



Deputy Sheriff 25 Year Plan for Tier 4 Members (DSH25)

Tier 4

September 2002

The Deputy Sheriff 25-Year Program is available **ONLY** to members employed by the City of New York as Deputy Sheriff level one, Deputy City Sheriff level two, Supervising Deputy Sheriff or Administrative Sheriff.

Words that are italicized throughout this brochure have special meaning and possibly require further explanation. Definition of terms can be found on the back of this brochure.

ELIGIBILITY

Anyone who was a Tier 4 Deputy Sheriff on December 12, 2001 had the option to become a participant in the Deputy Sheriff 25-Year Retirement Program by filing an election form with NYCERS no later than June 10, 2002. **THIS OPTION HAS EXPIRED.**

Provided you are a Deputy Sheriff Member at the time of filing, participation is **OPTIONAL** for anyone who was a Tier 4 member on December 12, 2001, and became a Deputy Sheriff after December 12, 2001. Such a person may elect to become a participant by filing election form #184 with NYCERS within 180 days after becoming a Deputy Sheriff Member.

Participation is **MANDATORY** for any Deputy Sheriff Member who becomes a Tier 4 member after December 12, 2001. You will automatically become a participant in this program on the date of joining NYCERS.

If you terminate service as a Deputy Sheriff Member and return to such service at a later date, you will be mandated to participate on that date.

If you cease to hold a position qualifying for participation, you shall not be eligible for the benefits of this program.

If you choose not to participate, or discontinue service in this program, you are eligible to participate in NYCERS Basic Tier 4 (62/5) plan.

AMCs

In addition to the basic contributions of 3% of *Wages* that all Tier 4 members are required to pay, you must contribute *Additional Member Contributions (AMCs)* of 6¾% of gross *Wages* each payroll period for all service as a Deputy Sheriff Member rendered on and after December 12, 2001.

You must contribute *AMCs* until the later of:

- the date you are eligible to retire with 30 years of *Credited Service* as a Deputy Sheriff Member,
- OR**
- December 12, 2002

These contributions are in lieu of *AMCs* under Chapter 96 of the Laws of 1995. However, an existing Chapter 96 *AMC* deficit is still owed.

AMCs are maintained in the Retirement Reserve Fund (RRF), which is an account maintained separately from the Members' Contribution Accumulation Fund (MCAF) account. The MCAF contains only the member's contributions of 3% of *Wages*. Both funds earn interest of 5% per-annum, compounded annually.

All *AMCs* made from *Wages* earned on or after December 12, 2001 are not included in current gross income for Federal income tax purposes [IRC §414(h)]. However, those contributions are subject to New York City, New York State, and Social Security taxes. Any distribution of these *AMCs* makes them subject to Federal income tax.

DEFICIENCY

If you are eligible to receive a Service Retirement Benefit, but did not pay the entire amount of a contribution deficiency, or repay the entire amount of a loan(s), you are still eligible to retire. However, your benefit will be reduced according to an actuarial formula that takes into account any *AMC* deficiencies.

ONCE AN ELECTION TO PARTICIPATE IN THE DEPUTY SHERIFF 25-YEAR PROGRAM IS FILED WITH NYCERS, IT MAY NOT BE REVOKED

Special Occupation Deputy Sheriff 25-Year Plan #933 - Page 1



340 Jay Street, Brooklyn, NY
Mezzanine level



30-30 47th Avenue, 10th Floor
Long Island City, NY 11101



(347) 643-3000



www.nycers.org

All disability retirement and death benefits payable to you, your *Designated Beneficiary*, or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

If you cease to be a Deputy Sheriff and withdraw your *AMCs* (and interest), and later become a participant again, you will be charged with a deficiency, including 5% per-annum statutory interest, calculated as if such *AMCs* had never been made.

LOANS

You are not permitted to borrow from any portion of your *AMCs*.

REFUNDS

If you have less than 15 years of *Credited Service* as a Deputy Sheriff Member and cease to hold such a position, you may withdraw your *AMCs*, and interest earned thereon.

SERVICE RETIREMENT BENEFIT

If you have credit for 25 or more years of *Credited Service* as a Deputy Sheriff Member, have paid **ALL** *AMCs*, and you file for retirement at least 30 days before it is to be effective, you are eligible to receive a Service Retirement Benefit equal to:

- 55% **times** *Final Average Salary (FAS)* for the first 25 years of *Credited Service* as a Deputy Sheriff Member,
plus
- 1.7% **times** *FAS* for each additional year (or fraction of) of *Credited Service*, in excess of 25, to a maximum of 30 years.

You may not retire under this program prior to December 12, 2002.

VESTED RETIREMENT BENEFIT

If you have at least five, but less than 25 years, of *Credited Service* and you have paid **ALL** *AMCs*, you are eligible for a Vested Retirement Benefit that will become payable on the date that you would have completed 25 years of *Credited Service*, had you continued City service.

The *Vested Retirement Benefit* is computed as follows:

- 2.20% of *Final Average Salary* **times** the number of years of *Credited Service*.

BENEFITS

Participants in the Deputy Sheriff 25-Year Retirement Program are eligible for all Basic Tier 4 benefits (except Tier Equity legislation which is determined on a case-by-case basis), including the 62/5 Plan Service and Vested Retirement Benefits, Disability Retirement Benefit (Accident & Ordinary), In-Service Death Benefits (Accident & Ordinary), and membership transfers to other retirement systems. A description of these benefits can be found in the NYCERS Summary Plan Description for Tier 4 Members.

DEFINITIONS

Additional Member Contributions (AMCs) - Contributions that are in addition to the basic contributions that are required to be paid each payroll period. The AMC percentage for this program is 6¾%. All *AMCs* are maintained in the Retirement Reserve Fund.

Credited Service - This service is rendered while a member of NYCERS; Service transferred from another NYC or NYS Public Retirement System and/or all purchased service.

Designated Beneficiary - Any person whom a member has named, by filing a properly completed form with NYCERS, to receive a survivor benefit upon the death of the member in Active Service.

Final Average Salary - The greater of the average annual Wages earned during any three consecutive calendar year periods, or the final 36 months immediately preceding the member's retirement date.

Salary earned during any year included in this 3 year average can not exceed the previous 2 years by more than 10%.

Wages - Any earnings paid for services rendered to a public employer in NYC or NYS.

