



# Filing For Retirement

VERSION JULY 2012

The day has finally come. You have decided, or at least are thinking of retiring. To help you make that decision, we want you to have a full understanding of what happens from the minute you turn in your application to the day you receive your first retirement payment.

## Filing Requirements

Filing requirements differ in each Tier and Plan. Tier 1 and Tier 2 members who meet all eligibility requirements, and wish to retire, must file an application at least 30, but not more than 90, days before the effective date that they wish to retire. Tier 3 and Tier 4 members (except members in certain special retirement plans who must adhere to requirements identical to Tier 1 and 2) may file up to the day they wish to retire, but no more than 90 days before.

NYCERS considers your retirement date to be the day after the last day you are paid. This may be different than your last day at work. When you inform your employer as to the date you wish to 'stop' working, they will inform you of any unused leave time you have accumulated. Unused leave time may be paid in lump sum (generally, managers) or through paychecks (generally, non-managers). If paid through paychecks, it is especially important to coordinate with your employer to determine when those paychecks will cease. Remember, your retirement date is the day after your last day paid and receiving paychecks means you are being paid.

We encourage all members to hand deliver any applications that are time sensitive to our Customer Service Center. You take considerable risk of undocumented or lost applications when mailing such documents. Our Customer Service Center Express Lane is designated to accept applications and will provide you with a receipt of submission for your records.

## Withdrawing An Application For Service Retirement

You may withdraw your application for Service Retirement by filing Form #542 with NYCERS up to the day before your effective date of retirement. If your request is received after your retirement date, it is denied.

## Changing Your Retirement Date

If you have filed for retirement and have decided you want to change the date of your retirement, you may extend your retirement date up to 90 days from the original filing date. Any extension longer than 90 days will require you to withdraw your application.

## Your First Retirement Payment

If you are eligible for a service retirement, your case is processed for an advance payment, which is a temporary partial pension payment.

If you retire the 1<sup>st</sup> or 2<sup>nd</sup> of the month you will receive an advance payment at the end of the month in which you retire. Example: If you retire on January 2, your first advance payment will be on January 31.

If you retire on the 3<sup>rd</sup> of the month, or later, you will receive an advance payment at the end of the following month. Example: If you retire on January 3, your first advance payment will be on February 28.

Starting with your first advance payment, Federal income taxes will be withheld based on the election you made on your retirement application. To see how your advance payment is calculated, see the enclosed 'Advance Payment' brochure.

## Option Letter

An option letter breaks down the amount your pension will be under the various retirement options available to you. Once you receive this letter, you have 60 days to notify NYCERS of the option you choose. If you do not choose an option within this timeframe, your retirement benefit is processed under the Maximum Retirement Allowance or, if applicable, the temporary option you selected on your Tier 2, 3, 4 retirement application. The Maximum Retirement Allowance is payable to you only for your lifetime with no benefits continuing after your death. See the enclosed 'Option Letter' brochure to see an example of what you should expect.

## Option

The option you select is important to both you and your beneficiary, should you choose to nominate one. Be sure you understand each option and elect the one that best fulfills your needs. The sooner you file an option selection, the sooner NYCERS can process your case for your full retirement benefit. You MAY NOT change an option once your first full payment has been sent to you. See the enclosed 'Option' brochure to get an overview of the various options available to you and the impact each one may have on your retirement benefit.

## Processing Your Case For Full Payment Of Your Retirement Benefit

After you have selected an option (or, by default, one has been awarded to you) your file is processed and you are placed on the pension payroll for the full amount. This payment will include retroactive amounts from your retirement date.

You will then receive a letter that includes the details of the option chosen, as well as information you will need for Federal income tax purposes.

## When And Where Your Pension Payments Will Be Sent

Pension checks are dated the last day of each month and are sent two business days before that date. You have various options on how to receive your pension payments.

- You may elect to have your pension checks mailed to your home, a Post Office box or any address you choose, or
- You may elect to have your pension payments directly deposited into your checking or savings bank account by Electronic Funds Transfer (EFT).

## Why EFT?

EFT ensures your payment will not be lost or stolen. Funds are automatically available in your bank account on the last day of each month. If you are interested, you must file the appropriate form, enclosed for your convenience.

Some of the reasons that over 60% of NYCERS' pensioners use EFT:

- SAFE:** Eliminates lost or stolen checks
- SURE:** Ensures that you get your retirement allowance every month, even if you're out of town, ill or on vacation
- FAST:** Your account is credited on the payment date - no waiting for a pension check to clear before you can draw on it
- EASY:** Eliminates a trip to the bank and waiting in lines

## Lost Check

If you do not receive your check by the 10th day of the following month, notify NYCERS and a lost check affidavit will be sent to you. NYCERS will not take a report of non-receipt of a pension check until the 10th of the month.

## Taxes

Taxes are automatically withheld from all pension checks you receive from NYCERS based on the Federal tax table for a person who is married claiming three exemptions, unless you indicate on your retirement application or Form #349 (Application to Change Federal Income Tax Withheld) to have taxes withheld on a different basis, or, for no taxes to be withheld.

## Health Insurance

NYCERS does not administer health insurance benefits. If you have any problems with coverage or deductions from your pension payments, you should call one of the following entities:

NYC Office of Labor Relations - Health Benefits Division  
(212) 513-0470  
NYC Transit Authority - Employee Benefits  
(646) 376-0123  
TBTA - Benefits Division  
(646) 252-7935

## Change Of Address

If we do not have your current address, you could experience delays in receiving pension payments, refund checks and other important documents. To prevent this, notify us of appropriate changes.

It is important you notify us, even if your pension payment is sent directly to a bank. NYCERS needs your current address in order to mail you important correspondence, including your annual income tax statement (1099R) and quarterly EFT statements.

If NYCERS sends you correspondence and it is returned, your pension payments may be withheld until we hear from you.

## When You've Decided To Retire, Remember:

- If possible, hand deliver your application to NYCERS

### Customer Service Center:

340 Jay Street

Downtown Brooklyn

Mezzanine Level At Renaissance Plaza

- The date you retire determines when you will receive your first advance payment, but will not affect your pension in the long run
- Take careful consideration when choosing your Retirement Option, but be sure to make a selection and return it to NYCERS within 60 days.
- The sooner you select your option, the sooner your full check will be distributed
- Make sure you let us know if you move, even during your retirement!