



# **Chapter 9**

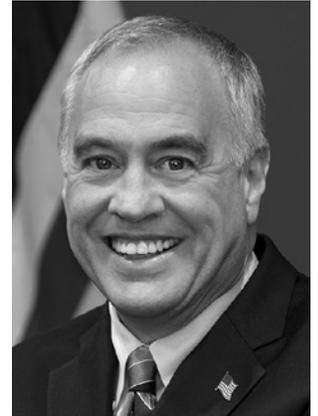
## **Your Retirement Benefits: Employees' Retirement System**

Office of the New York State Comptroller  
**Thomas P. DiNapoli**

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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 (NYSLRS) benefits and can be a valuable resource — especially as you approach retirement. We also offer other resources to help you understand your benefits so you can successfully plan for retirement.

Use these resources to get details about your NYSLRS account and your benefits:

- Sign in to *Retirement Online*. It's a convenient and secure way to review your NYSLRS benefits. You can also use *Retirement Online* to update your address and your beneficiaries and to apply for a loan. Register or learn more at [www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire).
- Review your Member Annual Statement, which provides your NYSLRS membership details to you every summer.
- Request a pension benefit estimate when you are within 18 months of retirement.

Visit our website ([www.osc.state.ny.us/retire](http://www.osc.state.ny.us/retire)) for these general pre-retirement planning resources:

- Read your retirement plan booklet and other publications that outline and explain your benefits.
- Use our online Benefit Projection Calculator. Most members can use it to estimate what their pensions will be when they retire.
- Subscribe to our blog, *New York Retirement News*, like us on Facebook and follow us on Twitter for tools, quick tips and information on a variety of retirement topics.
- Sign up for *E-News*, our monthly email newsletter, for the latest NYSLRS news. It includes a special section dedicated to pre-retirement planning.

I am joined by a staff of dedicated professionals who are as committed as I am to helping you make informed decisions about your future. I encourage you to contact us with any questions you might have.

Sincerely,

A handwritten signature in black ink that reads "Tom DiNapoli". The signature is written in a cursive, slightly stylized font.

Thomas P. DiNapoli  
State Comptroller

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# Your NYSLRS Membership

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

*The New York State and Local Retirement System (NYSLRS) is a defined benefit-plan. Your retirement benefit will be based on factors such as your tier, retirement plan, service credit, final average salary (FAS) and age at retirement.*

*This publication explains your rights and obligations as a member. It clarifies the factors that affect your retirement benefits and provides you with examples of how those benefits are determined. It also takes you step-by-step through the retirement process and provides information about a variety of post-retirement matters.*

*Please contact us whenever you have questions about your benefits.*

## STAY INFORMED

Your retirement benefits are an important part of a solid financial plan. They can help you and your beneficiaries achieve financial security in retirement or in the event of disability or death. Use these tips to help you understand your benefits and stay informed.

- Access your NYSLRS retirement information, update your address and more using *Retirement Online*. It's a convenient and secure way to review your benefits and conduct transactions in real time. Learn more about *Retirement Online* at [www.osc.state.ny.us/retire/retirement\\_online/customers.php](http://www.osc.state.ny.us/retire/retirement_online/customers.php), and register today.
- Review your Member Annual Statement carefully and notify us of any errors promptly.
- Visit our website ([www.osc.state.ny.us/retire/index.php](http://www.osc.state.ny.us/retire/index.php)) frequently to learn about your benefits, download forms, read informative booklets and brochures, and get tips on preparing for retirement.
- Attend a pre-retirement presentation to learn about the retirement process and discuss post-retirement issues. At your employer's request, we offer these presentations designed for members within five years of retirement eligibility.
- Make an appointment to visit any of our consultation sites ([www.osc.state.ny.us/retire/consultation\\_site\\_offices/index.php](http://www.osc.state.ny.us/retire/consultation_site_offices/index.php)), where you can meet with an information representative to discuss special concerns or request specific information.
- Notify us if your mailing address changes. This is especially important if you leave public employment before you are eligible to retire.
- Contact us ([www.contactNYSLRS.com](http://www.contactNYSLRS.com)) if you have questions about your benefits.
- Subscribe to our blog, *New York Retirement News* ([www.nyretirementnews.com](http://www.nyretirementnews.com)), where you'll find tools to help you understand your benefits, as well as important retirement news.
- Like us on Facebook ([www.facebook.com/nyslrs](http://www.facebook.com/nyslrs)) and follow us on Twitter ([www.twitter.com/nyslrs](http://www.twitter.com/nyslrs)) for quick tips and updates on a variety of retirement topics.
- Sign up for *E-News*, our email newsletter ([www.osc.state.ny.us/retire/e-news/sign-up/index.php](http://www.osc.state.ny.us/retire/e-news/sign-up/index.php)), for the latest NYSLRS news and information dedicated to pre-retirement planning.
- Read your member newsletter for current retirement information and updates on your benefits.

## CONTACT US

If you have any questions or you need more information, we're glad to help.

- **Email:** [www.emailNYSLRS.com](mailto:www.emailNYSLRS.com);
- **Call:** 1-866-805-0990, or 518-474-7736 in the Albany, New York area;
- **Fax:** 518-473-5590; or
- **Write:**

NYSLRS  
110 State Street  
Albany, NY 12244-0001

## RETIREMENT CONSULTATIONS

Retirement consultations are available at locations throughout the State. To schedule an appointment, contact our Call Center toll-free at 1-866-805-0990 (518-474-7736 in the Albany, New York area).

Appointments are needed for individual consultations at all sites. However, with the exception of our New York City site, members do not need an appointment to drop off forms, pick up information or have something notarized. Our Albany office hours are 8:30 am – 4:30 pm. Office hours at all other sites are 9:00 am – noon and 1:00 pm – 4:00 pm. All sites are closed on legal holidays.

When visiting any of our sites, please bring photo identification and any recent Retirement System correspondence. If you require special accommodations, contact our Call Center at least two weeks in advance of your visit and we will make a reasonable effort to meet your needs.

### Consultation Site Offices

City/ Village	Address	Monthly Visiting Days
Albany	110 State St.	Every Business Day
Binghamton	Binghamton State Office Building 44 Hawley St., Room 606	Every Tuesday
Buffalo	Walter J. Mahoney State Office Building 65 Court St., Room 500	Every Business Day
Canton	SUNY at Canton (off Route 68) Campus Center, 2nd Floor	First Thursday
Hauppauge	330 Motor Pkwy., Suite 107	Every Business Day
Middletown	Hudson Valley DDSO 42 Rykowski Ln.	Second and Fourth Thursday
New York City	59 Maiden Ln., 30th Floor Entrance located between William St. and Nassau St.	Every Tuesday and Wednesday
Plattsburgh	County Center, County Clerk's Office 137 Margaret St., 1st Floor	First and Third Thursday
Pomona	Dr. Robert L. Yeager Health Center 50 Sanatorium Rd., Building A, 7th Floor	First and Third Friday
Poughkeepsie	Eleanor Roosevelt State Office Building 4 Burnett Blvd.	Second and Fourth Friday
Rochester	NYS DOT Building 1530 Jefferson Rd., Henrietta	Every Thursday
Syracuse	620 Erie Blvd. West, Suite 113	Every Friday
Utica	Utica State Office Building 207 Genesee St., Ground Floor	First, Second, Third and Fourth Monday
Watertown	Jefferson County Human Services Building 250 Arsenal St., Lower Level Conference Room	First Wednesday
White Plains	Clarence D. Rappleyea Building 123 Main St., 1st Floor	Every Wednesday

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**Note:** Always check our website ([www.osc.state.ny.us/retire/consultation\\_site\\_offices/index.php](http://www.osc.state.ny.us/retire/consultation_site_offices/index.php)) for the most current consultation site schedule as locations and monthly visiting days can change.

