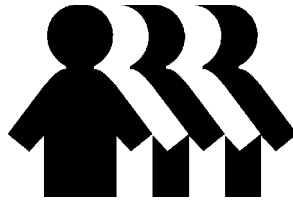


YOUR  
retirement  
BENEFITS

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EMPLOYEES' RETIREMENT SYSTEM

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Office of the New York State Comptroller

**Thomas P. DiNapoli**

New York State and Local Retirement System

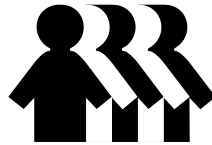
110 State Street  
Albany, NY 12244-0001

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YOUR  
retirement  
BENEFITS

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*presented by*



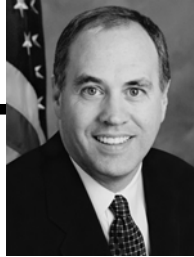
New York State Comptroller Thomas P. DiNapoli  
and the  
New York State & Local Employees' Retirement System

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## A MESSAGE FROM STATE COMPTROLLER



# Thomas P. DiNapoli

Dear Member:

This book describes your New York State and Local Retirement System benefits and can be a valuable resource — especially now, as you approach retirement.

I want to make sure you thoroughly understand your benefits so you can successfully plan for retirement.

We also offer other pre-retirement planning resources including:

- Individual member consultations on scheduled days at 15 locations throughout the State, and every business day at our Albany office.
- An online Benefit Projection Calculator that enables most members to estimate what their pensions will be when they retire.
- Plan booklets and publications that outline and explain your benefits.
- Member Annual Statements explaining the status of your membership.
- Formal benefit estimates for members within 18 months of retirement.

In addition, you can find retirement-related information on our website at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

I am joined by a staff of dedicated professionals in my commitment to help you make informed decisions about your future. I encourage you to contact us with any questions you have because we believe it is critical for you to plan for your tomorrows...today.

Sincerely,

A handwritten signature in black ink that reads "Tom DiNapoli". The signature is written in a cursive, flowing style.

Thomas P. DiNapoli  
State Comptroller



# NEW YORK STATE AND LOCAL EMPLOYEES' retirement system

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This book contains a wealth of information, but not all the information you need to familiarize yourself with, especially if you are considering retiring. While general information in this guide can apply to both Employees' Retirement System (ERS) and Police and Fire Retirement System (PFRS) members, the focus is on ERS members. If you are a PFRS member, please contact us for specific information relating to your benefits.

Here are some ways for you to get the information you need to feel comfortable and confident about the important decisions you will have to make.

- Visit our website at **[www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire)**. You can also email us through this site.
- Contact our Call Center toll-free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area.
- Meet with an Information Representative in our Albany office, open every business day, or at 15 other sites across the State.
- Fax us at 518-402-4433.
- Write to us at:  
New York State and Local Employees' Retirement System  
110 State Street  
Albany, NY 12244-0001

# RETIREMENT CONSULTATION SITE SCHEDULE

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As of July 2006, appointments are needed for individual consultations at all sites. However, with the exception of our New York City and Horseheads sites, members do not need an appointment to drop off forms, pick up information or have something notarized. Our office hours are 8:30 am – 4:30 pm in Albany; 9:00 am – noon and 1:00 pm – 4:00 pm at all other sites. When visiting any of our sites, please bring photo identification and any recent Retirement System correspondence.

If you require special accommodations to attend a consultation at any location, we will make a reasonable effort to meet your needs. Please contact our Call Center at least two weeks in advance of your visit. To schedule an appointment or for special accommodations, contact our Call Center toll-free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area.

<b>City/Village</b>	<b>Address</b>	<b>Monthly Visiting Days</b>
Albany	110 State Street	Every Business Day
Binghamton	Binghamton State Office Bldg. 44 Hawley St., Room 606	First & Third Tuesday
Buffalo	Walter J. Mahoney State Office Bldg. 65 Court St., Room 500	First, Second, Third & Fourth Monday, Tuesday, Wednesday & Thursday
Canton	SUNY at Canton, off Route 68 Campus Center	First Thursday
Hauppauge	330 Motor Parkway, Suite 107	Every Business Day
Horseheads	Village Hall, 202 South Main St.	Second & Fourth Tuesday
Middletown	Hudson Valley DDSO Ackerson Bldg., 18 Seward Ave., 1st. fl.	Second & Fourth Thursday
New York City	59 Maiden Lane, 30 <sup>th</sup> Floor Entrance between William St. and Nassau St.	Every Tuesday & Wednesday
Plattsburgh	County Center, 137 Margaret St.	First & Third Thursday
Pomona	Robert L. Yeager Health Center Bldg. A, Sanatorium Rd.	First & Third Friday
Poughkeepsie	Eleanor Roosevelt State Office Bldg. 4 Burnett Blvd.	Second & Fourth Friday
Rochester	1530 Jefferson Rd., Henrietta	Every Friday
Syracuse	620 Erie Blvd. West, Suite 113	Every Thursday
Utica	Utica State Office Bldg. 207 Genesee St.	First, Second, Third & Fourth Monday
Watertown	Jefferson Co. Human Svcs. Bldg. 250 Arsenal St., Lower Level Conf. Rm.	First Friday
White Plains	Clarence D. Rappleyea Bldg. 123 Main St.	Every Monday

# YOUR MEMBERSHIP IN THE retirement system

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As a public servant in New York State, and a member of one of the world's largest public pension systems, you are entitled to substantial benefits. Whether you have just joined or have been a member your entire career, it is important for you to know about these benefits.

This section explains your rights and obligations as a member. It clarifies what factors affect your retirement benefits and provides you with comprehensive examples of how those benefits are determined under the various regular retirement plans we offer. Additionally, it takes you step-by-step through the retirement process and also discusses post-retirement matters.



## What Determines Your Benefits

The retirement plans we offer are all defined benefit plans. This means that the amount of your lifetime pension is determined by five important factors:

1. Your tier;
2. Your credited service in the Retirement System;
3. Your final average salary;
4. Your retirement plan; and
5. Your age when you retire.

## Your Membership Tier

Members are categorized into different groups, depending on the date they join the System. These groups are called tiers. All tiers are established by the State Legislature as part of the Retirement and Social Security Law. There are four tiers in ERS.

Each tier status determines:

- Benefit eligibility;
- The formula used to calculate the benefit;
- Death benefit coverage;
- Service crediting;
- Whether or not you are required to contribute; and
- Loan provisions

### **You**

#### **Are In:    If You Joined:**

Tier 1    before July 1, 1973

Tier 2    July 1, 1973 through July 26, 1976

Tier 3    July 27, 1976 through August 31, 1983

Tier 4    September 1, 1983 or after

**NOTE:** There is no Tier 4 for all New York State correction officers or security hospital treatment assistants. If you joined on or after July 27, 1976, you are a Tier 3 member.

# service credit

---

As a member, you earn service credit for your public employment while on the payroll of a participating employer in the Retirement System. Your service credit forms the basis for eligibility and/or the calculation of death benefits, vested rights, service retirement, disability retirement and member loans. For the most part, the more service credit you have at retirement, the greater your benefit will be.

## Service Crediting

The number of hours that constitute a standard workday is established by your employer and, for Tier 2, 3 and 4 members, must be a minimum of six hours per day, 30 hours per week. Generally, 260 workdays per year, as reported to us by your employer(s), constitutes full-time credit, except for members employed in an educational setting (see bulleted information below).

- A full year of service credit is given for full-time service.
- Institutional teachers may receive full service credit if they work at least 200 days each year. Institutional teachers are teachers who work in New York State run institutions like developmental centers or prisons.
- For teachers in New York State schools for the blind or deaf, 180 days is considered full-time.
- Ten-month school district employees who work at least 180 days in the school year receive credit for a full year.
- College employees who work full-time (170 days per year) for the academic year receive a full year of service credit.
- Part-time service is generally prorated. For all tiers, credit is not given for leaves of absence without pay or for any period of time you do not receive salary. There may be exceptions if you are on sick leave at half-pay or receiving Workers' Compensation benefits.

## Article 19 Service Credit

Eligible Tier 1 and 2 members\* whose membership date is prior to July 27, 1976, will receive an additional month of service credit for each year of credited service they have at retirement, up to a maximum of 24 months. This additional service credit will be included in your benefit calculation at retirement.

To be eligible for an increased retirement benefit under Article 19, you must have been in active service continuously from April 1, 1999 through and including October 1, 2000.

Active service means:

- Being paid on the payroll; or
- On a leave of absence with pay; or
- On an authorized leave without pay; or
- Any period of time between school terms and any time between September 1, 2000, and October 1, 2000 for teachers or other employees who work the school year.

Those not eligible for the additional service credit provided by Article 19 include:

- Members who retire under a special 20-year plan that allows for service retirement without regard to age.
- Members in employment certified as consisting of 50% or more in criminal law enforcement who retire under a plan that allows for service retirement without regard to age on completion of 25 years of credited service. However, Article 19 benefits do apply to correction officers.
- Members of the New York State and Local Police and Fire Retirement System (PFRS).

\*The Article 19 benefit enhancement for Tier 3 and 4 members provides for the elimination of 3% contributions for individuals who have been Retirement System members for at least ten years or have at least ten years of credited service as of October 1, 2000, or later. However, contributions for past service payments are still required for all service prior to the date contributions are discontinued.

## Unused, Unpaid Sick Leave

Unused, unpaid sick leave may be added to your credited service and used in your benefit calculation if you are a New York State employee or if your employer has adopted Section 41-j (RSSL). If applicable, up to 165 days (.63 years) of unused, unpaid sick leave may be credited. Members in certain negotiating units may have up to 200 days (.77 years) of unused, unpaid sick leave credited. This additional credit may result in a small increase to your retirement benefit.

The additional credit provided by Section 41-j cannot be used to meet eligibility requirements for retirement or for an improved benefit formula. For example, three months of sick leave credit cannot be added to the service of a member who has four years and nine months to accrue the necessary five years of credit to retire.

To calculate additional service credit for unused sick leave:

$$\frac{\# \text{ hours unused sick leave}}{\text{full-time hours per day}} = \# \text{ days additional service credit}$$

**Example:**  $\frac{1237.5}{7.5} = 165 \text{ days additional service credit}$

**Example:**  $\frac{1320.0}{8} = 165 \text{ days additional service credit}$

$$\frac{\# \text{ days additional service credit}}{260} = \text{additional service credit}$$

**Example:**  $\frac{165}{260} = .63 \text{ of a year additional service credit}$

## CREDIT FOR YOUR PAST SERVICE

---

Legislative changes in 2000 allow for the crediting of most previous public employment. These different types of service are:

- **Prior Service** — This is any period of time you received salary from a public employer before that employer elected to participate in the Retirement System.
- **Service Before Your Date of Membership** — You may receive credit for working for a participating public employer in New York State before you joined the Retirement System (including CETA service with employers that participate in the Retirement System).
- **Service From a Previous Membership** — If you previously were a member of this System, or another public retirement system in New York State, your service may be re-credited and your date of membership and tier changed. (See page 13.)
- **Military Service** — You may be able to get retirement credit for military service you have had in the U.S. armed forces. There are many laws and statutes (Retirement and Social Security Law, Military Law, Uniform Services Employment and Reemployment Rights Act of 1994, etc.) that dictate eligibility dates, circumstances, cost (to you and your employer) and maximum credit allowed. To find out if you qualify, please send us a copy of your Certificate of Release or Discharge from Active Duty, more familiarly known as a DD-214.

If you were discharged from the United States Army, Navy, Air Force, Marine Corps or Coast Guard but do not have your copy, request one by contacting the National Archives and Records Administration, the official repository for these records. The website for requesting this information is <http://www.archives.gov/veterans/military-service-records/location/>. Or write to them at:

National Personnel Records Center  
Military Personnel Records  
9700 Page Avenue  
St. Louis, MO 63132-5100

If your military records were destroyed in the 1973 fire at the National Personnel Records Center (NPRC), the Center will issue you a Certification of Military Service, which we will also accept. Veterans who have been separated from active service, but have Reserve status, should contact the Reserve Component of the appropriate branch of service.

Veterans currently in the National Guard should contact the Adjutant General's Office of New York State. Recently discharged National Guard members, in most cases, will not be able to get their military records from NPRC until six months after discharge because of required processing.

## FAQS

### How do I know how much service I've been credited with?

Most Tier 2, 3 and 4 members can find their total service credit in their latest Member Annual Statement. Because Tier 1 members have service credit prior to the automation of our records, their Member Annual Statements generally do not include this information.

