



Special Officer 25-Year Retirement Plan For Tier 2 Members

TIER 2

MARCH 2013

The Special Officer 25-Year Retirement Plan is available **ONLY** to members: employed as Special Officers by a mayoral agency of the City of New York, the Health & Hospitals Corporation (HHC), or the NYC Housing Authority; Parking Control Specialists employed by NYC DOT; School Safety Agents (any rank) employed by the NYPD or Board of Education; Campus Peace Officers (any rank) employed by the City University of New York; Taxi & Limousine Inspector employed by the NYC Taxi & Limousine Commission; Urban Park Rangers and Associate Urban Park Rangers.

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

Participation is **OPTIONAL** for any person who:

- was already a Tier 2 member of NYCERS on December 19, 2001, and becomes a Special Officer employed by a mayoral agency of the City of New York or the Health & Hospitals Corporation (HHC), Parking Control Specialist employed by NYC DOT, School Safety Agent (any rank) employed by the NYPD, Campus Peace Officer (any rank) employed by the City University, or New York Taxi & Limousine Inspector employed by the NYC Taxi & Limousine Commission after December 19, 2001 (must file an election form to participate with NYCERS within 180 days after becoming employed under a covered title).

OR

- was a Tier 2 Special Officer employed by a mayoral agency of the City of New York or the Health & Hospitals Corporation (HHC), Parking Control Specialist employed by NYC DOT, School Safety Agent (any rank) employed by the NYPD, Campus Peace Officer (any rank) employed by the City University, or New York Taxi & Limousine Inspector employed by the NYC Taxi & Limousine Commission member on December 19, 2001. The filing period for these titles has expired.

OR

- was already a Tier 2 member of NYCERS on October 2, 2002 and becomes a Special Officer employed by the NYC Housing Authority or a School Safety Agent employed by the

Board of Education after October 2, 2002 (must file an election form to participate with NYCERS within 180 days after becoming employed under a covered title)

OR

- was a Tier 2 Special Officer employed by the NYC Housing Authority or a School Safety Agent employed by the Board of Education on October 2, 2002. The filing period for these titles has expired.

OR

- was already a Tier 2 member of NYCERS on October 7, 2003 and becomes an Urban Park Ranger or Associate Urban Park Ranger after October 7, 2003 (must file an election form to participate with NYCERS within 180 days after becoming employed under a covered title)

OR

- was a Tier 2 Urban Park Ranger or Associate Urban Park Ranger on October 7, 2003. The filing period for these titles has expired.

provided

they are employed in a covered title at the time of filing such an application.

If you terminate service as a Special Officer and later return to such service, you will be mandated to participate on the date you return.

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

AMCs

In addition to the basic contributions that all Tier 2 members are required to pay, you must contribute Additional Member Contributions (*AMCs*) of 6¼ % of gross wages each payroll period for all service as a Special Officer rendered on and after December 19, 2001 to NYCERS.

You must contribute *AMCs* until the later of:

- the date you are eligible to retire with 30 years of Allowable Service as a Special Officer Member
- OR**
- December 19, 2002

ONCE AN ELECTION TO PARTICIPATE IN THE SPECIAL OFFICER 25-YEAR PLAN IS FILED WITH NYCERS IT MAY NOT BE REVOKED

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www.nycers.org

These contributions are in lieu of *AMCs* under Chapter 96 of the Laws of 1995; however, any existing deficit is still owed.

AMCs are maintained in the Retirement Reserve Fund (RRF), which is an account maintained separately from the Member's Contribution Accumulated Fund (MCAF) account. The MCAF contains only the member's contributions of 3% of wages. Both funds earn interest of 8¼ % per-annum compounded annually.

AMCs may not be offset by Social Security deductions or reduced by increased take home pay (ITHP).

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.

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 service retirement benefit will be reduced according to an actuarial formula that takes into account any *AMC* deficiencies.

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 Special Officer and withdraw your *AMCs* (and interest), and later become a participant again, you will be charged with a deficiency, including 8¼ % per-annum statutory interest.

LOANS

You are permitted to borrow up to 75% of your *AMCs* under the same rules for loans as Tier 4 members. See NYCERS brochure #911 for additional information.

REFUNDS

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

Any outstanding loan will be deducted from the amount before it is refunded.

If you exceed 15 years of Credited Service, no refund is possible.

SERVICE RETIREMENT BENEFIT

If you have credit for 25 or more years of *Allowable Service*, have paid all *AMCs* and interest that are required, and have

filed an application for Service Retirement you shall be entitled to an early service retirement benefit equal to:

An annuity (the actuarial equivalent of the required contributions for the first 25 years of Allowable Service), plus a pension for ITHP for the first 25 years of Allowable Service as a Special Officer, plus a pension which, when added to the annuity for required regular contributions and the pension for ITHP equals:

- 50% of Final Average Salary (FAS) (Three Year Average Salary)
plus
- 2 % of FAS for each year (or fraction thereof) beyond the first 25 years of Allowable Service to the date of retirement, but not to exceed more than five years of additional Allowable Service as such a member.

VESTED RETIREMENT

There is no provision for vesting under the program for Tier 2 Participants.

Any election to participate in the program is irrevocable.

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 6¼%. All *AMCs* are maintained in the Retirement Reserve Fund.

Allowable Service - All service rendered while holding a position listed on page 1.

Credited Service - Service 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 who 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 cannot exceed the previous 2 years by more than 10%.

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