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## YOUR MEMBERSHIP TIER

Members are categorized into different tiers based on their date of membership. There are six tiers in the Employees' Retirement System (ERS). Tier status determines the following:

- Contribution requirements;
- Benefit eligibility;
- Service crediting;
- Formula used to calculate your final average salary;
- Loan provisions;
- Vesting requirements;
- Death benefit coverage; and
- Formula used to calculate your retirement benefit.

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, through December 31, 2009
Tier 5	January 1, 2010, through March 31, 2012
Tier 6	April 1, 2012, or after

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**Note:** There is no Tier 4 for New York State correction officers. If you joined July 27, 1976, through December 31, 2009, you are a Tier 3 member. Security hospital treatment assistants (SHTAs) under the jurisdiction of the Office of Mental Health who joined September 1, 1983, through December 31, 2009, and elected the Article 14-CO plan before January 1, 1990, or within one year of becoming employed in this title, are also Tier 3 members. SHTAs who joined during this same period and did not elect this plan are in Tier 4.

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## TIER REINSTATEMENT

If you had a previous membership in this System, or any of the following public retirement systems, your service may be recredited and your date of membership and tier restored. However, an earlier tier of membership does not always result in a better benefit. Please contact us regarding your previous membership and the potential for reinstatement.

- New York State and Local Police and Fire Retirement System
- New York State Teachers' Retirement System
- New York City Employees' Retirement System
- New York City Board of Education Retirement System
- New York City Police Pension Fund
- New York City Fire Department Pension Fund
- New York City Teachers' Retirement System

# Service Credit

*As a member, you earn service credit for your public employment while on the payroll of a participating employer in NYSLRS. Your service credit is a key factor in determining your eligibility and/or the calculation of death benefits, vested rights, service retirement, disability retirement and member loans. Since your benefits are directly related to your service credit, it is important to make sure you have credit for all your allowable service.*

## SERVICE CREDITING

The number of hours that constitute a standard workday is established by your employer and, for Tier 2, 3, 4, 5 and 6 members, must be at least six hours per day, 30 hours per week. Your workdays are reported to us by your employer(s). Generally, 260 workdays per year are equivalent to 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.
- Part-time employment, except as noted below, is credited as the lesser of: number of days worked ÷ 260 days **or** annual earnings reported ÷ (State's hourly minimum wage × 2,000).
- 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 such as 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.

Regardless of your membership tier, 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.

You can check your total service credit using *Retirement Online*. Visit our NYSLRS home page at [www.osc.state.ny.us/retire/index.php](http://www.osc.state.ny.us/retire/index.php), then click "Register" or "Sign In."

## ARTICLE 19 SERVICE CREDIT

If you are an eligible Tier 1 or 2 member whose membership date is prior to July 27, 1976, you will receive an additional month of service credit for each year of credited service you 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;
- On a leave of absence with pay;
- 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 percent 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).

## 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 chosen to offer the optional sick leave benefit provided by Section 41(j) of Retirement and Social Security Law (RSSL). To be eligible for this benefit, you must retire directly from public service or within a year of separating from service.

The additional credit is determined by dividing your total unused, unpaid sick leave days by 260. For most members, the maximum number of sick leave days allowable is 165. For most Tier 6 members, it's 100 days. However, for some members employed by New York State, the maximum is 200 days. Check your Member Annual Statement to see if your employer offers this benefit.

<b>Example</b>	
<b>For a member whose full-time day is 8 hours</b>	
$\frac{\text{\# hours unused sick leave}}{\text{full-time hours per day}}$	= # days additional service credit
$\frac{1320}{8}$	= <b>165 days additional service credit</b>
$\frac{\text{\# days additional service credit}}{260}$	= additional service credit
$\frac{165}{260}$	= <b>.63 of a year additional service credit</b>

Credit for your unused sick leave at retirement cannot be used to:

- Qualify for vesting. For example, if you have four years and ten months of service credit and you need five years to be vested, your sick leave credit cannot be used to reach the five years.
- Qualify for a better retirement benefit calculation. For example, if you have 19½ years of service credit but your pension will improve substantially if you have 20 years, your sick leave credit cannot be used to reach the 20 years.
- Increase your pension beyond the maximum amount payable under your retirement plan.
- Meet the service credit requirement to retire under a special 20- or 25-year plan.

## CREDIT FOR YOUR PAST SERVICE

Legislative changes in 2000 allow for the crediting of most previous public employment.

- **Prior Service** — Prior service is any period of time you received salary from a public employer before that employer elected to participate in NYSLRS.
- **Service Before Your Date of Membership** — You may receive credit for working for a participating public employer in New York State before you joined NYSLRS (including Comprehensive Employment and Training Act (CETA) service).
- **Service From a Previous Membership** — If you previously were a member of NYSLRS, or another public retirement system in New York State, your service may be recredited and your date of membership and tier restored.
- **Military Service** — You may be able to get retirement credit for service in the U.S. armed forces.

### To Apply

Submit a Request to Purchase Service Credit (Including any Military Service) (RS5042) form. See page 9-66 for a description and a link to the form on our website. You can also submit an email (using our secure email form), or a letter, that includes the complete details of the service you'd like credited.

**Email:** [www.emailNYSLRS.com](http://www.emailNYSLRS.com)

**Mail:** NYSLRS  
Member and Employer Services Bureau  
110 State Street  
Albany, NY 12244-0001.

### Military Service Credit

To find out if you qualify, please send us a copy of your Certificate of Release or Discharge from Active Duty (DD-214) along with your request. If your military records were destroyed in the 1973 fire at the National Personnel Records Center (NPRC), we will also accept a certificate of military service.

You can request a copy of your records from the National Archives and Records Administration:

**Website:** [www.archives.gov/veterans/military-service-records](http://www.archives.gov/veterans/military-service-records)

**Fax:** 314-801-9195

**Address:** National Personnel Records Center  
1 Archives Drive  
St. Louis, MO 63138-1002

Veterans who have left the armed forces, but maintain 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. In most cases, recently discharged National Guard members will not be able to get their military records from NPRC until six months after discharge because of the required processing.

For more information about getting credit for your military service, visit our Military Service Credit page at [www.osc.state.ny.us/retire/members/military-service-credit.php](http://www.osc.state.ny.us/retire/members/military-service-credit.php).

## **All Types of Service Credit**

Some things to remember:

- Even if you included past service on your membership application, you must make this formal request to receive credit for it.
- Make your request well before you expect to retire. This gives us sufficient time to get salary and service records from your employer(s), and it allows you ample time to pay for the credit, if necessary.
- Tier 2, 3, 5 and 6 members need two years of service credit in their current memberships before they can claim credit for previous service.
- Members may need at least five years of service credit in their current memberships before they can claim credit for military service. It depends on the particular statute governing the service.

To establish eligibility for a vested retirement benefit, you must request credit for your previous service while on the payroll of a participating employer. If you receive notice of an associated cost after you've left payroll, you must pay the full amount within 30 days.

## PAYING FOR YOUR CREDIT

There will generally be a cost to claim credit for your previous service. We will send you a letter indicating the amount of previous service credit you are eligible to receive and any applicable cost.

- **Mandatory Service** — If you are covered by a plan that requires contributions (Tier 3, 4, 5 and 6 members), and if no or insufficient contributions were made to NYSLRS, you may owe mandatory payments associated with your past service. 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 that we notify your employer to begin payroll deductions to cover the cost.
- **Optional Service** — If you are seeking credit for military service or public employment before your membership date, any associated payments are optional. Your cost letter will provide payment options and a due date, after which your cost would have to be recalculated. The cost accumulates 5 percent interest compounded annually.