You can request an estimate of your retirement benefits if you are within 18 months of retirement eligibility. The estimate will include your total service credit, projected to your anticipated retirement date (see page 31 for more information).

### How do I claim credit for my past service?

- You must send either a Supplemental Statement of Service form (RS5042) or a letter to our Arrears Unit that includes a full description of the service you are asking to be credited.
- If you had a previous Tier 1 or 2 membership in this System or another public retirement system in New York State, you must complete an Application to Reinstate a Tier 1 or 2 Membership (RS5506).

If you had previous Tier 3 membership, or if you have an earlier date within Tier 4, you do not have to file an application. We will initiate reinstatement and give you the opportunity to purchase this credit. If your previous Tier 3 or 4 membership was with another retirement system, please write to us.
- If you were in active military duty, send us a copy of your Certificate of Release or Discharge from Active Duty (DD-214) along with your written request.

Requests for previous service credit should be mailed to:

New York State and Local Retirement System  
Member & Employer Services Bureau  
Arrears Unit  
110 State St.  
Albany, NY 12244-0001

We will send you a letter indicating the amount of previous service credit you are eligible to receive and the cost, if applicable.

**NOTE:** Even if you included information about past service on your membership application, you must still initiate the request to receive credit for it. Requesting credit well before you expect to retire allows us sufficient time to get salary and service records from your employer(s) and provides you with ample time to pay for it, if required. Also, Tier 2, 3 and 4 members must have two years of service credit in their current membership before they can receive credit for previous service. If you are requesting credit for your military service, you may have to have at least five years of service credit in your current membership, depending on the eligibility requirements of the particular law governing the crediting of this service.

Please note, if you are requesting previous service to establish eligibility for a vested retirement benefit, you should request credit while you are on the payroll of a participating employer. If you receive a cost after you leave the payroll, you must make payment within 30 days of notification. You can request this service once you are off the payroll, but you must pay the cost (if any) and return to the payroll of a participating employer for the service to be credited and to become vested.

### What are past service payments?

Past service payments are those associated with service crediting. There are two kinds of past service payments:

- **Mandatory payments** — required payment owed for service after your mem-

bership date if you are covered by a contributory retirement plan (example: contributions for Tier 3 & 4 members). If no, or insufficient, contributions were made to the Retirement System, you may owe mandatory past service payments. In that case, we notify you of the amount due. You may make a single lump sum payment to cover the cost for this service or you may request we notify your employer to begin payroll deductions to cover the cost. However, to receive the tax advantage for service on or after July 1, 1989, under section 414(h) of the Internal Revenue code, payment for mandatory past service must be made through payroll deductions (mandatory contributions are not reportable as wages for Federal income tax purposes if payment is made through payroll deductions).

- **Optional payments** — are payments required to purchase credit for your public employment prior to your membership date or for military service credit. Payment is optional. However, service is not credited until payment is made.

**NOTE:** For Tier 1 or 2 members covered by the New Career Plan (Section 75-h or 75-i) with 37½ or more years of service, purchasing credit for your previous service may not increase your pension. You may want to visit our website at <http://www.osc.state.ny.us/retire/members/projecting-your-pension.htm> to use our benefit projection calculator. Step-by-step instructions are available to guide you through the process. Try calculating your benefit with and without the credit for your previous service to determine if making the purchase is right for you.

### **How can I pay for my past service?**

If there is a cost involved to secure credit for your past service, there are three ways you can make payment:

1. A single lump sum to cover the entire cost of the past service;

2. Through payroll deductions (you may supplement payroll deductions with additional payments if you choose to pay off the balance owed sooner); or
3. Through a trustee-to-trustee transfer from your deferred compensation (457) or tax deferred annuity (403b) plan (for optional service only).

**NOTE:** If you decide on payroll deductions, the time over which you make payments cannot exceed the total amount of service credit being purchased. For example, if you are purchasing three years of service credit, payroll deductions can be made for up to three years, or until your date of retirement, whichever comes first. At the time of retirement, the total cost must be paid in full or you will receive credit only for that part of your previous service that was paid for.

### **Must I begin payment for my past service immediately?**

Except for mandatory past service payments, you may choose to purchase service at a later date. However, the cost will increase due to interest compounding annually at the rate of 5% to the date of payment.

### **Does crediting of past service change my tier status?**

If you have a previously withdrawn membership, your former date of membership may be reinstated and possibly your tier status could change. For other previous service, the additional credit may increase your retirement benefit, but does not change your tier status or date of membership.







# final average salary

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Your final average salary (FAS) is an important factor in the calculation of your retirement benefit. For all ERS members, FAS means the average of the 36 highest consecutive months of earnings in covered public employment. For most members, this is the last three years of employment. But, for some members their highest earnings may have been earlier in their career. The earnings used in the FAS calculation may be subject to certain limitations based on the date you joined the Retirement System and your membership tier. If you do not know which tier you are in, see page 8.

## All Tiers

The following payments **are** included in the FAS calculation of an ERS member:

- Overtime, if earned in the FAS period;
- Holiday pay;
- Longevity bonus (maximum of three) if paid for years used in FAS; and
- Up to 30 days vacation (for members who joined prior to April 1, 1972 or after July 26, 1976, if the FAS is based on the 36 months immediately preceding retirement).

The following **cannot** be included in the FAS calculation:

- Payment for unused sick leave;
- Any form of termination pay;
- Payments made in anticipation of retirement (employer-sponsored incentives);
- Payments made for time not worked; and
- Payments for working vacation.

Example of an unlimited 3-year FAS calculation for a member who joined before 6/17/71.

### **Earnings**

Year 1: \$39,000

Year 2: \$32,000

Year 3: \$31,000

$\$102,000 \div 3 = \mathbf{\$34,000 \text{ FAS}}$

## Limitations

Tier 1 members who joined prior to April 17, 1971 are not subject to a limitation. All members with a membership date of April 17, 1971 or later have a limitation on the amount of salary that may be used in the FAS calculation. The amount of the limitation depends upon your tier status.

## Tier 1

If your date of membership is June 17, 1971 or later, a limitation may apply to the calculation of your FAS. The earnings in any one year used in your FAS calculation cannot exceed the earnings of the previous 12 months by more than 20%. Earnings in excess of 20% will be excluded from the calculation.

A 20% increase in salary from one year to another is unusual. Therefore, most Tier 1 members are not affected by this limitation.

Example of a calculation for a Tier 1 member who joined after 6/17/71:

<b>Actual Earnings</b>	<b>Limit</b>	<b>Earnings Allowed</b>
Year 1: \$39,000	$\$32,000 \times 1.2 = 38,400$	\$38,400
Year 2: \$32,000	$\$31,000 \times 1.2 = 37,200$	\$32,000
Year 3: \$31,000	$\$26,000 \times 1.2 = 31,200$	<u>\$31,000</u>
Year 4: \$26,000		$\$101,400 \div 3 =$ <b>\$33,800 FAS</b>

The earnings in year one exceed the earnings in the previous year by more than 20% so the total earnings cannot be used.

## Tier 2

For Tier 2 members, FAS is the average of the 36 highest consecutive months of earnings (subject to additional limitations). The earnings used in any one year cannot exceed the average earnings of the previous two years by more than 20%. Earnings in excess of

20% will be excluded from the calculation. Few Tier 2 members are affected by this limitation.

Example of this calculation for a Tier 2 member:

<b>Actual Earnings</b>	<b>Limit</b>	<b>Earnings Allowed</b>
Year 1: \$39,000	$\frac{(\$32,000 + \$31,000)}{2} \times 1.2 = 37,800$	\$37,800
Year 2: \$32,000	$\frac{(\$31,000 + \$26,000)}{2} \times 1.2 = 34,200$	\$32,000
Year 3: \$31,000	$\frac{(\$26,000 + \$25,000)}{2} \times 1.2 = 30,600$	<u>\$30,600</u>
Year 4: \$26,000		$\$100,400 \div 3 =$ <b>\$33,467 FAS</b>
Year 5: \$25,000		

In the Tier 2 example, the earnings in years one and three exceed the average of the earnings in the previous two years by more than 20% so the total earnings cannot be used.

## Tiers 3 and 4

While Tier 3 and 4 members still have a three-year final average salary, the earnings limitation is lowered to 10%. The total earnings in any one year used in the FAS calculation cannot exceed the average earnings of the previous two years by more than 10%. Earnings in excess of 10% will be excluded from the calculation. As a result of this limitation, Tier 3 and 4 members are more likely to be limited in the amount of salary used in their FAS calculation.

A lump sum payment for up to 30 days of unused accumulated vacation may be included in the FAS calculation if the total compensation in that 12-month period does not exceed the 10% limitation.

Example of this calculation for a Tier 3 or 4 member:

<b>Actual Earnings</b>	<b>Limit</b>	<b>Earnings Allowed</b>
Year 1: \$39,000	$\frac{(32,000 + 31,000)}{2} \times 1.1 = 34,650$	\$34,650
Year 2: \$32,000	$\frac{(31,000 + 26,000)}{2} \times 1.1 = 31,350$	\$31,350
Year 3: \$31,000	$\frac{(26,000 + 25,000)}{2} \times 1.1 = 28,050$	<u>\$28,050</u>
Year 4: \$26,000		$\$94,050 \div 3 =$
Year 5: \$25,000		<b>\$31,350 FAS</b>

# RETIREMENT plans

---

There are various regular retirement plans available to ERS members. In a regular plan, eligibility for a retirement benefit is based on the attainment of a certain age and years of credited service. For example, a Tier 2 member covered by the New Career Plan becomes eligible for retirement at 55 with at least five years of service credit. Special retirement plans that allow for retirement after completing 20 or 25 years of creditable service without regard to age are not addressed in this book.

All examples of calculations shown in this section are subject to Federal tax. Your pension is not taxed by New York State. Each plan's example(s) uses the Single Life Allowance payment option, which provides the maximum amount payable.

If you would like to project your own benefit, visit our website at <http://www.osc.state.ny.us/retire/members/projecting-your-pension.htm> and use our benefit projection calculator. It allows you to enter different retirement dates, final average salaries and service credit totals. You will be able to get an idea of how much your annual benefit will be based on the data you enter.

# NEW CAREER PLAN

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Section 75-h (State)

Section 75-i (Local)

Tiers 1 & 2

## The Service Retirement Benefit

- If you retire with 20 or more years of service credit, your guaranteed service retirement benefit will be 1/50<sup>th</sup> (2%) of your FAS for each year of service credit. There are exceptions for service prior to April 1, 1960.
- If you made contributions to the Retirement System, your benefit will include an annuity purchased by the contributions and the interest earned. However, if you retire with an outstanding loan against those contributions, the annuity portion of your benefit will be permanently reduced and a portion of the unpaid balance may be subject to Federal income taxes.
- Under this plan, the pension portion of your retirement benefit cannot exceed 75% of your FAS (with 37½ or more years of service). However, if you are eligible for the additional service credit provided by Article 19 (see page 10), your benefit cap is raised to 79% of your FAS.
- Tier 2 members who retire with less than 30 years of service are subject to a benefit reduction if they retire before age 62. See page 27 for reductions.
- With less than 20 years of service, your benefit will be calculated under either Section 75-d (State) or Section 75-e (local). See page 25 for more information.
- If your retirement benefit exceeds 75% of your FAS (or 79% of your FAS if you are eligible for Article 19 service credit), you may qualify for a higher retirement benefit under certain circumstances:
  - For New York State employees employed by New York State on March 31, 1970, the benefit provided by Section 75-h is compared to the benefit provided by Section 75-f and the greater benefit is paid.
  - For employees of local government employers, the benefit provided by Section 75-i is compared to the benefit provided by Section 75-g and the greater benefit is paid. (See page 24 for information on Sections 75-f and 75-g.)

## New Career Plan Examples

### Example 1 (Tier 1 Age 55):

28 years of service

FAS = \$31,400

$$\frac{28 \times \$31,400}{50} = \$17,584 \text{ per year} \\ \$1,465 \text{ per month}$$

### Example 2 (Tier 2 Age 55):

28 years of service

FAS = \$31,400

$$\frac{28 \times \$31,400}{50} = \$17,584 \\ \underline{-4,747^*} \\ \$12,837 \text{ per year} \\ \$1,069 \text{ per month}$$

### Example 3 (Tier 2 Age 55):

30 years of service

FAS \$31,400

$$\frac{30 \times \$31,400}{50} = \$18,840 \text{ per year} \\ \$1,570 \text{ per month}$$

## Comparing Sections 75-h & 75-i to Sections 75-f & 75-g

45 years of service (includes Article 19 credit)

FAS \$35,000

### Calculation under Section 75-h & 75-i:

$$\frac{45 \times \$35,000}{50} = \$31,500$$

$$79\% \times \$35,000 = \$27,650 \\ \text{(maximum payable)}$$

### Calculation under Section 75-f & 75-g

$$\frac{25 \times \$35,000}{50} = \$17,500$$

$$\frac{20 \times \$35,000}{60} = + \$11,667 \\ \$29,167 \text{ per year} \\ \$2,431 \text{ per month}$$

\*27% benefit reduction at age 55.



