



# 911 Operators 25 Year Plan for Tier 4 Members (PCT25)

Tier 4

February 2004

The 911 Communications 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. Collectively these titles define a *Police Communications Member*.

Words that are italicized throughout this brochure have special meaning, and possibly require further explanation. The definitions of these words can be found on the back of this brochure.

## ELIGIBILITY

Participation is **OPTIONAL** for:

- Any person who was a Tier 4 *Police Communications Member* on October 21, 2003 (must file an election form to participate with NYCERS no later than April 19, 2004)
- OR**
- was already a Tier 4 member on October 21, 2003, but who becomes a *Police Communications Member* after October 21, 2003 (must file an election form to participate with NYCERS no later than 180 days of appointment as a *Police Communications Member*)

Participation is **MANDATORY** for:

Any *Police Communications Member* who becomes a Tier 4 member after October 21, 2003.

Provided, however:

Such a mandated *Participant* who has exceeded age 30 upon employment as a *Police Communications Member* can elect not to participate by filing form #190 with NYCERS within 180 days of appointment as a *Police Communications Member*. Such person will be mandated into the Tier 4, 57/5 program.

When any *Participant* in the *Program* ceases to hold a position qualifying him/her for participation in the *Program*, he or she shall cease to be a *Participant* and shall not be eligible for the benefits of the *Program*.

Any *Participant* in the *Program*, who terminates service as a *Police Communications Member* and returns to such service at a later date will be mandated into participation in the *Program* on that date. (Refer also to the Deficiency section.)

## ELIGIBILITY TO QUALIFY FOR BENEFITS

### Service Retirement

A *Participant* in the *Program* who has completed 25 or more years of *Credited Service*, has paid all *Additional Member Contributions (AMCs)*, and files for retirement at least 30 days before it is to be effective, will be eligible to receive a Service Retirement under this *Program*.

### Vested Retirement

A Tier 4 *Participant* in the *Program* who discontinues service as a *Participant* with at least five, but less than 25 years of *Credited Service*, has paid all *Additional Member Contributions (AMCs)*, and does not withdraw any part of his or her accumulated member contributions, will be eligible for a Vested Retirement Benefit under this *Program*. The benefit becomes payable on the date the member could have completed 25 years of *Credited Service*.

## SERVICE RETIREMENT BENEFIT

The Tier 4 Service Retirement Benefit is computed as follows:

- 50% of *Final Average Salary (FAS)* for the first 25 years of *Credited Service*,
- plus**
- 2% of *FAS* for each additional year (or fraction thereof) beyond the first 25 years of *Credited Service*, up to a maximum of 30 years of such service.

## VESTED RETIREMENT BENEFIT

The vested benefit for Tier 4 members is computed as follows:

- 2% of *Final Average Salary* for each year (or fraction thereof) of *Credited Service*.

## AMCs ARE MANDATORY

In addition to the basic member contributions of 3% of *Wages* that all Tier 4 members are required to pay, *Participants* must make an *Additional Member Contribution (AMC)* of 6% of gross *Wages* each payroll period for all *Credited Service* rendered on or after October 21, 2003.

These contributions are in lieu of *AMCs* under Chapter 96 of the laws of 1995, and no member paying these contributions is

**ONCE AN ELECTION TO PARTICIPATE IN THE COMMUNICATIONS OPERATORS/25 YEAR PLAN  
IS FILED WITH NYCERS, IT MAY NOT BE REVOKED**

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required to pay Chapter 96 *AMCs*. An existing Chapter 96 *AMC* deficit, however, would still be owed.

*AMCs* are maintained in the *Retirement Reserve Fund* which is an account maintained separately from the *Members' Contribution Accumulation Fund (MCAF)*. The *MCAF* contains only the member's basic contributions.

**A Participant shall contribute *AMCs* until the later of:**

- The date he or she is eligible to retire (or for 30 years if they continue in service)
- OR**
- October 21, 2004

### AMCs ARE TAX DEFERRED

All *AMCs* made from *Wages* earned on and after October 21, 2003 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

Any *Participant* who, while in active service, has not paid in full any contribution deficiency (in his or her *AMCs*), will still be entitled to a Service or Vested Retirement Benefit under this *Program*. However, the benefit will be reduced according to an actuarial formula that takes into account any deficiencies in *AMCs*.

If you have less than 5 years of *Credited Service*, you may withdraw your *AMCs* and interest. However, if you return to the *Program* at a later date, you will be charged a deficiency. This deficiency will be calculated as if the *AMCs* had never been made, including the 5% per annum statutory interest. Payment of a deficiency can be made in a lump sum or through payroll deductions.

A Disability Retirement Benefit and a Death Benefit, payable by NYCERS to a *Participant* or his or her designated beneficiary or estate, will be reduced according to an actuarial formula that takes into account any deficiency in *AMCs*.

### LOANS

A *Participant* in the *Program* may borrow from his or her *AMCs* in the *Retirement Reserve Fund*, under the same rules for loans to Tier 4 members.

### REFUNDS

A *Participant* who has rendered less than 5 years of *Credited Service* and who ceases to hold such a position, for any reason whatsoever, may withdraw his or her *AMCs*, and interest earned thereon.

### DEFINITIONS

***Additional Member Contributions (AMCs):*** contributions of 6% of all *Wages*, which are in addition to the Basic Tier 4 Plan member contributions of 3% of all *Wages*.

***Credited Service:*** service rendered while a member of NYCERS; service transferred from another New York City or New York State Public Retirement System; and/or all purchased service.

***Final Average Salary (FAS):*** the average annual *Wages* earned during any three consecutive calendar year periods, or the final 36 months immediately preceding retirement, whichever is greater. The salary earned during any year included in this three-year average cannot exceed the previous two years by more than 10%.

***Members' Contribution Accumulation Fund (MCAF):*** an account maintained for each member into which the basic contributions are deposited, plus interest.

***Participant:*** a member of NYCERS who elects or is required to contribute to the 911 Communications Operators/25 Year Plan.

***Police Communications Member:*** all members employed by the New York City Police Department as police communications technicians, supervising police communications technicians, or principal police communications technicians.

***Program:*** The 911 Communications Operators/25 Year Plan

***Retirement Reserve Fund:*** an account maintained for deposit of the *AMCs* that are deducted from the member's paycheck, plus earned interest.

***Wages:*** any earnings paid for services rendered to a public employer in New York City or New York State.