Please review your options carefully before making a decision, and contact us ([www.contactNYSLRS.com](http://www.contactNYSLRS.com)) with any questions you have. You may also want to use our online benefit projection calculator at [www.osc.state.ny.us/retire/members/projecting-your-pension.php](http://www.osc.state.ny.us/retire/members/projecting-your-pension.php). Try calculating your benefit with and without the available credit to help you determine if making the purchase is right for you.

If there is a cost to secure credit for optional 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. Payroll deductions (you may make additional payments if you want to pay off the balance sooner);
- or

A trustee-to-trustee transfer from one of the allowable plans below (for optional service only).

408(a) or 408(b) Individual Retirement Account
403(a) Annuity Plan
403(b) Tax-Sheltered Annuity
401(a) or 401(k) Qualified Defined Benefit or Contribution Plan
457 Governmental Deferred Compensation Plan

Transfers from Roth IRAs, inherited IRAs or inherited Roth IRAs are not permitted.

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**Note:** If you decide on payroll deductions, the payment period cannot exceed the 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. Any mandatory service that has not been paid for by your date of retirement will cause a **permanent** reduction to your monthly benefit.

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# Final Average Salary

*Your final average salary (FAS) is an important factor in the calculation of your retirement benefit. For ERS members in Tiers 1 through 5, FAS means the average of the three highest consecutive years of earnings in covered public employment. For Tier 6 members, it is the average of the five highest consecutive years of earnings. This is usually the last years of employment immediately before retirement. However, if there is a consecutive three- or five-year period\* of usable earnings earlier in a member's career that will result in a higher FAS, we will use that higher FAS to calculate the benefit. We do the FAS comparison automatically at the time of your retirement. The earnings used in the FAS calculation may be subject to certain limitations based on the date you joined NYSLRS.*

*\* Not always a calendar or a fiscal year.*

# THREE-YEAR FINAL AVERAGE SALARY

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## Tiers 1, 2, 3, 4 and 5

A three-year FAS is the average of the wages earned during any three consecutive years of service when earnings were highest. This is usually the last three years of employment.

The FAS calculation can include, but is not limited to, the following types of payments earned during the FAS period:

- Regular salary;
- Holiday pay;
- Longevity;
- Overtime;\* and
- Vacation pay (up to 30 days for members who joined prior to April 1, 1972, or after July 26, 1976, if the FAS is based on the earnings three years immediately preceding retirement).

In most cases, the following payments **cannot** be included in the FAS:

- Unused sick leave;
- Payments made as a result of working your vacation;
- Any form of termination pay;
- Payments made in anticipation of retirement;
- Lump sum payments for deferred compensation;
- Any payments made for time not worked; and
- Lump sum payments for accumulated vacation if you joined April 1, 1972 through July 26, 1976.

A sample FAS calculation for a member with full-time service and no breaks in employment during the FAS period is provided below:

Example	
Date of Retirement 3/9/2018	
Earnings Period	Usable Earnings
Year 1: 3/9/2017 – 3/8/2018	\$ 46,723
Year 2: 3/9/2016 – 3/8/2017	\$ 44,912
Year 3: 3/9/2015 – 3/8/2016	\$ 42,336
	\$ 133,971 ÷ 3 =
	\$ 44,657 FAS

\* For Tier 5 members, the total amount of overtime and compensatory overtime that can be included in your FAS calculation is limited.

# LIMITATIONS

## Tier 1

Tier 1 members who joined prior to June 17, 1971, are not subject to a limitation. 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 percent. Earnings in excess of 20 percent will be excluded from the calculation.

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

Example		
Tier 1 Member who joined on or after 6/17/71		
Actual Earnings	Limit	Earnings Allowed
Year 1: \$47,000	$\$38,000 \times 1.2 = 45,600$	\$ 45,600
Year 2: \$38,000	$\$37,000 \times 1.2 = 44,400$	\$ 38,000
Year 3: \$37,000	$\$33,000 \times 1.2 = 39,600$	<u>\$ 37,000</u>
Year 4: \$33,000		
		\$ 120,600 ÷ 3 =
		<b>\$ 40,200 FAS</b>

The earnings in Year 1 exceed the earnings in the previous year by more than 20 percent, therefore, the FAS is limited and only the Earnings Allowed can be used in the calculation.

## Tier 2

The earnings in any one year of your FAS calculation cannot exceed the average earnings of the previous two years by more than 20 percent. Earnings in excess of the 20 percent limitation will be excluded from the calculation. Few Tier 2 members are affected by this limitation.

Example		
Tier 2 Member		
Actual Earnings	Limit	Earnings Allowed
Year 1: \$47,000	$\frac{(\$38,000 + \$37,000)}{2} \times 1.2 = 45,000$	\$ 45,000
Year 2: \$38,000	$\frac{(\$37,000 + \$33,000)}{2} \times 1.2 = 42,000$	\$ 38,000
Year 3: \$37,000	$\frac{(\$33,000 + \$32,000)}{2} \times 1.2 = 39,000$	<u>\$ 37,000</u>
Year 4: \$33,000		
Year 5: \$32,000		
		\$ 120,000 ÷ 3 =
		<b>\$ 40,000 FAS</b>

The earnings in Year 1 exceed the average of the earnings in the previous two years by more than 20 percent, therefore, the FAS is limited and only the Earnings Allowed can be used in the calculation.

## Tiers 3, 4 and 5

The earnings in any one year used in the FAS calculation cannot exceed the average earnings of the previous two years by more than 10 percent. Earnings in excess of the 10 percent limitation will be excluded from the calculation. As a result, Tier 3, 4 and 5 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 percent limitation. \*\*

<b>Example</b>		
<b>Tier 3, 4 or 5 Member</b>		
<b>Actual Earnings</b>	<b>Limit</b>	<b>Earnings Allowed</b>
Year 1: \$47,000	$\frac{(38,000 + 37,000)}{2} \times 1.1 = 41,250$	\$ 41,250
Year 2: \$38,000	$\frac{(37,000 + 33,000)}{2} \times 1.1 = 38,500$	\$ 38,000
Year 3: \$37,000	$\frac{(33,000 + 32,000)}{2} \times 1.1 = 35,750$	<u>\$ 35,750</u>
Year 4: \$33,000		
Year 5: \$32,000		
		\$ 115,000 ÷ 3 =
		<b>\$ 38,334 FAS</b>

The earnings in Years 1 and 3 exceed the average of the earnings in the previous two years by more than 10 percent, therefore, the FAS is limited and only the Earnings Allowed can be used in the calculation.

\* Tier 5 members are limited in their allowable overtime earnings.

\*\* A lump sum vacation payment will be added into the last year's earnings.

# FIVE-YEAR FINAL AVERAGE SALARY

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## Tier 6

A five-year FAS is the average of the wages earned during any five consecutive years of service when earnings were the highest. This is usually the last five years of employment.

The five-year FAS calculation can include, but is not limited to, the following types of payments earned during the FAS period:

- Regular salary;
- Holiday pay;
- Longevity pay; and
- Overtime pay.\*

In most cases, the following payments **cannot** be included in the FAS:

- Unused sick leave;
- Payments made as a result of working your vacation;
- Wages in excess of the Governor's salary (currently \$179,000);
- Lump sum payments for deferred compensation;
- Any payments made for time not worked;
- Any form of termination pay;
- Payments made in anticipation of retirement;
- Lump sum payments for accumulated vacation; and
- For members paid by three or more participating employers, wages paid by more than two of those employers.