# CAREER PLAN

---

Section 75-f (State)  
Section 75-g (Local)  
Tiers 1 & 2

## The Service Retirement Benefit

- With 25 or more years of service credit, your guaranteed service retirement benefit will be 50% of your FAS, plus 1/60<sup>th</sup> (1.66%) for each year of service credit over 25 years. There are exceptions for service prior to April 1, 1960.
- Tier 2 members with less than 30 years of service are subject to a benefit reduction if they retire before age 62. See page 27 for reductions.
- If you made contributions to the Retirement System, your benefit will also include an annuity purchased by your contributions and the interest earned. However, if you retire with an outstanding loan against those contributions, the annuity portion of your benefit will be permanently reduced and a portion of the unpaid balance may be subject to Federal income taxes.
- With less than 25 years of service credit, local employees covered by this plan will have their benefit calculated under Section 75-e. State employees, please refer to page 22, the New Career Plan.

## Career Plan Examples

### Example 1 (Tier 1 Age 55):

29 years of service  
FAS = \$35,000

$$\frac{25 \times \$35,000}{50} = \$17,500$$
$$\frac{4 \times \$35,000}{60} = + 2,333$$

\$19,833 per year  
\$1,652 per month

### Example 2 (Tier 2 Age 55):

29 years of service  
FAS \$35,000

$$\frac{25 \times \$35,000}{50} = \$17,500$$
$$\frac{4 \times \$35,000}{60} = + 2,333$$

\$19,833  
- 5,355\*  
\$14,478 per year  
\$1,206 per month

### Example 3 (Tier 2 Age 55):

30 years of service  
FAS \$35,000

$$\frac{25 \times \$35,000}{50} = \$17,500 \text{ per year}$$
$$\frac{5 \times \$35,000}{60} = + 2,916$$

\$20,416 per year  
\$1,701 per month

\*27% benefit reduction at age 55.

# NON-CONTRIBUTORY PLAN WITH GUARANTEED BENEFITS

---

Section 75-d (State)  
Section 75-e (Local)  
Tiers 1 & 2

## The Service Retirement Benefit

At retirement, you will receive a pension equal to:

- $1/60^{\text{th}}$  (1.66 percent) of your FAS for each year of service credit earned.
- Tier 2 members with less than 30 years of service are subject to a benefit reduction if they retire before 62. See page 27 for reductions.
- If you made contributions to the Retirement System, your benefit will include an annuity purchased by your contributions and the interest earned. However, if you retire with an outstanding loan against those contributions, the annuity portion of your benefit will be permanently reduced and a portion of the unpaid balance may be subject to Federal income taxes.

## Non-contributory Plan with Guaranteed Benefits Examples

Example 1 (Tier 1 Age 55 or Tier 2 Age 62):

17 years of service  
FAS \$35,000

$$\frac{17 \times \$35,000}{60} = \begin{array}{l} \$9,916 \text{ per year} \\ \$826 \text{ per month} \end{array}$$

Example 2 (Tier 2 Age 55):

17 years of service  
FAS \$35,000

$$\frac{17 \times \$35,000}{60} = \begin{array}{l} \$9,916 \\ \underline{-2,677}^* \\ \$7,239 \text{ per year} \\ \$603 \text{ per month} \end{array}$$

\*27% benefit reduction at age 55.

# ARTICLE 15

---

## Tiers 3 & 4

### Service Retirement Benefit

- If you retire with less than 20 years of service credit, your pension will equal 1/60<sup>th</sup> (1.66%) of your FAS for each year of service.
- With 20 to 30 years of service credit, your service retirement benefit will equal 1/50<sup>th</sup> (2%) of your FAS multiplied by your years of credited service.
- For each year of credited service beyond 30 years, the benefit will increase by 3/200<sup>ths</sup> (1.5%) of your FAS.
- With less than 30 years of credit, if you choose to retire before 62, your benefit will be subject to a reduction. See page 27 for reductions.

### Article 15 Examples

#### Example 1 (Age 62):

17 years of service  
FAS \$35,000

$$\frac{17 \times \$35,000}{60} = \$9,916 \text{ per year} \\ \$826 \text{ per month}$$

#### Example 2 (Age 55):

17 years of service  
FAS \$35,000

$$\frac{17 \times \$35,000}{60} = \$9,916 \\ - 2,677 * \\ \$7,239 \text{ per year} \\ \$603 \text{ per month}$$

#### Example 3 (Age 62):

22 years of service  
FAS \$35,000

$$\frac{22 \times \$35,000}{50} = \$15,400 \text{ per year} \\ \$1,283 \text{ per month}$$

#### Example 4 (Age 55):

22 years of service  
FAS \$35,000

$$\frac{22 \times \$35,000}{50} = \$15,400 \\ - 4,158 * \\ \$11,242 \text{ per year} \\ \$937 \text{ per month}$$

#### Example 5 (Age 55):

32 years of service  
FAS \$35,000

$$\frac{30 \times \$35,000}{50} = \$21,000 \\ (.015 \times 2**) \times 35,000 = + 1,050 \\ \$22,050 \text{ per year} \\ \$1,837 \text{ per month}$$

In example 5, the member has more than 30 years of service. Therefore there is no benefit reduction.

\*27% benefit reduction at age 55.

\*\*Number of years over 30

## BENEFIT REDUCTIONS

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Your age at retirement could directly impact the amount of your retirement benefit. The regular service retirement benefit of Tier 2, 3 and 4 members who retire before 62 with less than 30 years of service credit will be permanently reduced. Benefit reductions are prorated by month. The reduction to your annual benefit if you retire at 55 with less than 30 years of service credit is 27%. The closer your retirement date is to age 62, the less the reduction will be. For example, if you were to retire at age 56 and five months with less than 30 years of service credit, your annual benefit would be reduced by 22.75%. The reduction drops 3% each year until age 60 when it begins to drop 6% each year.

<b>Age at Retirement</b>	<b>=</b>	<b>Reduction</b>
Age 62	=	0%
Age 61	=	6%
Age 60	=	12%
Age 59	=	15%
Age 58	=	18%
Age 57	=	21%
Age 56	=	24%
Age 55	=	27%

It is important to know that once you retire with a reduced benefit, the reduction is permanent — it does not end when you turn 62. Benefit reductions do not apply if you retire between 55 and 62 with 30 or more years of service credit. You will receive the full monthly benefit payable under the retirement option you select.

# A SUMMARY OF ELIGIBILITY REQUIREMENTS FOR SERVICE RETIREMENT

---

## Regular Retirement Plans

### Tier 1

- Age 55
- No minimum service required

## Tiers 2, 3 & 4

- Have five or more years of credited member service
- Age 62 with full benefit
- Age 55 but less than 62 with benefit reduction
- With 30 or more years of service credit, may retire as early as 55 with **no** reduction

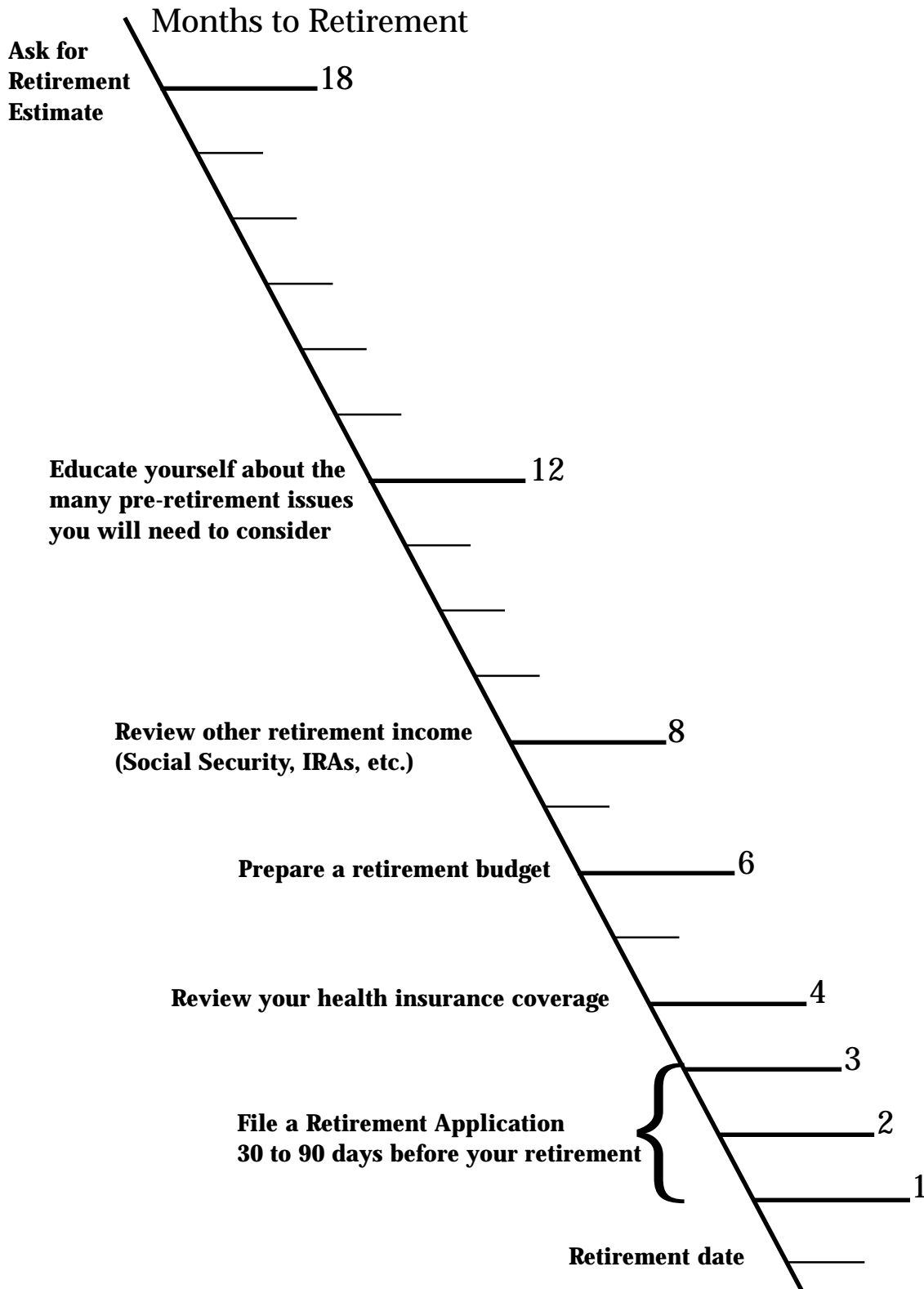
# PREPARING FOR YOUR retirement

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This section gives you step-by-step instructions on what you can do to prepare for retirement.

# COUNTDOWN TO RETIREMENT

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## Commit to Paying Off Your Retirement System Loan(s)

Many members take advantage of our loan program. However, it is very much to your advantage, as you near retirement, to commit to paying off (or at least substantially reducing) your Retirement System loan balances. A portion of any remaining balance at retirement may be reportable as ordinary income and subject to Federal income tax.

Additionally, if you are a Tier 1 or 2 member with outstanding loans, your pension will not be affected, but the balance remaining on your loans will *permanently* reduce your annuity. That is because your loans are paid off by your contributions at retirement and large outstanding loans could substantially reduce your contribution balance.

Tier 3 and 4 members with outstanding loan balances will have a *permanent* reduction to their pension. Though your pension is reduced to cover the cost of your outstanding loan balances, your benefit *will not increase*, even when the loan balances could have been paid off, over time, by the amount of the reduction.

Here are examples of how an outstanding loan at retirement permanently reduces the pension benefit for Tier 3 and 4 members. The approximate reductions shown are for calendar year 2007. The reduction amounts change annually.

