39 - 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.

### **Pg. 40 - Escalation Retirement Increases**

The Ordinary Death Benefit limitations have been revised as of April 1, 2008 and are applicable to members who joined NYCERS between July 27, 1976 and August 31, 1983 and die between April 1, 2008 and March 31, 2009. If death occurs before age 60, and Credited Service equals the following: at least 1 year but not more than 2 years, the death benefit is one times current salary, but not in excess of \$45,500; at least 2 years but not more than 3 years the death benefit is two times current salary, but not in excess of \$91,000; at least 3 years or more the death benefit is three times current salary, but not in excess of \$113,800.

If death occurs at age 60 or later, the above benefits should be reduced by 5% if death occurs at age 60, plus an additional 5% for each year that the death benefit occurs thereafter, with a maximum reduction of 50%.

### **Pg. 41 - Survivor Benefits**

Eligible vested members receive a death benefit that 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 special accidental death benefit for Correction Officers, Housing and Transit Police, certain EMTs and TBTA members was increased by 3% or more for deaths that occurred in 2008 or earlier.

Transit Operating members are now covered under Death Benefit Plan 2.

### **Pg. 44 - Service Eligibility (Sanitation)**

There was a typographical error in the second bullet of the Eligibility. The date should be July 24, 1992.

### **Pg. 46 - Refunds (Sanitation)**

A correction needs to be made to this section. The first bullet (death) needs to be omitted from the list. There is no service requirement for refunding AMCs if a participant dies. Also, the second box needs to be deleted.

### **Pg. 49 - Transit 25/55 AMC Refund**

Members of the Transit 25/55 Plan may apply for a refund of the Additional Member Contributions made in accordance with such plan provided they meet certain criteria. Refer to Brochure #910 or Form #336 for more information.

### **Pg. 52 - AMCs for TBTA**

AMCs are required to be made for the first 20 years (not 30 years) of Credited Service.

### **Pg. 53 - Service Retirement Benefit (TBTA)**

Members on or after October 28, 2003 will use their Final Average Salary to calculate each year of Credited Service in excess of 20 years.

The period of time was lengthened for TBTA members to pay off AMC deficits incurred. AMC deficits must be paid prior to July 1, 2011.

The retirement age for certain TBTA members has been reduced. The retirement age is reduced by four months for each year of covered employment rendered on or before 12/31/08 (previously the covered period ended 12/31/06).

### **Special Accidental Death Benefit (TBTA)**

The widow or widower, or children under the age of 18 or 23 if in college, of a TBTA member killed in the line of duty are eligible for special accidental death benefits pursuant to Section 208-f of the General Municipal Law. This is a supplemental monthly payment in addition to the accidental death benefit pension and is state-funded.

### **Pg. 57 - Vested Retirement Benefit (Dispatcher)**

There was a typographical error. The Vested Retirement benefit is computed as 2% of Final Average Salary times years of Allowable Service as a Dispatcher Member.

### **Pg. 59 - AMCs are Mandatory (EMT)**

There was a typographical error - the amount of AMCs you are required to contribute is 6¼ % of gross wages each payroll period for all service as an EMT member rendered on and after December 8, 2000.

### **Prior EMT Service Transferable to Police Pension Fund and Fire Department Pension Fund:**

Certain Service immediately preceding service in the police force and Fire Department now counts towards retirement eligibility.

### **Pg. 60 - Vested Retirement Benefit (EMT)**

There was a typographical error - the Vested Retirement Benefit is computed as 2% of Final Average Salary times years of Allowable Service as an EMT member.

## **Tier 4 SPD Updates**

### **Special Accidental Death Benefit (EMT)**

The widow or widower, or children under the age of 18 or 23 if in college, of an EMT member killed in the line-of-duty are eligible for special accidental death benefits pursuant to Section 208-f of the General Municipal Law. This is a supplemental monthly payment in addition to the accidental death benefit pension and is state-funded.

### **Final Medical Review (EMT)**

Final Medical Review is now available for EMT members who are eligible to receive a performance of duty disability benefit under RSSL §607-b.

### **Pg. 64 - Service Eligibility (Automotive)**

New titles and corresponding new eligibility dates have been added since the printing. For the most up-to-date and thorough explanation, download the Automotive Worker Brochure, #932.

Chapter 349 of the Laws of 2007 allows the following titles to file a duly executed application with NYCERS by April 14, 2008 to become a participant of the Automotive Workers 25 Year/Age 50 retirement plan. The titles include: Senior Stationary Engineer, Stationary Engineer, Auto Mechanic (Diesel), Auto Electrician, Auto Machinist, Machinist and Machinist Helpers.

### **Pg. 66 - Deficiency (Automotive)**

A member who has not paid in full any contribution deficiency will still be entitled to a Service Retirement Benefit or Vested Retirement Benefit. However, the benefit will be reduced according to an actuarial formula that takes into account any deficiencies in the AMCs.

### **Refunds (Automotive)**

A person who has rendered less than five years of service may withdraw their AMCs.

### **Pg. 68 - Service Eligibility (Special Officer)**

New titles and corresponding new eligibility dates have been added since the printing. For the most up-to-date and thorough explanation, download the Special Officer Brochure, #934.

### **Pg. 69 - AMCs Mandatory (Special Officer)**

There was a typographical error - the required amount of AMCs you must contribute is 6¼% of gross wages each payroll period for all service as a Special Officer Member rendered on and after December 19, 2001.

### **Pg. 71 - Tier 4 with Tier 3 Rights Contributions**

Members are required to pay 3% of Wages for the first 10 years of service.

### **Pg. 72 - Tier 4 with Tier 3 Rights Service Retirement**

You must have five years of Credited Service to be eligible

for a Tier 3 Early Service Retirement benefit.

### **Pg. 73 - Escalation: Post Retirement Increases**

The Escalation rates effective April 1, 2008 for members who retired under Tier 3 (Article 14) is 3.00% if the date of retirement is prior to April 1, 2007. If the date of retirement is April 1, 2007 through March 31, 2008 the escalation rate is 3.00% (prorated). This rate also appears on Page 77.

### **Pg. 79 - Taxation**

The updates in this section are too lengthy to capture here. To get the most up-to-date information you can either download the loan brochure or the loan form from our website or request a hard copy from our automated phone system at 347-643-3000.

### **Pg. 87 - Glossary**

**Final Average Salary:** If the salary earned during any year included in the calculation of a member's FAS exceeds the average of the previous two years by more than 10% the amount in excess of 10% is excluded from the computation.

### **Pg. 90 (Appendix A - Physically Taxing Titles)**

This list is replaced in its entirety by a revised OLR listing updated through September 2005.