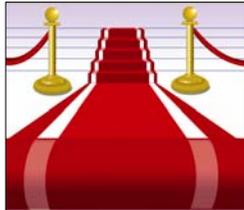




Essential NYCERS For New Employees



Essential NYCERS For New Employees Webinar December 2014



What is NYCERS?

NYCERS is the largest municipal public employee retirement system in the United States, providing **pension** benefits for many New York City employees.






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What is a Pension?

- Type of **Retirement Plan** where future benefits are based on a formula defined in law.
- Two primary factors will determine the amount of your future service retirement benefit:
 - 1) Final Average Salary; and
 - 2) Years of Service.

Member Contributions are required to receive an unreduced benefit at retirement.

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Who MUST Join NYCERS?

ALL employees are eligible to join *anytime* after they start employment with any NYCERS participating employer.

Permanent employees appointed from a civil service list are required to join after completion of six months of service; however they are free to join *anytime* after they start employment.

Once a membership application has been processed for payroll deductions, membership may not be withdrawn as long as you remain in City service.

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How Can I Establish a NYCERS Membership?

File an *Application for Membership (Form 103)* with NYCERS. Please note this form requires your notarized signature and requests that you also provide a copy of your birth certificate.

If you are unable to provide a copy of your birth certificate, please refer to the *Birth Evidence Alternative Fact Sheet* available on our website at www.nycers.org for a list of alternate documents you can submit.

Beneficiary Designation is an important part of the membership application. You may want to file the Designation of Guardian (Form 137) if you are naming a minor as your beneficiary.

CRITICAL NOTE: You do not start accruing time with NYCERS until you file a valid membership application.

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What is Your Tier?

Your TIER is generally determined by the date you join NYCERS.

You are a Tier 6 member if you join NYCERS for the first time on or after:

April 1, 2012

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Can you become a Tier 4 member?

If you had a **prior terminated membership** with a public retirement system in NYC or NYS before April 1, 2012, then you may be eligible for **TIER REINSTATEMENT**.

For more information on REINSTATEMENT consult Brochure #905 and Form #181, available on our website at www.nycers.org.

If you have a **current membership** with another public retirement system in NYC or NYS then you may be eligible to **TRANSFER** your service.

For more information on TRANSFERRING a current membership contact the New York State or City pension where you currently have the active membership.

These transactions may or may not benefit you. It is important that you consult with NYCERS before taking any irrevocable actions.



What is your Plan?

Your **plan** will primarily determine when you are eligible to collect your pension.

This is the Tier 6 plan for most non-uniformed new members. → **63/10**

Uniformed Correction Force, Uniformed Sanitation Workers and DA Investigators. → **22-Year Plan**

Certain other Special Occupational titles may qualify you for a Special Plan as shown by the chart on our next slide.



Tier 6 Special Plans

If you are in an occupational title that would qualify you for any special plan you will automatically be placed in that plan when we process your *Application for Membership (Form 103)*.

TBTA 20-Year/Age 50 Plan	Deputy Sheriff 25-Year Plan
Transit 25-Year/Age 55	SPO 25-Year Plan
EMT 25-Year Plan	AUT 25-Year Age 50 Plan
Dispatcher 25-Year Plan	PCT 25-Year Plan

***For more information on any of our plans please consult the brochures available on our website at www.nycers.org**



63/10 –The Basic Tier 6 Plan

- Available to members who are not in a special occupational title who join for the first time on or after April 1, 2012
- You are required to pay basic contributions on *all years* of service at a rate determined by annual wages earned during a “plan year”.

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63/10 Basic Contributions

Contributions are tax-deferred for Federal Income taxes and will vary from year to year based on your annual wages.

Annual Wages Earned During Plan Year	Contribution Rate
Up to \$45,000	3%
\$45,001 to \$55,000	3.5%
\$55,001 to \$75,000	4.5%
\$75,001 to \$100,000	5.75%
Greater than \$100,000	6%

PLAN YEAR= April 1st-March 31st

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63/10 Basic Contributions

FIRST Three Plan Years  **PROJECTED WAGES**

FOURTH plan year and thereafter.  **ACTUAL WAGES Earned TWO Plan years PRIOR**

At the beginning of each plan year we will send you a letter advising you of your contribution rate.