<b>Retirement At Age:</b>	<b>Outstanding Loan Balance:</b>	<b>Annual Pension Reduction:</b>
55	\$5,000	\$340
	\$10,000	\$680
62	\$5,000	\$385
	\$10,000	\$770

You may pay off your loan sooner by increasing the amount of your loan payment deducted from your salary. Send us a letter indicating the amount you would like your

payments increased to — we will notify your payroll department. Or, you may send additional payments directly to us — be sure to indicate the payment is to be applied to your loan. These additional payments must be a minimum of \$100 and should not be submitted more than once a month. Send your letter and/or payments, along with your name, address and registration number to:

New York State and Local Retirement System  
Member & Employer Services Bureau  
Loan Unit  
110 State St.  
Albany, NY 12244-0001

## Request a General Estimate

Though our benefit projection calculator and your Member Annual Statement give you a good idea of what you can expect to receive when you retire, when you are within 18 months of your retirement date, you will want a more precise estimate of your retirement benefits. You can receive this information by completing a Request for Estimate (RS6030) form or by writing our Benefit Calculations and Disbursement Services Bureau. Include in your letter your estimated retirement date, the name and birth date of your intended beneficiary and your public employment history, including military service.

A general estimate provides information about your retirement benefits and the approximate amount you can expect to receive monthly under each of the available retirement options. It also allows you to confirm:

- Your membership date;
- Your approximate final average salary;
- Your total years of credited service;
- Your total member contributions (if applicable);
- The amount of your outstanding loan balances (if applicable) and how much your benefit will increase if you pay off the loans before retiring;



- The retirement plan used to determine your benefit; and
- The name and birth date of your current beneficiary.

Be sure to review your general estimate carefully and report any inconsistencies to us as soon as possible. If you decide not to retire, you may request a new general estimate 18 months after receiving your initial estimate.

On pages 35 to 40 you will find a Request for Estimate form (RS6030) and sample estimates.

## Locate Proof of Your Birth Date

We must have proof of your birth date before any benefits can be paid. In most cases, a photocopy of the document is acceptable — but if you send us the original, we will return it to you.

If you do not have a birth certificate, we will also accept one of the following documents:

1. Baptismal Certificate;
2. Certificate of Release or Discharge from Active Duty (DD-214);
3. Passport; or
4. Naturalization Papers.

If you do not have one of these documents readily available, now is the time to hunt them down or arrange to get a replacement. This is especially important if you have to write to an out-of-state registry or a foreign country for an acceptable document. If you intend to choose a retirement option that provides a lifetime benefit to a beneficiary (one of the Joint or Pop-Up options), we also require proof of your beneficiary's birth date.

The National Center for Health Statistics' website contains information for each state on where to write for vital records such as your birth certificate and the cost. Visit their site at [www.cdc.gov/nchs/howto/w2w/w2welcom.htm](http://www.cdc.gov/nchs/howto/w2w/w2welcom.htm).

If you are unable to provide one of these

documents, please contact us for information about alternate types of proof that are acceptable.

You may forward proof of your and/or your beneficiary's birth dates to us anytime before your retirement date. Be sure to include your name, address and registration number with any documents you want included in your records.

## Review Your Domestic Relations Order

*If you are divorced* and agreed to or were ordered by the court to, have a portion of your pension benefits paid to your ex-spouse, make sure we have a valid Domestic Relations Order (DRO) onfile. You will also want to review the terms of the DRO. In some cases, the court may have ordered you to select an option to protect your ex-spouse.

*If you are in the process of divorcing*, you should know that the New York State Court of Appeals has determined that your retirement benefits constitute marital property and are subject to the equitable distribution provisions of the Domestic Relations Law.

Equitable distribution is the fair division of marital assets between husband and wife after the marriage has ended. You can come to an agreement on how your pension should be divided or have the court make the decision based on your and your ex-spouse's attorneys' recommendations.

The most commonly used equitable distribution formula for a public pension was established by the State Court of Appeals in *Majauskas v. Majauskas*. This formula provides your former spouse with one-half of that part of your pension that was earned while you were married:

$$\begin{array}{r}
 \text{Your maximum benefit} \\
 \times \\
 \text{The service credit you earned during the} \\
 \text{time you were married and were a member} \\
 \text{of the Retirement System} \\
 \div \\
 \text{Your total credited service} \\
 \times \frac{1}{2} = \\
 \text{The portion distributed to your ex-spouse}
 \end{array}$$

Any division of your pension must be stated in the form of a DRO. This is a legal document issued by a court and directed to retirement plans administered by public employers. It provides us with specific direction on how to divide your pension benefits between you and your ex-spouse. We will honor a properly drawn DRO issued by a New York State Court. We will also honor an out-of-state order if you submit to us a notarized statement:

- Consenting to the laws of New York State;
- Authorizing us to make payments from your retirement benefit in accordance with the provisions of the order; and
- Releasing us from any liability whatsoever as a consequence of any payments based upon that order.

We suggest your attorney send us a proposed DRO for review prior to entry in court. Orders that are vague, contain inconsistent or contradictory provisions, or are contradictory to plan requirements or New York State law, will be rejected. We currently average a 30-day response time on all proposed and final DROs.

You will find examples of DROs on pages 41 to 44. If your attorney has any questions on this matter, please have him or her call our Matrimonial Unit at 518-474-1253.

## Review Other Income Sources

A sound financial plan is crucial for a comfortable retirement. At least eight months before you plan to retire, review other sources of retirement income such as savings, investments, a pension from private employment, proceeds from a deferred compensation plan or perhaps income from post-retirement employment.

Experts tell us you will need at least 80% of your pre-retirement income to maintain your current standard of living. The average retiree receives about 20% of his or her post-retirement income from Social Security. If your earnings have been below average, Social Security may replace more of your income, while an above average income means a lower percentage will be replaced.

The Social Security Administration provides annual statements to workers three months before their birthday. These statements estimate your Social Security retirement and disability benefits. For more information, call the Social Security Administration toll-free at 800-772-1213 or visit their website at [www.ssa.gov](http://www.ssa.gov) to calculate your Social Security benefit, request a statement of your earnings and review information on Medicare, disability benefits and planning for your retirement. Their website will help you to locate your nearest Social Security Administration office.

The date you choose to start receiving your Social Security benefits could mean more money for you. Be sure to use the Benefit Eligibility Screening Tool, also available on the Social Security Administration's website, if you want to begin receiving your Social Security payments within the next four to 12 months.

## Prepare a Retirement Budget

Once you determine what your expected income will be, it is time to prepare a budget. Having a budget allows you to decide how you want to spend your money and aids you in keeping your long-term goals in focus.

You will need to determine how you spend your money, so it is a good idea to keep track of your expenses over a month or two. Do not forget to include expenses that occur periodically, such as car insurance or property and school taxes. You will also want to include an amount set aside for an emergency fund and/or savings for future goals. We have included a set of work sheets to help you in your budget preparation on pages 45 to 47.

## Review Your Health Insurance Coverage

We do not administer health insurance programs for retirees. Before you retire, check with your employer's health benefits administrator to determine your eligibility for post-retirement coverage for yourself and your family. The administrator will be able to provide you with information concerning the type of coverage available, the cost, and how much you must pay. If you are not eligible for coverage after retirement or you need supplemental coverage, you should investigate private health insurance well in advance of retiring.

For New York State employees and retirees, the New York State Department of Civil Service administers the New York State Health Insurance Program (NYSHIP). Your health benefits administrator should be able to answer your questions about your coverage as a retiree or visit the Department of Civil Service's website at [www.cs.state.ny.us](http://www.cs.state.ny.us) to learn more.



Office of the New York State Comptroller  
 New York State and Local Retirement System  
 Employees' Retirement System  
 Police and Fire Retirement System  
 110 State Street, Albany, New York 12244-0001

FOR OFFICE USE Ready: _____ Review: _____ Approve: _____	RECEIVED
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# Request for Estimate

## RS 6030

(Rev. 2/05)

**Please print plainly or type.**  
**Complete items 1 through 12**  
**This request must be signed by member requesting information.**  
**All information is subject to verification.**

**NOTE: THIS IS NOT A RETIREMENT APPLICATION**

INFORMATION ABOUT YOU						
1. Name (First, Middle Initial, Last)			2. Address			
3. Social Security Number*			.....			
4. Registration Number			.....			
5. Estimated Date of Retirement			6. Date of Birth		7. Home Telephone Number (    )	
Month	Day	Year	Month	Day	Year	Work Telephone Number (    )

\*Social Security Number required. (See statement on reverse side)

INFORMATION ABOUT YOUR PUBLIC EMPLOYMENT AND MEMBERSHIP(S)								
8. To the best of your ability, please complete the following record of your <b>PUBLIC SERVICE</b> , including service in the armed forces.								
EMPLOYER (Indicate whether State, County, City Town, Village, etc.)	Department or Agency	Title of Position	SERVICE					
			FROM			TO		
			Mth	Day	Year	Mth	Day	Year

9. Are you a member of both the NYS and Local Employees' Retirement System and the NYS and Local Police and Fire Retirement System, or any other Public Retirement System?
- Yes - Under what System? \_\_\_\_\_  
 What Registration Number? \_\_\_\_\_
- No
10. Have you ever been a member of the NYS and Local Employees' Retirement System, the NYS and Local Police and Fire Retirement System, or any other Public Retirement System under a different name or registration number?
- Yes - Under what Name? \_\_\_\_\_  
 What System? \_\_\_\_\_  
 What Registration Number? \_\_\_\_\_
- No

**YOU MUST COMPLETE OTHER SIDE**

<b>11. INFORMATION ABOUT YOUR INTENDED BENEFICIARY</b> If you would like the amounts payable under the Joint Life Allowances, only one intended beneficiary may be listed and you must indicate his or her date of birth. <b>NOTE: This is not a designation of beneficiary.</b>		
Name (First, Middle Initial, Last)	Beneficiary's Sex Male <input type="checkbox"/>	Beneficiary's Social Security Number
Address ..... ..... .....	Female <input type="checkbox"/>	
	Relationship (If Any)	Beneficiary's Date of Birth Month   Day   Year

12. Please sign your name in full below.
Your Signature:

**AS YOU NEAR RETIREMENT, YOU SHOULD BE AWARE OF THE FOLLOWING**

**FILING A RETIREMENT APPLICATION**

An application for retirement must be on file with the Retirement System for at least 30 days but not more than 90 days before your retirement can become effective.

Documentary evidence of your date of birth must be submitted before any benefit can be paid.

**OPTIONS**

Proof of your beneficiary's date of birth will be required if you select any of the Joint Allowance Options (i.e. the Joint Allowance-Full, Joint Allowance-Half, various percentage options, Pop-Up Joint Allowance-Full or Joint Allowance-Half Options).

**EXCESS CONTRIBUTIONS (TIER 1 AND 2 ONLY)**

All or any excess contributions in your annuity savings account may be withdrawn by filing application for Refund of Excess Contributions (RS 5195). The application must be received in the Retirement System **before** the effective date of your retirement.

**INFORMATION**

Retirement System Information Representatives travel throughout New York State meeting with members and retirees. If you would like additional information or explanation, see a representative when one is in your vicinity, or contact our Call Center toll-free at 1-866-805-0990, or at 474-7736 if you live in the Albany area. Information is also available on our website at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).

**POST RETIREMENT EMPLOYMENT**

All paid public employment must cease at the time of your retirement. There are laws governing employment after retirement and if you plan to be employed by or contract with a public employer, it is important for you to know about them. You may obtain information by writing to the Post-Retirement Employment Section, New York State and Local Retirement System, Albany, New York 12244.

**PERSONAL PRIVACY PROTECTION LAW**

In accordance with the Personal Privacy Law you are hereby advised that pursuant to the Retirement and Social Security Law, the Retirement System is required to maintain records. The records are necessary to determine eligibility for and to calculate benefits. Failure to provide information may result in the failure to pay benefits. The System may provide certain information to participating employers. The official responsible for maintaining these records is the Director of Member Services, New York State and Local Retirement System, Albany, New York 12244 or toll-free at 1-866-805-0990 or 474-7736 in the Albany area.

**SOCIAL SECURITY DISCLOSURE REQUIREMENT**

In accordance with the Federal Privacy Act of 1974, you are hereby advised that disclosure of the Social Security Account Number is mandatory pursuant to Sections 11, 34, 311 and 334 of the Retirement and Social Security Law. The number will be used in identifying retirement records and in the administration of the Retirement System.