\* For Tier 6 members, the total amount of overtime and compensatory overtime that can be included in the calculation of your FAS is limited.

## LIMITATIONS

The earnings in any one year used in the FAS calculation cannot exceed the average earnings of the previous four years by more than 10 percent. Earnings in excess of the 10 percent limitation will be excluded from the calculation. As a result, Tier 6 members are likely to be limited in the amount of salary used in their FAS calculation.

### Example

#### Tier 6 Member

Actual Earnings	Limit	Earnings Allowed
Year 1: \$47,000	$\frac{(38,000 + 37,000 + 33,000 + 32,000)}{4} \times 1.1 = 38,500$	\$ 38,500
Year 2: \$38,000	$\frac{(37,000 + 33,000 + 32,000 + 31,000)}{4} \times 1.1 = 36,575$	\$ 36,575
Year 3: \$37,000	$\frac{(33,000 + 32,000 + 31,000 + 30,000)}{4} \times 1.1 = 34,650$	\$ 34,650
Year 4: \$33,000	$\frac{(32,000 + 31,000 + 30,000 + 29,000)}{4} \times 1.1 = 33,550$	\$ 33,000
Year 5: \$32,000	$\frac{(31,000 + 30,000 + 29,000 + 28,000)}{4} \times 1.1 = 32,450$	\$ <u>32,000</u>
Year 6: \$31,000		
Year 7: \$30,000		
Year 8: \$29,000		
Year 9: \$28,000		
		\$ 174,725 ÷ 5 =
		<b>\$ 34,945 FAS</b>

The earnings in Years 1, 2 and 3 exceed the average of the earnings in the previous four years by more than 10 percent, therefore, the FAS is limited and only the Earnings Allowed can be used in the calculation.

# Retirement Plans

*Your retirement plan describes the formula used to calculate your retirement benefit. All calculation examples shown in this section represent the Single Life Allowance payment option, which provides the maximum amount payable for your lifetime.*

*Some ERS members are in retirement plans that allow for retirement, regardless of age, after a specific number of years. These special plans cover job titles such as Corrections Officers, Security Hospital Treatment Assistants, Sheriffs, Undersheriffs and Deputy Sheriffs. If you are in a special plan, you should review your plan booklet for retirement benefit calculation information. Plan booklets are available on our Publications page at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php).*

## SERVICE RETIREMENT ELIGIBILITY

To be eligible to collect a retirement benefit, a member must meet one of the following criteria:

- Tier 1 members age 55 or older;
- Tier 2, 3, and 4 members age 55 or older with five or more years of credited service; or
- Tier 5 and 6 members age 55 or older with ten or more years of credited service.

## BENEFIT REDUCTIONS

Your age at retirement could directly impact the calculation of your retirement benefit. Members who meet one of the following criteria can retire with no age-based reduction to their benefits:

- Tier 1 members age 55 or older;
- Tier 2, 3, 4 and 5 members who retire at the age of 62 or older;
- Tier 6 members who retire at age 63 or older; or
- Tier 2, 3, and 4 members who retire between the ages of 55 and 62 with 30 or more years of service credit.

Retirement benefits for members who retire under a regular plan and do not meet one of the criteria listed above will be permanently reduced based on their age on their date of retirement.

Benefit reduction percentages for each tier of membership are provided below. Please note that these reductions are prorated by the month. For example, the pension benefit of a Tier 4 member with less than 30 years of service who retires at the age of 55 years and 6 months old would be permanently reduced by 25.5 percent.

### Benefit Reduction Charts

Age at Retirement	Tiers 2, 3 & 4 Reduction	Tier 5 Reduction	Tier 6 Reduction
63	-	-	0%
62	0%	0%	6.5%
61	6%	6.66%	13.0%
60	12%	13.33%	19.5%
59	15%	18.33%	26.0%
58	18%	23.33%	32.5%
57	21%	28.33%	39.0%
56	24%	33.33%	45.5%
55	27%	38.33%	52.0%

## **TIERS 1 & 2**

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### **Section 75-h (State) and Section 75-i (Local)**

#### **SERVICE RETIREMENT BENEFIT**

- If you retire with 20 or more years of service credit, your guaranteed service retirement benefit will be 1/50th (2 percent) of your FAS for each year of service credit.
- If you made contributions to NYSLRS, 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 percent 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 9-10), your benefit cap is raised to 79 percent of your FAS.
- Tier 2 members who retire before age 62 with less than 30 years of service are subject to a benefit reduction. (See page 9-22 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 9-25 for more information.)

If your service credit at retirement exceeds 37.5 years (or 39.5 years if you are eligible for Article 19 service), you may qualify for a higher retirement benefit under Section 75-f or 75-g. (See page 9-25 for calculation information.)

- For New York State employees employed by the State on March 31, 1970, the benefit provided by Section 75-h would be compared to the benefit provided by Section 75-f.
- For employees of local government employers, the benefit provided by Section 75-i would be compared to the benefit provided by Section 75-g.
- Sections 75-f and 75-g provide an annual benefit equal to 50 percent of your FAS for 25 years of service credit plus 1.66 percent of your FAS for each year of service credit over 25 years, with no cap.

<b>Examples</b>	
<b>Tier 1   Age 55</b>	
28 years of service FAS = \$43,500	
$\frac{28 \times \$43,500}{50}$	= \$ 24,360 per year \$ 2,030 per month

<b>Examples</b>	
<b>Tier 2   Age 55</b>	
30 years of service FAS = \$43,500	
$\frac{30 \times \$43,500}{50}$	= \$ 26,100 per year \$ 2,175 per month

<b>Tier 2   Age 55</b>	
28 years of service FAS = \$43,500	
$\frac{28 \times \$43,500}{50}$	= \$ 24,360
	- <u>6,577</u> *
	\$ 17,783 per year
	\$ 1,482 per month
* 27 percent benefit reduction at age 55.	

# TIERS 1 & 2

## Section 75-f (State) and Section 75-g (Local)

### SERVICE RETIREMENT BENEFIT

- With 25 or more years of service credit, your service retirement benefit will be 50 percent of your FAS, plus 1/60th (1.66 percent) for each year of service credit over 25 years.
- Tier 2 members who retire before age 62 with less than 30 years of service are subject to a benefit reduction. (See page 9-22 for reductions.)
- If you made contributions to NYSLRS, 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, State and local employees covered by this plan will have their benefit calculated under Section 75-d and 75-e respectively.

Examples	
<b>Tier 1   Age 55</b>	
29 years of service FAS = \$43,500	
$\frac{25 \times \$43,500}{50}$	= \$ 21,750
$\frac{4 \times \$43,500}{60}$	= + 2,900
	\$ 24,650 per year
	\$ 2,054 per month

Examples	
<b>Tier 1 or 2   Age 61</b>	
43 years of service FAS = \$43,500	
$\frac{25 \times \$43,500}{50}$	= \$ 21,750
$\frac{18 \times \$43,500}{60}$	= + 13,050
	\$ 34,800 per year
	\$ 2,900 per month

Examples	
<b>Tier 2   Age 55</b>	
29 years of service FAS = \$43,500	
$\frac{25 \times \$43,500}{50}$	= \$ 21,750
$\frac{4 \times \$43,500}{60}$	= + 2,900
	\$ 24,650
	- 6,655 *
	\$ 17,995 per year
	\$ 1,499 per month

\* 27 percent benefit reduction at age 55.