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63/10 –The Basic Tier 6 Plan

- Available to members who are not in a special occupational title who join for the first time on or after April 1, 2012.
- You are required to pay basic contributions on *all years* of service at a rate determined by annual wages earned during a “plan year”.
- You are eligible to retire with an unreduced benefit at age 63 provided you have at least 10 years of Credited Service.

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Calculating Your Tier 6 Retirement Benefit

With Less Than 20 Years of Credited Service
 1.67% x Final Average Salary (FAS) X Years of Credited Service

With 20 or more years of Credited Service
 35% x Final Average Salary; plus
 2% x Final Average Salary x each year of Credited Service in excess of 20



25 years of service = 45% of FAS, 30 years of service = 55% of FAS, 35 years = 65% of FAS

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63/10 –The Basic Tier 6 Plan

- Available to members who are not in a special occupational title who join for the first time on or after April 1, 2012.
- You are required to pay basic contributions on *all years* of service at a rate determined by annual wages earned during a “plan year”.
- You are eligible to retire for an unreduced benefit at age 63 provided you have at least 10 years of Credited Service.
- You can vest with at least 10 years of service.
- An early retirement provision allows you to retire as early as age 55 if you are on active payroll-but with a penalty.

For more information about these provisions, consult the 63/10 Tier 6 Brochure #993 available on www.nycers.org

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Buy-Back Basics-Tier 6

Most previous public service rendered in New York State is eligible for buy-back.

Cost:

- Basic Contributions at the maximum rate of 6%; **plus**,
- For Special Plan members: Additional Member Contributions at the rate specified by your plan; **plus**,
- Interest: 5 percent, compounded annually



File the *Application to Purchase Credit for Service Rendered Prior to Membership Date in NYCERS (Form 241)* to initiate Buyback.

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More Than A Retirement Plan

Loans- Most members may borrow up to 75% of their accounts

Disability Protection- Accidental disability and ordinary disability benefits

Survivor Benefits- Pre- and post-retirement benefits

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What Happens After I File My Application for Membership?

- NYCERS will process your application and send you a payroll certification verifying your plan and contribution rate.
- You will automatically be placed in the appropriate plan based on your job title.
- Contributions are required as of your membership date. However, there may be a lag before payroll deductions can be established and you may also be certified for extra contributions to resolve this small deficit.

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What if I leave City service?

If you have **LESS THAN TEN** years of Credited Service, you are not entitled to a vested benefit; however, you have up to five years to return to City service. During that time your account continues to earn 5% interest and you can request a refund of your contributions at any time.

If you have **MORE THAN TEN** years of Credited Service, you are vested and are entitled to a vested retirement benefit when you reach the age of 63.

Refunds are NOT an option for Tier 6 Basic Plan members with more than 10 years of service.

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Sign up for a MY NYCERS Account

After your first payroll deduction has been established you can sign up for a MY NYCERS account.

Go to www.nycers.org

- Click the "Skip a Trip" banner on the homepage.
- Follow the steps to create your account and order a PIN.

Your PIN will arrive within 10 business days.

- Log in and register your PIN



With a My NYCERS account and a registered PIN, you can go online any time and apply for a loan, estimate the cost and apply for buy back, change your address and more!

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Let's Recap!

- Under the Basic Tier 6 Plan you can collect a retirement benefit at age 63 provided you have at least 10 years of Credited Service.
- Your membership can be established anytime on or after your first day of employment by filing an **Application for Membership (Form 103)** with NYCERS.*
- If you have prior public service in New York State consider filing an **Application to Purchase Previous Service (Form 241)**.
- After your membership has been established, visit www.NYCERS.org to establish a My NYCERS account.

***Remember you cannot start accruing time with NYCERS until your membership has been established.**

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Resources for Additional Information

- Application for Membership (Form 103)
- Application to Purchase Previous Service (Form 241)
- Tier 6 Basic Plan Fact Sheet (Fact Sheet 718)
- 63/10 Retirement Plan for Tier 6 Members (Brochure 993)



All are available on www.nycers.org

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Contact NYCERS

Website: www.nycers.org

Customer Service Center:
 340 Jay Street
 Brooklyn, NY 11201
 M-F 8:00AM-5:00PM

Call Center: (347) 643-3000
 M-F 8:00AM – 5:00PM

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