# Sample Estimate: Tier 1 and 2



New York State and Local Retirement System  
Employees' Retirement System  
Police and Fire Retirement System

**This is an estimate for a Tier 1 member. For a Tier 2 member, early retirement reductions would apply.**

## GENERAL ESTIMATE

NAME:  
DATE:

REG. NO.:

THIS IS AN ESTIMATE. IT IS NOT A GUARANTEE OF ANY KIND, NOR IS IT A PRESENTATION OF THE EXACT AMOUNTS YOU WILL RECEIVE WHEN YOU RETIRE.

SHOWN BELOW ARE THE AMOUNTS PAYABLE UNDER THE VARIOUS OPTIONS AND A BRIEF DESCRIPTION OF THE OPTIONS. THE FIGURES IN THE ESTIMATE ARE BASED ON THE FOLLOWING:

RETIREMENT DATE USED: SEPTEMBER 30, 2004  
TYPE OF RETIREMENT: SECTION 75H  
DATE OF BIRTH: MARCH 1, 1946

TOTAL SERVICE: 28.25 YEARS  
FINAL AVERAGE SALARY: \$31,400  
CONTRIBUTIONS PLUS INTEREST: \$0

BENEFICIARY ON FILE:  
BENEFICIARY BIRTH DATE: SEPTEMBER 25, 1946

Single Life Allowance (Option 0)	This maximum lifetime retirement allowance pays <b>\$1,478</b> per month. There is no form of payment to any beneficiary after your death.
Annual Pension:	\$17,741 + Annual Annuity: \$0 = Annual Allowance: \$17,741

Description of Cash Refund Contributions (Option 1/2)	If a member dies before receiving annuity payments equal to member contributions including interest, the balance will be paid to the beneficiary. Since you have no member contributions on deposit, this option would not apply to you.
---	--

Cash Refund Initial Value (Option 1)	This reduced lifetime allowance pays <b>\$1,412</b> per month. If you die before receiving allowance payments equal to \$229,640 the remainder will be paid to your beneficiary. If your beneficiary dies first, we will pay your Estate or another beneficiary you may name. Since each allowance payment reduces the Initial Value, there will be no remainder to your beneficiary if you die after April 17, 2017.
<u>AVAILABLE TO TIER 1 MEMBERS ONLY</u>	
Annual Pension:	\$16,946 + Annual Annuity: \$0 = Annual Allowance: \$16,946

Joint Allowance Full (Option 2)	This reduced lifetime allowance pays <b>\$1,293</b> per month. If you die before your beneficiary, we will pay your beneficiary <b>\$1,293</b> per month for life. If your beneficiary dies first payments will stop at your death. Your beneficiary cannot be changed after the last day of the month in which you retire.
Annual Pension:	\$15,516 + Annual Annuity: \$0 = Annual Allowance: \$15,516

Joint Allowance Half (Option 3) This reduced lifetime allowance pays **\$1,380** per month. If you die before your beneficiary, we will pay your beneficiary **\$690** per month for life. If your beneficiary dies first, payments will stop at your death. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Pension: \$16,554 + Annual Annuity: \$0 = Annual Allowance: \$16,554

Five Year Certain This reduced lifetime allowance pays **\$1,467** per month. If you die within five years of retirement, payments of **\$1,467** per month will be continued to your beneficiary for the remainder of the five year period. You may change your beneficiary any time before September 30, 2009. If you live for more than five years after retirement, all payments stop at your death.

Annual Pension: \$17,604 + Annual Annuity: \$0 = Annual Allowance: \$17,604

Ten Year Certain This reduced lifetime allowance pays **\$1,439** per month. If you die within ten years of retirement, payments of **\$1,439** per month will be continued to your beneficiary for the remainder of the ten year period. You may change your beneficiary any time before September 30, 2014. If you live for more than ten years after retirement, all payments stop at your death.

Annual Pension: \$17,264+ Annual Annuity: \$0 = Annual Allowance: \$17,264

Pop-Up Joint Allowance Full This reduced lifetime allowance pays **\$1,273** per month. If you die before your beneficiary, we will pay **\$1,273** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$1,478** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Pension: \$15,276+ Annual Annuity: \$0 = Annual Allowance: \$15,276

Pop-Up Joint Allowance Half This reduced lifetime allowance pays **\$1,368** per month. If you die before your beneficiary, we will pay **\$684** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$1,478** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Pension: \$16,418 + Annual Annuity: \$0 = Annual Allowance: \$16,418

For Office Use: Case #: 00007 Unit ID: Unit C3 User ID: Rt019  
12.944 0.9552 0.8746 0.9331 0.9923 0.9731 0.8611 0.9254 0.000

# Sample Estimate: Tier 3 & 4 Article 15



New York State and Local Retirement System  
 Employees' Retirement System  
 Police and Fire Retirement System

## GENERAL ESTIMATE

NAME:  
 DATE:

REG. NO.:

THIS ESTIMATE IS NOT A PRESENTATION OF THE EXACT AMOUNTS YOU WILL RECEIVE WHEN YOU RETIRE.

SHOWN BELOW ARE THE AMOUNTS PAYABLE UNDER THE VARIOUS OPTIONS AND A BRIEF DESCRIPTION OF THE OPTIONS. THE FIGURES IN THE ESTIMATE ARE BASED ON THE FOLLOWING:

RETIREMENT DATE USED: SEPT. 27, 2004  
 TYPE OF RETIREMENT: ARTICLE 15  
 DATE OF BIRTH: AUGUST 24, 1942

TOTAL SERVICE: 21.47 YEARS  
 FINAL AVERAGE SALARY: \$37,442  
 CONTRIBUTIONS PLUS INTEREST: \$25,184

BENEFICIARY ON FILE:

BENEFICIARY DOB: AUGUST 23, 1943

Single Life Allowance (Option 0)	This maximum lifetime retirement allowance pays <b>\$1,331</b> per month. There is no form of payment to any beneficiary after your death.	
Annual Allowance: \$15,979		
Joint Allowance Full (Option 1)	This option provides a reduced retirement allowance of <b>\$1,146</b> per month. It is based on your life expectancy and the life expectancy of your beneficiary. If you die before your beneficiary, your beneficiary will receive the same monthly allowance for life. If your beneficiary dies before you, all payments will stop at your death. Only one beneficiary may be named and the beneficiary cannot be changed.	
Annual Allowance: \$13,756		
Joint Allowance Partial (Option 2)	This option provides a reduced monthly retirement allowance. It is based on your life expectancy and the life expectancy of your beneficiary. If you die before your beneficiary, a percentage of your retirement allowance will be paid to your beneficiary for life. If your beneficiary dies before you, all payments will stop at your death. Only one beneficiary may be named and the beneficiary cannot be changed.	
	ANNUAL ALLOWANCES	MONTHLY ALLOWANCES
	75%    \$14,251	\$1,187
	50%    \$14,785	\$1,232
	25%    \$15,359	\$1,279



Five Year  
Certain  
(Option 3)

This option provides a reduced lifetime retirement allowance of **\$1,318** per month. If you die within five years of retirement, payments of **\$1,318** per month will be continued to your beneficiary for the remainder of the five year period. You may change your beneficiary(ies) at any time before September 27, 2009. If you live more than five years after retirement, all payments stop at your death.

ANNUAL ALLOWANCE: \$15,819

Ten Year  
Certain  
(Option 4)

This option provides a reduced lifetime retirement allowance of **\$1,285** per month. If you die within ten years of retirement, payments of **\$1,285** per month will be continued to your beneficiary for the remainder of the ten year period. You may change your beneficiary(ies) any time before September 27, 2014. If you live more than ten years after retirement, all payments stop at your death.

ANNUAL ALLOWANCE: \$15,431

Pop-Up Joint  
Allowance Full  
(Option 5)

This reduced lifetime allowance pays **\$1,124** per month. If you die before your beneficiary, we will pay **\$1,124** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$1,331** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Allowance: \$13,489

Pop-Up Joint  
Allowance Half  
(Option 5)

This reduced lifetime allowance pays **\$1,219** per month. If you die before your beneficiary, we will pay **\$609** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$1,331** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Allowance: \$14,629

For Office Use: Case #: 00006                      Unit ID: Unit C3                      User ID: Rt019  
10.698    0.8609    0.8919    0.9253    0.9612    0.9900    0.9657    0.8442    0.9155

# DRO Sample 1

At a Matrimonial Special Term  
of the Supreme Court Part \_\_\_\_,  
held in and for the County of  
\_\_\_\_\_ at \_\_\_\_\_,  
\_\_\_\_\_, New York on the  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

PRESENT: HON. \_\_\_\_\_  
Justice Presiding

STATE OF NEW YORK: County of:

\_\_\_\_\_,  
Plaintiff

\_\_\_\_\_,  
Defendant.

DOMESTIC RELATIONS ORDER  
INDEX NO. \_\_\_\_\_  
CAL. NO. \_\_\_\_\_

This Court having granted a Judgment of Divorce on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by the  
HON. \_\_\_\_\_, and filed in the \_\_\_\_\_ County Clerk's Office on the \_\_\_\_ day of  
\_\_\_\_\_, 20\_\_, and upon the stipulation entered into by the parties and ratified in open court on the  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_, and it appearing to the court as follows:

1. The parties hereto were formerly husband and wife.

2. This order is made pursuant to the Judgment of Divorce granted on the \_\_\_\_ day of \_\_\_\_\_,  
20\_\_, and filed in the \_\_\_\_\_ County Clerk's Office on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_,  
which Judgment of Divorce incorporated but did not merge the provisions of an oral stipulation entered into and  
ratified in open court on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

3. The parties hereto were married on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ and an action for a  
divorce was commenced on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

4. \_\_\_\_\_ is hereafter referred to as PARTICIPANT in the New York State and  
Local Retirement System.

5. \_\_\_\_\_ is hereafter referred to as ALTERNATE PAYEE in the  
New York State and Local Retirement System.

6. The current and last known mailing address of PARTICIPANT is \_\_\_\_\_ and  
his/her social security number is \_\_\_\_\_.

7. The current and last known mailing address of ALTERNATE PAYEE is  
\_\_\_\_\_, and his/her social security number is \_\_\_\_\_.

8. To accommodate the marital property distribution between the parties, it is hereby  
ORDERED, that the New York State and Local Retirement System, to the extent to which it has accrued  
during the marriage is marital property; and it is further

ORDERED, that the Plan Administrator issue separate checks to the PARTICIPANT and the ALTERNATE  
PAYEE for their respective interests in the plan at the time the benefits become payable; and it is further

ORDERED, that at such time as PARTICIPANT has retired from and is actually receiving a retirement  
allowance from the New York State and Local Retirement System, the said New York State and Local Retirement  
System, in accordance with the Equitable Distribution Law, and in accordance with the formula devised in the

case of Majauskas v. Majauskas is directed to pay to ALTERNATE PAYEE from PARTICIPANT'S retirement allowance, \_\_\_\_\_ percent of a fraction of PARTICIPANT'S monthly retirement allowance; and it is further

ORDERED, the numerator shall be \_\_\_\_ months (representing the number of months of service credit accrued during the marriage) and the denominator shall be the total number of months of service credit in the New York State and Local Retirement Systems which PARTICIPANT has at the time of retirement. The term "retirement allowance" as used herein, shall be deemed to include any annuity as well as supplemental retirement allowance which is paid by the said New York State and Local Retirement System to PARTICIPANT; and it is further

ORDERED, PARTICIPANT is directed to designate the ALTERNATE PAYEE as beneficiary of the New York State and Local Retirement System pension plans, as consistent with the Property Settlement Agreement placed on the record, so that in the event the PARTICIPANT dies prior to retirement, the ALTERNATE PAYEE shall receive his/her pro-rata share of any survivor benefits calculated pursuant to the formula herein above set forth; and it is further

ORDERED, PARTICIPANT is directed to elect at the time of retirement, assuming the ALTERNATE PAYEE is then living, to receive the retirement allowance pursuant to the terms of a Special Joint Allowance Option to be prepared by the Retirement System for the purpose of providing the ALTERNATE PAYEE, upon the PARTICIPANT'S death, with a monthly retirement allowance payable for life based upon the distribution calculated pursuant to the formula herein above set forth; and it is further

ORDERED, that nothing contained in this Order shall, in any way, require the New York State and Local Retirement System to provide any form, type or amount of benefit not otherwise available by law; and it is further

ORDERED, that the New York State and Local Retirement System shall have no obligation or responsibility as a consequence of this action apart from the specific direction contained in this Order; and it is further

ORDERED, in the event of change of address of said ALTERNATE PAYEE, he/she will immediately notify, in writing, the New York State and Local Retirement System, 110 State Street, Albany, New York, 12244; and it is further

ORDERED, that this Order shall not require the Retirement System to pay any benefits to an ALTERNATE PAYEE, including spouse, which are required to be paid to another ALTERNATE PAYEE; and it is further

ORDERED, that this Order is to be deemed appropriate to effectuate the division of the retirement benefits earned by the PARTICIPANT, pursuant to his/her participation in the New York State and Local Retirement System; and it is further

ORDERED, that this Court retained jurisdiction to implement and supervise the payment of retirement benefits as provided herein should either party or the Plan Administrator make such application, and the Court determines such to be appropriate and necessary.