# TIERS 1 & 2

## Section 75-d (State) and Section 75-e (Local)

### SERVICE RETIREMENT BENEFIT

At retirement, you will receive a pension equal to:

- 1/60th (1.66 percent) of your FAS for each year of service credit earned.
- Tier 2 members who retire before age 62 with less than 30 years of service are subject to a benefit reduction. (See page 9-22 for reductions.)
- If you made contributions to NYSLRS, 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.

#### Examples

**Tier 1 | Age 55**

or

**Tier 2 | Age 62**

17 years of service

FAS = \$43,500

$$\frac{17 \times \$43,500}{60} = \begin{array}{l} \$ 12,325 \text{ per year} \\ \$ 1,027 \text{ per month} \end{array}$$

#### Tier 2 | Age 55

17 years of service

FAS = \$43,500

$$\frac{17 \times \$43,500}{60} = \begin{array}{r} \$ 12,325 \\ - \quad 3,327^* \\ \hline \$ 8,998 \text{ per year} \\ \$ 750 \text{ per month} \end{array}$$

\* 27 percent benefit reduction at age 55.

# TIERS 3 & 4

## Article 15

### SERVICE RETIREMENT BENEFIT

- If you retire with less than 20 years of service credit, your pension will equal 1/60th (1.66 percent) of your FAS for each year of service.
- With 20 to 30 years of service credit, your service retirement benefit will equal 1/50th (2 percent) of your FAS multiplied by your years of credited service.
- For each year of credited service beyond 30 years, the benefit will increase by 3/200ths (1.5 percent) of your FAS.
- With less than 30 years of credit, if you choose to retire before age 62, your benefit will be subject to a reduction. (See page 9-22 for reductions.)

Examples	
Age 62	
17 years of service FAS = \$43,500	
$\frac{17 \times \$43,500}{60} =$	\$ 12,325 per year \$ 1,027 per month
Age 55	
17 years of service FAS = \$43,500	
$\frac{17 \times \$43,500}{60} =$	\$ 12,325
	- 3,327 *
	\$ 8,998 per year \$ 750 per month
* 27 percent benefit reduction at age 55.	

Examples	
Age 62	
22 years of service FAS = \$43,500	
$\frac{22 \times \$43,500}{50} =$	\$ 19,140 per year \$ 1,595 per month
Age 55	
22 years of service FAS = \$43,500	
$\frac{22 \times \$43,500}{50} =$	\$ 19,140
	- 5,167 *
	\$ 13,973 per year \$ 1,164 per month
* 27 percent benefit reduction at age 55.	

Age 55 Over 30 Years of Service	
32 years of service FAS = \$43,500	
$\frac{30 \times \$43,500}{50} =$	\$ 26,100
$(1.5\% \times 2^{**}) \times 43,500 =$	+ 1,305
	\$ 27,405 per year \$ 2,283 per month
In this example, the member has more than 30 years of service. Therefore there is no benefit reduction.	
** Number of years over 30.	

# TIER 5

## Article 15

### SERVICE RETIREMENT BENEFIT

- If you retire with less than 20 years of service credit, your pension will equal 1/60th (1.66 percent) of your FAS for each year of service.
- With 20 to 30 years of service credit, your service retirement benefit will equal 1/50th (2 percent) of your FAS multiplied by your years of credited service.
- For each year of credited service beyond 30 years, the benefit will increase by 3/200ths (1.5 percent) of your FAS.
- If you choose to retire before age 62, your benefit will be subject to a reduction. (See page 9-22 for reductions.)

#### Examples

##### Age 62

17 years of service  
FAS = \$43,500

$$\frac{17 \times \$43,500}{60} = \$ 12,325 \text{ per year}$$
$$= \$ 1,027 \text{ per month}$$

##### Age 55

17 years of service  
FAS = \$43,500

$$\frac{17 \times \$43,500}{60} = \$ 12,325$$
$$- \quad 4,724^*$$
$$= \$ 7,601 \text{ per year}$$
$$= \$ 633 \text{ per month}$$

\* 38.33 percent benefit reduction at age 55.

#### Examples

##### Age 62

22 years of service  
FAS = \$43,500

$$\frac{22 \times \$43,500}{50} = \$ 19,140 \text{ per year}$$
$$= \$ 1,595 \text{ per month}$$

##### Age 55

22 years of service  
FAS = \$43,500

$$\frac{22 \times \$43,500}{50} = \$ 19,140$$
$$- \quad 7,336^*$$
$$= \$ 11,804 \text{ per year}$$
$$= \$ 983 \text{ per month}$$

\* 38.33 percent benefit reduction at age 55.

##### Age 55

32 years of service  
FAS = \$43,500

$$\frac{30 \times \$43,500}{50} = \$ 26,100$$
$$(.015 \times 2^{**}) \times 43,500 = + 1,305$$
$$= \$ 27,405$$
$$- \quad 10,504^*$$
$$= \$ 16,901 \text{ per year}$$
$$= \$ 1,408 \text{ per month}$$

\* 38.33 percent benefit reduction at age 55.

\*\* Number of years over 30.

# TIER 6

## Article 15

### SERVICE RETIREMENT BENEFIT

- If you retire with less than 20 years of service credit, the benefit equals 1/60th (1.66 percent) of your FAS for each year of service.
- If you retire with 20 years of service credit, the benefit equals 35 percent of your FAS.
- You will receive an additional 2 percent of your FAS for each year of service credit in excess of 20 years.
- If you choose to retire before age 63, your benefit will be subject to a reduction. (See page 9-22 for reductions.)

Examples	
<b>Age 63</b>	
17 years of service FAS = \$43,500	
$\frac{17 \times \$43,500}{60}$	= \$ 12,325 per year \$ 1,027 per month
<b>Age 63</b>	
22 years of service FAS = \$43,500	
$\$43,500 \times .35$ (20 years)	= \$ 15,225
$\frac{2 \times \$43,500}{50}$	= + 1,740
	\$ 16,965 per year \$ 1,413 per month

Examples	
<b>Age 55</b>	
17 years of service FAS = \$43,500	
$\frac{17 \times \$43,500}{60}$	= \$ 12,325
	- 6,409 *
	\$ 5,916 per year \$ 493 per month
* 52 percent benefit reduction at age 55.	
<b>Age 55</b>	
22 years of service FAS = \$43,500	
$\$43,500 \times .35$ (20 years)	= \$ 15,225
$\frac{2 \times \$43,500}{50}$	= + 1,740
	\$ 16,965
	- 8,821 *
	\$ 8,144 per year \$ 678 per month
* 52 percent benefit reduction at age 55.	

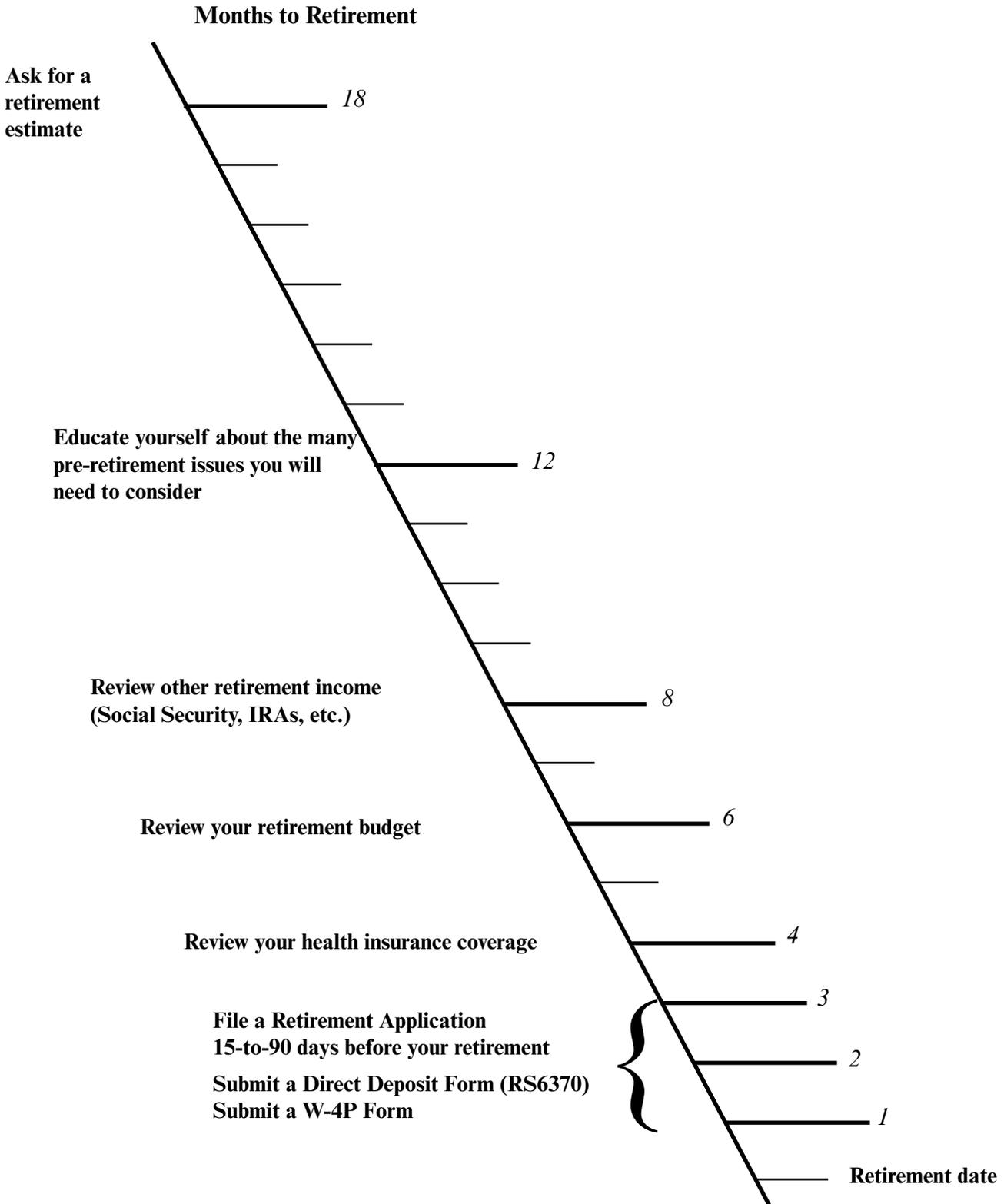
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# Preparing for Your Retirement

*Retirement is one of the biggest life changes that most people will ever experience. One of the keys to minimizing the uncertainty that can occur during the retirement process is to plan ahead. Properly preparing for your retirement will provide you with the tools and information you'll need to make educated decisions about your benefits. It will also make the process easier to understand and less stressful when it's time to retire.*

# COUNTDOWN TO RETIREMENT

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For more information, be sure to read our publication, *How Do I Prepare to Retire?* (VO1709).

## UNDERSTANDING YOUR BENEFIT

It's never too early to start planning for your retirement. One of the most important things you should do to prepare is review how much your pension benefit could be. We offer a variety of ways for you to obtain a projection of your future retirement benefits.

When planning for your retirement, you should use more than one — and possibly all — of the methods listed below, depending on where you are in your career.

### Review your Member Annual Statement

For most members, a projection of your future pension benefit is provided each year on your Member Annual Statement. Each statement may include up to three benefit projections based on different possible dates of retirement. While, in most cases, these benefit calculations are conservative, they are an effective planning tool that you can use throughout your entire career.

### Use our Benefit Projection Calculator

Most members, regardless of age, can use the benefit calculator on our website to project what their approximate pension could be based on retirement dates they choose. The calculator also projects benefit amounts under the various payment options available to you at retirement. Visit our website at [www.osc.state.ny.us/retire/members/projecting-your-pension.php](http://www.osc.state.ny.us/retire/members/projecting-your-pension.php) to use the calculator. This service is currently not available to members enrolled in certain plans and to Tier 5 or 6 members.

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**Note:** These benefit projections are based entirely on salary and service credit information you enter — not Retirement System records. So it's important that you contact us to confirm the information we have in our records for you is accurate and complete **before you make any final decisions regarding your retirement.**

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### Request a Benefit Projection from our Call Center

Most members, regardless of age, with five or more years of service credit are eligible to request a benefit projection by contacting our Call Center. These benefit projections are based on your salary and service reported by your employer(s) to date. Actively employed members age 50 or older can also request a benefit calculation that projects additional service credit based on a date of retirement up to five years into the future. In most cases, these projections will be mailed to your home address the next business day. This benefit projection method is a great tool for vested members who are considering leaving the payroll before they are old enough to collect their retirement benefits and for those members who will be eligible to retire within five years. If you decide not to retire, you may request a new benefit projection whenever your circumstances change.

### Speak with an Information Representative

We offer you the opportunity to speak with an Information Representative to obtain a projection of your retirement benefits. This consultation service is available at locations throughout New York State. To request a benefit projection or to schedule an appointment, contact our Call Center toll free at 1-866-805-0990, or 518-474-7736 in the Albany, New York area.

## Request an Estimate

If you are within five years of your first eligible date of retirement and have not received credit for all your public service in New York State, you can request an estimate. An estimate provides information about your retirement benefits and the approximate amount you can expect to receive annually and monthly under each of the standard retirement options (sample estimates are provided on pages 9-41 through 9-44).

You can receive this information by submitting a Request for Estimate form (RS6030) or by writing to our Benefit Calculations and Disbursement Services Bureau. See page 9-66 for a description and a link to the form on our website.

Your request must include an estimated date of retirement, the name and birth date of your intended pension beneficiary (if applicable) and a list of your entire public employment history, including military service. The date of retirement on your request cannot be more than five years in the future.

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**Note:** An estimate can take a number of months to complete, so we recommend you submit your request at least nine to 18 months before your estimated date of retirement.

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Be sure to review your estimate carefully and report any inconsistencies to us as soon as possible. If you decide not to retire, you may request a new estimate whenever your circumstances change.

## 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.

Please send us a copy of one of the following:

- Birth certificate;
- New York State driver's license issued on or after January 1, 2005;
- Passport or passport card;
- A Marriage Certificate, if it shows the age on a given date or the date of birth;
- Certificate of Release or Discharge from Active Duty (DD-214);
- Baptismal certificate;
- Enhanced driver's license; or
- 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/w2w.htm](http://www.cdc.gov/nchs/w2w.htm).

If you are unable to provide one of these documents, please contact us for information about alternative types of proof that are acceptable.

You may forward proof of your and/or your beneficiary's birth dates to us any time before your retirement date. Be sure to include your name, address and retirement account number (registration number or NYSLRS ID) with any documents you want included in your records. Your registration number can be found on your latest Member Annual Statement.

## COMMIT TO PAYING OFF YOUR NYSLRS LOANS

Many members take advantage of our loan program. However, it may be to your advantage, as you near retirement, to commit to paying off (or at least substantially reducing) your NYSLRS loan balances. Some of the remaining balance at retirement may be subject to federal income tax.

If you are a Tier 1 or 2 member with outstanding loans at retirement, your pension will not be affected, but if you are entitled to an annuity (in addition to your pension benefit), it will be permanently reduced.

If you are a Tier 3, 4, 5 or 6 member with an outstanding loan balance at retirement, your pension will be **permanently** reduced.