E N T E R

\_\_\_\_\_  
J.S.C.

GRANTED: \_\_\_\_\_

\_\_\_\_\_  
Court Clerk

# DRO Sample 2

At a Matrimonial Special Term  
of the Supreme Court Part \_\_\_\_,  
held in and for the County of  
\_\_\_\_\_ at \_\_\_\_\_,  
\_\_\_\_\_, New York on the  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

PRESENT: HON. \_\_\_\_\_  
Justice Presiding

STATE OF NEW YORK: County of:

\_\_\_\_\_,  
Plaintiff

\_\_\_\_\_,  
Defendant.

DOMESTIC RELATIONS ORDER  
INDEX NO. \_\_\_\_\_  
CAL. NO. \_\_\_\_\_

This Court having granted a Judgment of Divorce on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by the  
HON. \_\_\_\_\_, and filed in the \_\_\_\_\_ County Clerk's Office on the \_\_\_\_ day of \_\_\_\_\_,  
20\_\_, and upon the stipulation entered into by the parties and ratified in open court on the \_\_\_\_ day of  
\_\_\_\_\_, 20\_\_, and it appearing to the court as follows:

1. The parties hereto were formerly husband and wife.

2. This order is made pursuant to the Judgment of Divorce granted on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_,  
and filed in the \_\_\_\_\_ County Clerk's Office on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, which  
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Retirement System.

5. \_\_\_\_\_ is hereafter referred to as ALTERNATE PAYEE in the New York State and  
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\_\_\_\_\_, and his/her social security number is \_\_\_\_\_.

8. To accommodate the marital property distribution between the parties, it is hereby  
ORDERED, that the New York State and Local Retirement System, to the extent to which it has accrued  
during the marriage is marital property; and it is further

ORDERED, that the Plan Administrator issue separate checks to the PARTICIPANT and the ALTERNATE  
PAYEE for their respective interests in the plan at the time the benefits become payable; and it is further

ORDERED, that at such time as PARTICIPANT has retired from and is actually receiving a retirement

allowance from the New York State and Local Retirement System, the said New York State and Local Retirement System, in accordance with the Equitable Distribution Law, and in accordance with the formula devised in the case of Majauskas v. Majauskas is directed to pay to ALTERNATE PAYEE from PARTICIPANT'S retirement allowance, \_\_\_\_\_ percent of a fraction of PARTICIPANT'S maximum monthly retirement allowance prior to any optional modification; and it is further

ORDERED, the numerator shall be \_\_\_\_ months (representing the number of months of service credit accrued during the marriage) and the denominator shall be the total number of months of service credit in the New York State and Local Retirement System which PARTICIPANT has at the time of retirement. The term "retirement allowance" as used herein, shall be deemed to include any annuity as well as supplemental retirement allowance which is paid by the said New York State and Local Retirement System to PARTICIPANT; and it is further

ORDERED, PARTICIPANT is directed to designate the ALTERNATE PAYEE as beneficiary of the New York State and Local Retirement System pension plans, as consistent with the Property Settlement Agreement placed on the record, so that in the event the PARTICIPANT dies prior to retirement, the ALTERNATE PAYEE shall receive his/her pro-rata share of any survivor benefits calculated pursuant to the formula herein above set forth; and it is further

ORDERED, that nothing contained in this Order shall, in any way, require the New York State and Local Retirement System to provide any form, type or amount of benefit not otherwise available by law; and it is further

ORDERED, that the New York State and Local Retirement System shall have no obligation or responsibility as a consequence of this action apart from the specific direction contained in this Order; and it is further

ORDERED, in the event of change of address of said ALTERNATE PAYEE, he/she will immediately notify, in writing, the New York State and Local Retirement System, 110 State Street, Albany, New York, 12244; and it is further

ORDERED, that this Order shall not require the Retirement System to pay any benefits to an ALTERNATE PAYEE, including spouse, which are required to be paid to another ALTERNATE PAYEE; and it is further

ORDERED, that this Order is to be deemed appropriate to effectuate the division of the retirement benefits earned by the PARTICIPANT, pursuant to his/her participation in the New York State and Local Retirement System; and it is further

ORDERED, that this Court retained jurisdiction to implement and supervise the payment of retirement benefits as provided herein should either party or the Plan Administrator make such application, and the Court determines such to be appropriate and necessary.

E N T E R

GRANTED: \_\_\_\_\_

\_\_\_\_\_  
Court Clerk

\_\_\_\_\_  
J.S.C.

# MONTHLY EXPENSES WORKSHEET

---

Item	Present	Anticipated
<b>SHELTER</b>		
Rent	\$ _____	\$ _____
Mortgage Payments	_____	_____
Real Estate Taxes	_____	_____
Insurance	_____	_____
<b>HOUSEHOLD MAINTENANCE</b>		
Repairs, House & Grounds	_____	_____
Water, Electricity, etc.	_____	_____
Fuel	_____	_____
Telephone	_____	_____
Waste Disposal	_____	_____
Hired Help	_____	_____
Other	_____	_____
<b>HOME PURCHASES</b>		
Furniture & Fixtures	_____	_____
Equipment, Household & Yard	_____	_____
Other	_____	_____
<b>AUTOMOBILE &amp; TRANSPORTATION</b>		
Monthly Car Payment	_____	_____
Repairs	_____	_____
Gas & Oil	_____	_____
License & Registration	_____	_____
Insurance	_____	_____
Other Transportation	_____	_____
<b>TOTAL (Enter on next page)</b>	<b>\$ _____</b>	<b>\$ _____</b>

## Monthly Expense Worksheet (Continued)

Item	Present	Anticipated
TOTAL (From previous page)	\$ _____	\$ _____
<b>MEDICAL &amp; HEALTH</b>		
Medicines & Drugs	_____	_____
Doctor, Dentist, etc.	_____	_____
Hospital	_____	_____
Insurance Premiums	_____	_____
Other	_____	_____
<b>CLOTHING</b>		
New Clothing	_____	_____
Dry Cleaning, Laundering	_____	_____
Other	_____	_____
<b>FOOD</b>		
Food at Home	_____	_____
Food Away From Home	_____	_____
<b>TAXES &amp; INSURANCE</b>		
Federal	_____	_____
State & Local	_____	_____
Life Insurance Premiums	_____	_____
<b>SAVINGS INVESTMENTS</b>		
Savings, Stocks, IRAs	_____	_____
Other	_____	_____
<b>PERSONAL CARE</b>		
TOTAL	\$ _____	\$ _____

# MONTHLY INCOME WORKSHEET

---

<b>Source</b>	<b>Present</b>	<b>Anticipated</b>
New York State Retirement Income	\$ _____	\$ _____
Social Security Amount	_____	_____
Yield from Savings	_____	_____
Dividends from Stocks, Mutual Funds	_____	_____
Life Insurance Income	_____	_____
Salary	_____	_____
Real Estate	_____	_____
Other Sources	_____	_____
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>





APPLYING FOR YOUR  
service retirement benefit

---

## Filing Your Retirement Application

To receive your retirement benefit, you must file a completed Application for Service Retirement form (RS6037) with us (see pages 55 to 56). This form is available through your employer, our website, Call Center or consultation sites. You can get help completing the application by calling or writing to us or from Information Representatives at our 16 consultation sites.

Retirement applications, and many other documents, are required by law to be filed with the Office of the State Comptroller within specific time limits. Your retirement application must be on file with us at least 30 days, but not more than 90 days before your retirement date. For your application to be considered as filed with the Comptroller, it must be received by either our Albany office or another office of the State Comptroller. Giving your employer the form does not mean that you have “filed with the Comptroller.” As an alternative to visiting our offices to personally file this time-sensitive document, you can fulfill the filing requirement by mailing your application to us. We will consider it filed when it is delivered to us by the Post Office. If you are concerned about meeting a filing deadline, you can mail your application via “certified mail — return receipt requested.” When we receive your application, it will be considered as having been filed on the same date it was mailed.

Approximately 2 – 3 weeks after we receive your retirement application, we will send you a confirmation letter. At the same time, we will notify your employer you have filed for retirement. If you received a formal estimate from us within the past 18 months, our letter will include an Option Election form for you to choose how you want your retirement benefit paid based on the information supplied in that estimate. Also included will be a W-4P form, enabling you to have Federal taxes withheld each month, and a Direct Deposit enrollment form, enabling you

to have your pension directly deposited into the bank account of your choice.

We will prepare a retirement estimate of your benefits **only if** you have not received a formal estimate from us within the last 18 months or if your retirement plan recently changed. Included with this estimate will be an Option Election form for you to choose how you want your retirement benefit paid.

## Determine Your Federal Withholding

A W-4P form (Withholding Certificate for Pension or Annuity Payments) enables you to have Federal taxes withheld from your monthly benefit. If you are not sure how much should be withheld, visit our website and use our tax calculator. Click on ‘Retirement,’ then ‘retirees,’ then scroll down and click on ‘Tax Information.’ By entering your anticipated monthly benefit, whether you are single or married, and the number of dependents you claim, the calculator can determine how much Federal withholding is suitable for your pension benefit. Of course, if you have other sources of taxable income besides your pension, you may want to have more withheld — check with your tax advisor to determine the appropriate amount.

If you do not submit a completed W-4P form to us, we can still process your retirement application. But, when we pay your monthly benefit, the amount of Federal tax withheld will be based on the status “married with three dependents.” This may or may not be adequate for your needs. You can, however, change your Federal withholding tax status anytime. W-4P forms are available from our website, Call Center and at all our consultation sites.

Your pension is not subject to New York State income tax. But, if you are planning to move to another state after you retire, check with that state’s tax department to see if your pension is taxable there. You can also visit the Retired Public Employees Association

website at [www.rpea.org](http://www.rpea.org). There you will find a complete list of states that tax and do not tax your New York State pension. See page 57 for a sample W-4P form.

## Choose a Retirement Option

You must decide how you want your retirement income paid. While there are several options from which to choose, all of them provide you with a monthly benefit that will be paid to you for your lifetime. For example, you may elect to have your retirement income paid to you as a Single Life Allowance, providing you with the maximum amount payable, with nothing paid to a beneficiary upon your death. Or, you may elect to receive a reduced monthly benefit to provide for a possible payment to a designated beneficiary after your death.

You must file your Option Election form (unless otherwise notified) before the first day of the month following your retirement date. You have up to 30 days after your pension benefit becomes payable to change your selection. We do not expect you to select your payment option if you have not received an estimate within the past 18 months of the amounts payable under each available option. If you have not received an estimate in this timeframe, we will send it to you after we receive your application. At this time, we will tell you when you must submit your option selection. If your election is not timely, by law, we must process your retirement as if you had selected, for Tier 1 or 2 members, the Cash Refund — Contributions option, or for Tier 3 or 4 members, the Single Life Allowance option.

Following are the available options. Note that some are only applicable to specific tiers.

### Single Life Allowance (Option O)

This is the basic retirement benefit. It provides for the maximum benefit payment to you each month for the rest of your life. But remember, under this selection, all payments

cease at your death. When you die (even if it is only one year, or sooner, after retiring), nothing will be paid to any beneficiary.

### Cash Refund — Contributions

(Available only to Tier 1 and 2 members with contributions on deposit)

Under this option, you will receive a reduced monthly benefit for the rest of your life. At your death, if any unpaid balance of your accumulated contributions remains, it will be paid to your beneficiary or your estate. If all your accumulated contributions have been expended, all payments will cease at your death.

### Cash Refund — Initial Value

(Available only to Tier 1 members)

This provides you with a reduced monthly income for your lifetime. It guarantees if you die before receiving retirement pension payments equal to the initial value of your benefit, the balance of the initial value will be paid to your beneficiary or estate in a single payment. “Initial value” is an actuarial term for the value of your retirement benefit at the time you retired and is based on your actuarial life expectancy.

If you live long enough, you will receive your initial value amount and more through your monthly benefit. However, if you die after the full initial value amount has been paid out to you, no benefit is payable to your beneficiary.

### Five Year Certain

This provides you with a reduced monthly income for your lifetime and is based on the guarantee that if you live for less than five years after retirement, monthly payments in the same amount you were receiving will be made to your beneficiary for the balance of the five-year period. You may change your beneficiary anytime within the five-year period.

## Ten Year Certain

This provides you with a reduced monthly income for your lifetime and is based on the guarantee that if you live for less than ten years after retirement, monthly payments in the same amount you were receiving will be made to your beneficiary for the balance of the ten-year period. You may change your beneficiary anytime within the ten-year period.

### Joint Allowance — Full\*

This will provide you with a reduced monthly retirement income for your lifetime and is based on your and your beneficiary's birth dates. When you die, your beneficiary will receive the same monthly amount without COLA for life. If your beneficiary dies before you, all benefit payments will stop at your death.

### Joint Allowance — Half\*

(Available to Tier 1 and 2 members)

This will provide you with a reduced monthly retirement income for your lifetime and is based on your and your beneficiary's birth dates. When you die, your beneficiary will receive one-half of your monthly benefit without COLA for life. If your beneficiary dies before you, all benefit payments will stop at your death.

### Joint Allowance — Partial\*

(Available only to Tier 3 and 4 members)

This is based on your life expectancy and the life expectancy of your beneficiary. It provides a reduced lifetime income that pays a specific percentage (which you select — either 75, 50 or 25% of your monthly benefit) without COLA to your beneficiary for his or her lifetime after your death. If your beneficiary dies before you, all payments stop at your death.

### Pop-Up/Joint Allowance — Full\*

This will provide you with a reduced monthly lifetime income. If you die before

your beneficiary, we will continue paying the same monthly amount without COLA to your beneficiary for life. However, if your beneficiary dies first, your benefit will be increased to the amount you would have received if you had selected the Single Life Allowance at retirement and all payments will stop at your death.

### Pop-Up/Joint Allowance — Half\*

This will provide you with a reduced monthly lifetime income. If you die before your beneficiary, we will pay one-half of the monthly amount you were receiving without COLA to your beneficiary for life. However, if your beneficiary dies first, your benefit will be increased to the amount you would have received if you had selected the Single Life Allowance at retirement and all payments will stop at your death.

### Alternative Option

If the standard options we offer do not meet your needs, you may request a customized option. For example, you might request a Joint Allowance or Pop-Up Allowance that pays your beneficiary a percentage of your benefit not available with the standard options for your tier (i.e., 20, 33.33, 40% of your monthly amount).

Another example of an alternative option is a variation of the Five and Ten Year Certain — you might request a Seven Year Certain. Or, you might request an option paying you a reduced benefit so that, upon your death, your beneficiary would receive a pre-determined, one-time payment. While such an option might seem like life insurance, it is not technically the same for tax purposes and you should consult your accountant or estate planner to review the tax implications.

\*If you elect to have your monthly benefit paid under this option, you must submit proof of your beneficiary's birth date. You can only designate one beneficiary and you may not change your designation after your retirement. If your beneficiary is your spouse at the time of your death, he or she will be eligible for 50% of your COLA.

Alternative options are subject to our approval for legal and actuarial soundness and may require proof of your beneficiary's birth date. For the most efficient handling of your request, please submit a written description of the alternative option you are considering along with your request for a general estimate (form RS6030). Be sure to include a daytime phone number in case we need additional information to process your request.

**NOTE:** If you choose one of the following retirement options, you may change your pension *beneficiary* designation after the last day of the month in which you retire. To do this, complete a Pensioner Designation of Beneficiaries form (RS4411), available from our Call Center.

- Cash Refund — Contributions
- Cash Refund — Initial Value
- Five or Ten Year Certain
- Alternative Option (depending on the terms of payment)





Office of the New York State Comptroller  
 New York State and Local Retirement System  
 Employees' Retirement System  
 Police and Fire Retirement System  
 110 State Street, Albany, New York 12244-0001



# Application for Service Retirement

**RS 6037**  
 (Rev. 2/05)

Proof of your date of birth is required before a benefit can be paid. If it is not immediately available, file this application now and submit proof as soon as possible. The delay in filing this document will delay payment of your allowance, including any advance payments.

**THIS APPLICATION MUST BE ON FILE WITH THE RETIREMENT SYSTEM FOR AT LEAST 30 DAYS BUT NOT MORE THAN 90 DAYS BEFORE YOUR RETIREMENT CAN BECOME EFFECTIVE.**

**Items 1-13 MUST be completed.** Please print plainly or type. The application must be signed and notarized on reverse side.

INFORMATION ABOUT YOU	
1. NAME	2. SOCIAL SECURITY NUMBER*
3. ADDRESS	4. REGISTRATION NUMBER
	5. DATE OF BIRTH
6. TELEPHONE NUMBER: HOME ( ) WORK ( )	7. EFFECTIVE RETIREMENT DATE**

\*Social Security Number Required (see statement on reverse side)

\*\*The effective retirement date is the first day of your retirement, not the last day worked. If you do not choose an Effective Retirement Date, we will, subject to your approval, establish the earliest possible retirement date.

**8. INFORMATION ABOUT YOUR PUBLIC EMPLOYMENT**

To the best of your ability, please complete the following record of **ALL PUBLIC EMPLOYMENT**, including service IN THE ARMED FORCES. **AS THE RESULT OF LEGISLATIVE CHANGES, YOU MAY NOW BE ABLE TO SECURE CREDIT FOR MILITARY SERVICE AND PUBLIC EMPLOYMENT, WHICH PREVIOUSLY MAY NOT HAVE BEEN AVAILABLE. SINCE YOU WILL NOT BE ABLE TO CLAIM ANY SUCH SERVICE AFTER YOUR RETIREMENT BECOMES EFFECTIVE, YOU MUST PROVIDE INFORMATION, AT THIS TIME.**

EMPLOYER (Indicate whether State, County, City, Town, Village, etc.)	Department or Agency	Title of Position	SERVICE	
			FROM	TO

**9. TIER REINSTATEMENT APPLICATION.** If you were previously a member of any public retirement system in New York State you may be eligible to retire based on your previous membership date and tier. To apply for tier reinstatement, please complete this section.

**FORMER MEMBERSHIP INFORMATION:**

PLEASE CHECK THE FIRST RETIREMENT SYSTEM YOU WERE A MEMBER OF:

- |   |   |
|---|---|
| <input type="checkbox"/> New York State Teachers' Retirement System                 | <input type="checkbox"/> New York City Board of Education Retirement System |
| <input type="checkbox"/> New York State and Local Employees' Retirement System      | <input type="checkbox"/> New York City Teachers' Retirement System          |
| <input type="checkbox"/> New York State and Local Police and Fire Retirement System | <input type="checkbox"/> New York City Police Pension Fund                  |
| <input type="checkbox"/> New York City Employees' Retirement System                 | <input type="checkbox"/> New York City Fire Pension Fund                    |

PLEASE COMPLETE THE FOLLOWING (if known):

**Former Registration Number:** \_\_\_\_\_ **Date of Membership:** \_\_\_\_\_

**Former Name (if applicable):** \_\_\_\_\_

Have you received credit for this former membership in any other retirement system? Yes\_\_\_\_ No\_\_\_\_

If Yes, what Retirement System? \_\_\_\_\_

Are you receiving or eligible to receive a retirement allowance based on this service? Yes\_\_\_\_ No\_\_\_\_

**YOU MUST COMPLETE OTHER SIDE**



**10. OTHER PUBLIC RETIREMENT SYSTEM MEMBERSHIPS:**

- Are you **currently** a member of another public retirement system in New York State? Yes  No
- Are you receiving or are you about to begin receiving a retirement benefit from any retirement system on the basis of employment with New York State or any public entity in the State? Yes  No
- If Yes, what Retirement System \_\_\_\_\_ Registration Number \_\_\_\_\_

**11. BENEFICIARY/OPTION INFORMATION FOR ESTIMATE. This is not the document on which you designate a beneficiary under your retirement option. You are required to make your option selection, and to designate your option beneficiary on a separate form, called a "Retirement Option Election Form." If you have not filed a Retirement Option Election Form, we will be sending you one to complete and return.** We are asking for the following information about your intended beneficiary for informational purposes. It will ensure that the estimate, upon which you make your option selection, is based on the correct beneficiary. Please look for the option election form in the mail and make sure you complete it and return it to us by the date we will request. We are not permitted by law to accept untimely option election forms. If your form is not timely filed, the Law requires an option which does not provide benefits to any beneficiary.

**Estimate Beneficiary Information:**

Beneficiary Name	Date of Birth	Gender (M/F)	Spouse (Y/N)

Item numbers 12 and 13 **MUST** be completed or your application will not be accepted.

**12. PLEASE SIGN YOUR NAME IN FULL BELOW.** Women should sign their own names, e.g. Jane Smith, **NOT** Mrs. John Smith.

<p>I hereby make application for Service Retirement. I understand that this application may <b>not</b> be withdrawn on or after the effective date of my retirement.</p> <p style="text-align: right;">_____</p> <p style="text-align: right;">Signature (Sign Name in Full)</p>
--

**13. THIS ACKNOWLEDGEMENT MUST BE COMPLETED BY A NOTARY PUBLIC.**

State of \_\_\_\_\_ County of \_\_\_\_\_

On the \_\_\_\_\_ day of \_\_\_\_\_ in the year \_\_\_\_\_ before me, the undersigned, personally appeared

\_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

\_\_\_\_\_  
NOTARY PUBLIC (Please sign and affix stamp)

**POST RETIREMENT EMPLOYMENT**

Your paid **public** employment must cease at the time of your retirement. There are laws governing employment after retirement, and if you plan to be employed by or contract with a **public** employer, it is important for you to know about them. Failure to comply with these laws could result in the suspension or diminishment of your retirement allowance or termination of your retirement and reinstatement in the Retirement System as a new member.

Public employment is employment by, or contract with, the State of New York, one of its political subdivisions (county, city, town, village, school district) or some other public agency, such as a public authority. Employment by any other public employer located outside of New York State, employment by the Federal Government, or private employment does not need any approval and will in no way affect the retirement allowance paid to you by this Retirement System. Any questions concerning this most important matter should be directed to the New York State and Local Retirement System. By signing this application I hereby elect coverage under section 212 of the Retirement and Social Security Law, which permits me to earn from post-retirement public service annual amounts which do not exceed the limit provided in such section, without a resulting suspension or reduction of my retirement allowance.

**HEALTH INSURANCE INFORMATION**

The Retirement System does not administer Health Insurance Benefits. Any questions regarding this issue should be directed to your last employer.

**PERSONAL PRIVACY PROTECTION LAW**

The Retirement System is required by law to maintain records to determine eligibility for and calculate benefits. Failure to provide information may interfere with timely payment of benefits. The System may be required to provide certain information to participating employers. The official responsible for record maintenance is the Director of Member Services, NYS and Local Retirement System, Albany, NY 12244; call toll-free at 1-866-805-0990 or 474-7736 in the Albany area.

**\*SOCIAL SECURITY DISCLOSURE REQUIREMENT**

In accordance with the Federal Privacy Act of 1974 you are hereby advised that disclosure of your Social Security account number is mandatory pursuant to Section 11, 34, 311 and 334 of the Retirement and Social Security Law. Your number will be used in identifying your retirement records and in the administration of the Retirement System.





# AFTER you retire

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This section explains when you can expect to start receiving your pension benefit and covers a variety of post-retirement issues.

## Receive Advance Check

We cannot get certain information, such as your employer's certification of your unused vacation and sick leave credits, until after your effective date of retirement as most employers are on a lag payroll. Because of this delay, coupled with the number of members retiring, expect to receive advance checks (partial payments) until we are able to finalize your benefit calculation. They are up to 90% of the estimated amount due under the option you elected, or 80% of the estimated Single Life Allowance (Option 0) if no option form is on file, less Federal withholding. The maximum monthly advance is \$6,000.

Advance checks are mailed to your home each month beginning approximately 30 days after the first monthly benefit was due. For example, if you retire any time during the month of April, your first advance check will be mailed the first business day in June.

**NOTE:** No advance payments will be mailed to you if we have not received proof of your birth date.

## Receive Retroactive Check

When we finalize your benefit calculation, we will mail you a retroactive check to make up the difference between the advance checks you received and the amount actually due (less any amount required for Federal withholding). Included with your retroactive check will be our letter explaining the calculation we used to determine your retirement benefit, including final average salary and total years of service credit. If you do not agree with the information provided, you can request a review by writing to our Benefit Calculations and Disbursement Services Bureau. Please provide documentation to support your position.