You can check your current loan balance using *Retirement Online*. Visit our NYSLRS home page at [www.osc.state.ny.us/retire/index.php](http://www.osc.state.ny.us/retire/index.php), then click “Register” or “Sign In.”

You may pay off your loan sooner by increasing the 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 write “loan payment” on your check or money order. Additional payments should not be submitted more than once a month. Send your letter and/or payments, along with your name, address and registration number to:

NYSLRS  
Loan Unit  
110 State Street  
Albany, NY 12244-0001

## REVIEW YOUR DOMESTIC RELATIONS ORDER

The New York State Court of Appeals has determined that retirement benefits are considered marital property and can be divided between you and your ex-spouse when the marriage ends. If you divorce, your retirement benefits could be affected in any of the following ways:

- Your ex-spouse may be entitled to a portion of your pension.
- You may be required to name your ex-spouse as beneficiary of any pre-retirement death benefit payable.
- You may be required to elect a retirement option that provides a continuing benefit to your ex-spouse in the event of your death.
- Your ex-spouse may be entitled to a portion of your cost-of-living adjustment.

Any division of your benefits must be stated in the form of a domestic relations order (DRO) — a court order that gives us specific instructions on how your benefits should be divided. We will also need a certified copy of your divorce decree. We highly recommend your attorney send us a proposed DRO for review prior to its 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. A DRO does not allow for a distribution of your pension until you actually retire, die or terminate membership.

NYSLRS offers an easy-to-complete online DRO template. The template is not required, but because the review process is simplified for all submissions using the DRO template, we can complete our review faster if you use it. We will also honor a properly drawn DRO issued by a New York State court.

We will honor an out-of-state order if you submit a notarized statement to us:

- 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.

For more information about our online DRO template and how divorce may affect retirement benefits, please visit our Divorce and Your Benefits page at: [www.osc.state.ny.us/retire/members/divorce/index.php](http://www.osc.state.ny.us/retire/members/divorce/index.php). If you have any questions, you or your legal representative should email our Matrimonial Bureau at [dro@osc.state.ny.us](mailto:dro@osc.state.ny.us). Inquires may also be faxed to 518-474-7794.

## 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 70 to 80 percent of your pre-retirement income to maintain your current standard of living. The average retiree receives about 35-40 percent 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 (SSA) offers many tools to help guide you through the retirement process, including ways to estimate your benefit, which could help you determine the best time to start receiving it. You can view your personal Social Security Statement online or you can request that a statement be mailed to you by completing a form. Visit the SSA's website at [www.ssa.gov](http://www.ssa.gov) to find out more about your Social Security Statement.

## **PREPARE A RETIREMENT BUDGET**

Once you determine what your expected income will be, it's time to prepare a budget. Having a budget allows you to decide how you want to spend your money and helps you keep 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. Don't forget to include expenses that occur periodically, such as car insurance or property and school taxes. You will also want to include money you set aside for an emergency fund or save for future goals. We have included a set of work sheets to help you in your budget preparation on pages 9-38 to 9-40.

## **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 through your employer after retirement or you need supplemental coverage, visit [www.nystateofhealth.ny.gov](http://www.nystateofhealth.ny.gov) well in advance of retiring for more information on health insurance options available to you and your family.

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. You can also visit the Department of Civil Service's website at [www.cs.ny.gov](http://www.cs.ny.gov) or call them at 1-800-833-4344 or 518-457-5754 to learn more.

# MONTHLY INCOME WORKSHEET

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<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>

# MONTHLY EXPENSES WORKSHEET

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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 Expenses Worksheet (Continued)**

<b>Item</b>	<b>Present</b>	<b>Anticipated</b>
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 &amp; INVESTMENTS</b>		
Savings, Stocks, IRAs	_____	_____
Other	_____	_____
<b>PERSONAL CARE</b>		
	_____	_____
<b>TOTAL</b>	<b>\$ _____</b>	<b>\$ _____</b>

# SAMPLE ESTIMATE: TIER 1 AND 2

## ESTIMATE

Name:  
Date:

Reg. No.:  
Soc. Sec. 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: June 30, 2016  
Type of Retirement: Section 75h  
Date of Birth: January 25, 1957

Total service: 36.80 Years  
Final Average Salary: \$41,300  
Contributions Plus Interest: \$0

Beneficiary on File:  
Beneficiary Date of Birth: March 22, 1954

Single Life Allowance (Option 0)	This maximum lifetime retirement allowance pays <b>\$2,533</b> per month. There is no form of payment to any beneficiary after your death.
Annual Pension:	\$30,396 + Annual Annuity: \$0 = Annual Allowance: \$30,396

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>\$2,419</b> per month. If you die before receiving allowance payments equal to \$393,445 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 January 18, 2028.
<u>AVAILABLE TO TIER 1 MEMBERS ONLY</u>	
Annual Pension:	\$29,034 + Annual Annuity: \$0 = Annual Allowance: \$29,034

Joint Allowance Full (Option 2)	This reduced lifetime allowance pays <b>\$2,258</b> per month. If you die before your beneficiary, we will pay your beneficiary <b>\$2,258</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:	\$27,104 + Annual Annuity: \$0 = Annual Allowance: \$27,104

Joint Allowance Half (Option 3) This reduced lifetime allowance pays **\$2,387** per month. If you die before your beneficiary, we will pay your beneficiary **\$1,194** 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: \$28,654 + Annual Annuity: \$0 = Annual Allowance: \$28,654

Five Year Certain This reduced lifetime allowance pays **\$2,513** per month. If you die within five years of retirement, payments of **\$2,513** per month will be continued to your beneficiary for the remainder of the five year period. You may change your beneficiary any time before June 30, 2019. If you live for more than five years after retirement, all payments stop at your death.

Annual Pension: \$30,161 + Annual Annuity: \$0 = Annual Allowance: \$30,161

Ten Year Certain This reduced lifetime allowance pays **\$2,464** per month. If you die within ten years of retirement, payments of **\$2,464** per month will be continued to your beneficiary for the remainder of the ten year period. You may change your beneficiary any time before June 30, 2024. If you live for more than ten years after retirement, all payments stop at your death.

Annual Pension: \$29,578+ Annual Annuity: \$0 = Annual Allowance: \$29,578

Pop-Up Joint Allowance Full This reduced lifetime allowance pays **\$2,217** per month. If you die before your beneficiary, we will pay **\$2,217** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to \$2,533 per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Pension: \$26,611+ Annual Annuity: \$0 = Annual Allowance: \$26,611

Pop-Up Joint Allowance Half This reduced lifetime allowance pays **\$2,364** per month. If you die before your beneficiary, we will pay **\$1,182** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$2,533** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Pension: \$28,377 + Annual Annuity: \$0 = Annual Allowance: \$28,377

# SAMPLE ESTIMATE: TIER 3 & 4 ARTICLE 15

## ESTIMATE

Name:  
Date:

Reg. No.:  
Soc. Sec. 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: July 26, 2018	Total Service: 32.15 Years
Type of Retirement: Article 15	Final Average Salary: \$42,800
Date of Birth: August 17, 1957	Contributions Plus Interest: \$30,586

Beneficiary on File:  
Beneficiary Date Of Birth: March 8, 1959

Single Life Allowance (Option 0)	This maximum lifetime retirement allowance pays <b>\$2,254</b> per month. There is no form of payment to any beneficiary after your death.
Annual Allowance:	\$27,049

Joint Allowance Full (Option 1)	This option provides a reduced retirement allowance of <b>\$1,989</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:	\$23,971

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%	\$24,671
	50%	\$25,417
	25%	\$26,208
		\$2,056
		\$2,118
		\$2,184

Five Year Certain (Option 3) This option provides a reduced lifetime retirement allowance of **\$2,242** per month. If you die within five years of retirement, payments of **\$2,242** 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: \$26,903

Ten Year Certain (Option 4) This option provides a reduced lifetime retirement allowance of **\$2,211** per month. If you die within ten years of retirement, payments of **\$2,211** 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, 2018. If you live more than ten years after retirement, all payments stop at your death.