Once you receive your retroactive payment, you are automatically included in the regular pension payroll disbursement schedule. Pension checks are mailed the second to

the last business day of each month or directly deposited into your bank account for that month's payment.

## Enroll in the Direct Deposit Program

You will receive an application for our Direct Deposit program with your retirement application acknowledgement letter. As soon as your retirement benefit is finalized, your payments will be directly deposited into the account you specified on your enrollment application on the last business day of each month. **Please note,** if you receive advance payments, these will be made using paper checks.

Direct Deposit is quick, easy and safe. In most instances, your money is immediately available and you do not have to rely on the Postal Service to deliver your check or wait in long lines at the bank to cash it.

After enrolling, if you want to change the bank or account where your monthly benefit is deposited, complete another Direct Deposit application (RS6370L-3) and return it to us. This form is available through our website, Call Center, or at consultation sites. Please do not use direct deposit forms issued by your banking institution.

## Organize Your Legal and Financial Papers

If you have not already done so, now is the perfect time to organize all your important papers and legal documents into one place — it is surprising how many you can accumulate over a lifetime. Having your important papers organized will help family members keep your financial and legal matters in order during an extended vacation or severe illness or, in the event of your death, settle your estate. We have included the worksheet, *Where My Assets Are*, on page 62, to help you in this task.

It is important that you store this information in a safe but accessible location — preferably not in a safe deposit box because any items kept there will not become available until a probate judge orders the box to be opened under court supervision. Be sure to keep it updated and let the executor of your estate or a trusted relative or friend know where it can be found.

## COLA

COLA stands for cost-of-living adjustment. A COLA payment is an adjustment based on the cost-of-living index that will permanently increase the retirement benefit you receive from us. It is designed to address future inflation as it occurs.

Payments for COLA equal 50% of the cost-of-living index and could be as much as 3%, but no less than 1% of the first \$18,000 of your Single Life Allowance retirement benefit amount. Once COLA payments begin, they continue automatically and increase each September. To receive any COLA adjustment, you must be:

- Age 62 or older and retired for five or more years; or
- Age 55 or older and retired for ten or more years (mostly uniformed employees such as police officers, firefighters, corrections officers or those who retired under an incentive); or
- Receiving a disability pension from us for five or more years.

Also eligible:

- The beneficiary of a deceased ERS member who has been receiving the accidental death benefit for five or more years; and
- The spouse of a deceased retiree who is receiving a lifetime allowance (under an option elected by the retiree at retirement) is entitled to one-half the COLA

amount that would have been paid to the retiree, when he or she would have met the eligibility criteria.

## Thinking of Returning to Work?

Your earnings may be regulated if you return to work after retiring. The Retirement and Social Security Law regulates post-retirement employment for all members of the Retirement System. The rules and restrictions differ depending on:

- The type of retirement you are receiving (service or disability);
- The employer you will be working for (private, public, yourself, etc.);
- Your date of membership and tier; and
- Your age.

Disregarding, or otherwise not following the rules can result in the loss, suspension, or reduction of your retirement benefit. Please visit our website, contact us or read our booklet *What If I Work After Retirement?* for more information on post-retirement employment.

# WHERE MY ASSETS ARE

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Survivors often face the problem of locating the deceased's important documents and valuable papers. You can do your survivors a favor by filling out this form. Give copies to your spouse, executor, lawyer and anyone else who will need this information. You should review and update the information periodically.

Name \_\_\_\_\_

Retirement System  
Registration No. \_\_\_\_\_

Social Security  
Number \_\_\_\_\_

My valuable papers and assets are stored in these locations (address plus where to look).

A. Residence \_\_\_\_\_

B. Safe-deposit box \_\_\_\_\_

C. Other \_\_\_\_\_

ITEM	LOCATION			ITEM	LOCATION		
	A	B	C		A	B	C
My will (original) .....	___	___	___	Retirement plans .....	___	___	___
Power of Attorney .....	___	___	___	Deferred Compensation, IRA .....	___	___	___
Spouse's will (original) .....	___	___	___	Titles and deeds .....	___	___	___
Safe combination .....	___	___	___	Notes (mortgages) .....	___	___	___
Trust agreements .....	___	___	___	List of stored & loaned items .....	___	___	___
Life insurance .....	___	___	___	Auto ownership records .....	___	___	___
Health insurance policy .....	___	___	___	Birth certificate .....	___	___	___
Homeowner policy .....	___	___	___	Military discharge papers .....	___	___	___
Car insurance policy .....	___	___	___	Marriage certificate .....	___	___	___
Employment contracts .....	___	___	___	Children's birth certificates .....	___	___	___
Partnership agreements .....	___	___	___	Divorce/separation records .....	___	___	___
List of checking/savings accounts .	___	___	___	Other: _____	___	___	___
List of credit cards .....	___	___	___	_____ .	___	___	___
Brokerage account records .....	___	___	___	_____ .	___	___	___

## IMPORTANT NAMES, ADDRESSES AND PHONE NUMBERS

New York State & Local Retirement System, 110 State Street, Albany, NY 12244.  
Call toll-free 1-866-805-0990 or 518-474-7736 in the Albany, New York area.

Attorney \_\_\_\_\_

Accountant \_\_\_\_\_

Insurance agent \_\_\_\_\_

Copies given to \_\_\_\_\_

Date prepared \_\_\_\_\_

**NOTE:** Please be sure to tell your beneficiaries to contact the Retirement System upon your death to determine what benefits may be due.

DEATH  
benefits

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# ORDINARY DEATH BENEFITS

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If you die in covered service, not as a result of an on-the-job accident, your beneficiary may be entitled to an ordinary death benefit. Your accumulated contributions (if any) will be returned to your beneficiary.

## All Tiers:

- You must have at least one year of credited service (except those members covered under certain special plans that allow retirement after completing 20 or 25 years of creditable service without regard to age).
- Payable upon death in active service, or if you are off your employer's payroll for less than one year and not otherwise gainfully employed.
- Up to the first \$50,000 is paid as group term life insurance and is not taxable.
- If you have at least ten years of credited service, are off the payroll and otherwise gainfully employed at the time of death, or die after one year of discontinuing service, the benefit is 50% of the ordinary death benefit.
- You may change your death benefit beneficiary designation at any time.
- You are also automatically covered by an accidental death benefit if your death is the result of an on-the-job accident. There is no minimum service requirement. The benefit is payable by law to certain beneficiaries.

## Ordinary Death Benefit —

### Tier 1

- One month's salary for each year of service (not to exceed 36 years).
- Not payable after retirement.

### Benefit Calculation

#### Example:

Age: 54

Years of service: 26

Last year's salary: \$35,000

$$\frac{26 \times \$35,000}{12} = \$75,833$$

For Tier 1 members over age 55, a comparison will be made with the alternative death benefit and the greater benefit will be paid.

## Alternative Death Benefit —

### Tier 1

- Must be 55 or older.
- Benefit is equal to the initial value of pension under the retirement plan offered by Section 75-c.
- Comparison between regular and alternative benefit is made and the greater benefit will be paid.

## Benefit Calculation

### Example:

Age: 55

Years of service: 30

FAS: \$35,000

$$\frac{30 \times \$35,000}{60} \times 13.954^* = \$244,195$$

\*sample annuity factor age 55

## Ordinary Death Benefits —

### Tiers 2, 3 & 4

Tier 2, 3 and 4 members who joined before January 1, 2001 were given a choice between two death benefits. If you chose death benefit one and you die while in active service, your beneficiary will be paid the greater of the two death benefits; if you die after retirement, and meet the eligibility criteria, your beneficiary will receive the post-retirement death benefit. Members who join on or after January 1, 2001 are automatically covered by death benefit two, the greater benefit in almost all cases.

Death benefit two is equal to your salary multiplied by your years of service, not to exceed three years of salary. For example, if you die after one year of service, your beneficiary would receive a benefit equal to one year of your salary; if you die after two years, your beneficiary would receive a benefit equal to two years of your salary. But, if you die after three or more years of service, your beneficiary would receive a benefit equal to three years of your salary. The salary is limited by Section 130 of the Civil Service Law. Death benefit two is limited if you continue to work after age 61. For example, if a member at age 60 was eligible for a \$60,000 death benefit but continues to work after age 60, his/her benefit would be reduced as follows:

Age	Death Benefit 2	Maximum %
61	\$57,600	96%
62	\$55,200	92%
63	\$52,800	88%
64	\$50,400	84%
65	\$48,000	80%
66	\$45,600	76%
67	\$43,200	72%
68	\$40,800	68%
69	\$38,400	64%
70	\$36,000	60%

The total benefit will not fall below 60% of the benefit payable at age 60.

### What happens to my death benefit if I leave public employment before I retire?

The full amount of the ordinary death benefit and your contributions with interest are payable if you:

- Are not employed and your death occurs within one year of discontinuing employment, and
- You do not terminate membership; and
- You have at least one year of credited service.

The benefit payable is 50% of the ordinary death benefit plus your contributions with interest if you:

- Become employed within the first year or later of discontinuing public employment; and
- Have ten or more years of credited service.

There is no ordinary death benefit payable but your contributions, plus interest, will be returned to your named beneficiary if you:

- Become employed within the first year of discontinuing public employment, and
- Have less than ten years of credited service.

### **Is there a death benefit payable after retirement?**

Death benefit two provides a post-retirement death benefit if you:

- Retire directly from service; or
- Are a vested member and file for retirement within one year of leaving covered employment.

If your death occurs during the first year of retirement, 50% of the death benefit payable at the time of your retirement will be paid to your beneficiary. If your death occurs during the second year of retirement, the benefit will equal 25% of the death benefit payable at the time of your retirement. However, if your death occurs during the third year of retirement, or thereafter, 10% of the death benefit payable at age 60, or at your retirement, if earlier, will be paid to your beneficiary.

#### **Post-Retirement Death Benefit**

**Example:** Retirement at age 60 with a salary of \$35,000

$\$35,000 \times 3 = \$105,000$  (ordinary death benefit at retirement)

**1st year of retirement** (50% of ordinary death benefit): \$52,500

**2nd year of retirement** (25% of ordinary death benefit): \$26,250

**After 2nd year of retirement** (10% of benefit at age 60): \$10,500

As group term life insurance, the first \$50,000 is not considered to be taxable as income, but may be subject to estate taxes.

# THE SURVIVOR'S BENEFIT PROGRAM FOR RETIRED NEW YORK STATE EMPLOYEES

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The Survivor's Benefit Program is a financial protection plan that provides for payment of a minimum death benefit of \$3,000 to survivors of New York State retirees.

There is no need to enroll in the Survivor's Benefit Program. You are automatically covered by this benefit when you have at least ten years of full-time State service within the 15 years immediately prior to leaving or retiring from State service, (State service includes only employment for which salary is paid directly by New York State) AND you retire directly from State service, either:

- From any retirement system or pension plan supported by State funds, other than the State University optional retirement program; or
- From the State University optional retirement program after age 55, and begin receiving your retirement benefit within 90 days of your last day on the payroll; or
- Are age 62 or older.

At retirement, if you select an option for which you designate a beneficiary to receive retirement benefits upon your death (any retirement option other than the Single Life Allowance, Option 0), the survivor's benefit will be paid to that beneficiary.

If you select the Single Life Allowance, you must designate a beneficiary for this program and return form RS6355, Eligibility of Retired Employee for Survivor's Benefit, to your employer prior to retirement. You can also complete form RS6361, Designation of Beneficiary, with the Retirement System, after you retire.

Be sure your beneficiary is aware of this program. Upon your death, your beneficiary should notify and provide us with an original or certified copy of your death certificate.



YOUR  
obligations

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## **Notify Us Of Your Address Changes**

The United States Postal Service usually will not forward pension checks to another address. Having your address on file also ensures you will receive the tax information, newsletters and statements we send you.

## **Keep Your Beneficiaries Current**

By keeping your beneficiaries up-to-date, you ensure that your loved ones receive any post-retirement death benefit due them when you die. Your death benefit beneficiaries can be changed at any time — contact our Call Center and we will send you a form to make the change.

## **Read Our Book, *A Guide For Retirees***

This book provides you with information about the other benefits you may be entitled to and the services we provide to retirees. We will send it to you shortly after you retire.

## **Upon Your Death**

Your family or a friend will need to immediately notify us when you die so potential benefits can be paid to designated beneficiaries. They may contact our Call Center or notify us by mail. Either way, they will need to supply us with a certified copy of your death certificate.







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Employees' Retirement System



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