Annual Allowance: \$26,530

Pop-Up Joint Allowance Full (Option 5) This reduced lifetime allowance pays **\$1,973** per month. If you die before your beneficiary, we will pay **\$1,973** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$2,254** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Allowance: \$23,671

Pop-Up Joint Allowance Half (Option 5) This reduced lifetime allowance pays **\$2,104** per month. If you die before your beneficiary, we will pay **\$1,052** per month to your beneficiary for life. If your beneficiary dies first, your allowance will be changed to **\$2,254** per month for life. Your beneficiary cannot be changed after the last day of the month in which you retire.

Annual Allowance: \$25,248

# Applying for Your Service Retirement Benefit

*Applying for your service retirement benefit is relatively easy, especially if you have taken the proper steps to prepare for your retirement. However, it is important you know exactly what your responsibilities are. It will also help if you understand how we will be handling our part of the process.*

*Remember — we are here to help if you need us. If you have any concerns or questions about applying for your service retirement benefit, please contact our Call Center to speak with a customer service representative.*

## FILING YOUR RETIREMENT APPLICATION

You must file a completed Application for Service Retirement form (RS6037) with us to receive your retirement benefit. See page 9-67 for a description and a link to the form on our website.

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 for at least 15 days, but not more than 90 days, before your retirement date. The 15-day filing requirement is waived if you are over age 70 at retirement.

For your application to be considered as “filed with the Comptroller,” it must be received by our Albany office, one of our consultation sites or another office of the State Comptroller. **Giving your employer the form does not mean that you have “filed with the Comptroller.”**

Instead of visiting our offices to file time-sensitive documents, you can fulfill the filing requirement by mailing your application to us. If you mail your retirement application or option election form using “Certified Mail — Return Receipt Requested,” the postmark date will serve as the date of filing. If you mail your application or option election form using regular mail, and you die between the time you mail it and the time we receive it, a *legible* postmark will serve as the filing date.

We will send you a confirmation letter approximately two to three weeks after we receive your retirement application. We will also notify your employer you have filed for retirement. If you received an estimate or benefit projection 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 or projection. Also included will be a W-4P form, enabling you to have federal taxes withheld each month, and a Direct Deposit Enrollment Application (RS6370), so you can have your pension deposited directly into the bank account of your choice.

We will send a new estimate of your retirement benefits **only if** you have not received an estimate or benefit projection from us within the last 18 months or if your retirement plan calculation 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**

Your NYSLRS pension is subject to federal income tax. A W-4P form (Withholding Certificate for Pension or Annuity Payments) will be mailed to you with your retirement confirmation letter. A W-4P form enables you to have federal taxes withheld from your monthly benefit. If you have questions, visit our Taxes and Your Pension page at [www.osc.state.ny.us/retire/retirees/tax\\_services\\_information.php](http://www.osc.state.ny.us/retire/retirees/tax_services_information.php).

You can also use our federal tax withholding calculator. By entering your anticipated monthly benefit, whether you are single or married, and the number of dependents you claim, the calculator will show you how much federal tax will be withheld from your retirement 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 adviser 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. Refer to page 9-68 for a description and a link to the form on our website.

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

## **CHOOSING A PENSION PAYMENT OPTION**

At retirement, you must decide how you want your retirement benefit paid. You can choose from several options, all of which will provide you with a monthly benefit for life. For example, you may elect the Single Life Allowance, which provides the maximum amount payable during your lifetime, with nothing payable to a beneficiary upon your death. Or you may choose a smaller monthly benefit to provide for a payment to a designated beneficiary after your death.

## **FILING YOUR OPTION ELECTION**

You must file your Option Election form (unless notified otherwise, as in the case of disability retirement) 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 or benefit projection, showing the amounts payable under each available option, within the past 18 months. In that case, we will mail you an estimate after we receive your retirement application, and with your estimate we will let you know the due date for your Option Election form.

If your election is not timely, by law we must process your retirement as if you had selected:

- Tier 1 or 2 members, the Cash Refund — Contributions option; or
- Tier 3, 4, 5 or 6 members, the Single Life Allowance option.

Option Election forms can be downloaded from our Forms page at [www.osc.state.ny.us/retire/forms/index.php](http://www.osc.state.ny.us/retire/forms/index.php).

### **Single Life Allowance (Option 0)**

This option provides the maximum benefit payment to you each month for the rest of your life. Under this selection, all payments cease upon your death. When you die (even if it is soon after retiring), nothing will be paid to any beneficiary.

### **Cash Refund — Contributions**

(Available only to members with annuity savings contributions on deposit)

This option will provide you with a reduced monthly benefit for your lifetime. At your death, the unpaid balance of your accumulated annuity savings contributions will be paid to your beneficiary or your estate. If all of your accumulated annuity savings contributions have been expended, all payments will cease upon your death. The mandatory contributions made by Tier 3 (Article 14), 5 and 6 members are not annuity savings contributions.

### **Cash Refund — Initial Value**

(Available only to Tier 1 members)

This option will provide you with a reduced monthly benefit for your lifetime. It guarantees that if you die before receiving retirement benefit payments that equal the initial value of your benefit, the balance of the initial value will be paid to your beneficiary or estate. “Initial value” is an actuarial term for the value of your retirement benefit at the time of retirement.

If you live long enough, you will receive your initial value amount and more in 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 option will provide you with a reduced monthly benefit for your lifetime, with the additional guarantee that if you live for less than five years after retirement, payments in the same amount you were receiving (without COLA) 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 option will provide you with a reduced monthly benefit for your lifetime, with the additional guarantee that if you live for less than ten years after retirement, payments in the same amount you were receiving (without COLA) 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 option will provide you with a reduced monthly benefit for your lifetime and is based on your birth date and that of your beneficiary. After your death, your beneficiary will receive the same monthly amount you were receiving (without COLA) for life. If your beneficiary dies before you, all payments will cease upon your death.

### **Joint Allowance — Half\***

(Available to Tier 1 and 2 members)

This option will provide you with a reduced monthly benefit for your lifetime and is based on your birth date and that of your beneficiary. After your death, your beneficiary will receive one-half of the monthly benefit you were receiving (without COLA) for life. If your beneficiary dies before you, all payments will cease upon your death.

### **Joint Allowance — Partial\***

(Available to Tier 3, 4, 5 and 6 members)

This option will provide you with a reduced monthly benefit for your lifetime, and is based on your birth date and that of your beneficiary. After your death, your beneficiary will receive a specific percentage of your benefit (without COLA) which you select (75, 50 or 25 percent) for his or her lifetime. If your beneficiary dies before you, all payments will cease upon your death.

### **Pop-Up/Joint Allowance — Full\***

This option will provide you with a reduced monthly benefit for your lifetime. If you die before your beneficiary, we will continue paying the same monthly amount you were receiving (without COLA) to your beneficiary for life. 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 cease upon your death.

### **Pop-Up/Joint Allowance — Half\***

This option will provide you with a reduced monthly benefit for your lifetime. 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. 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 cease upon your death.

## Alternative Option

If the options described here do not meet your needs, we will consider written requests for other payment methods. These requests must be outlined in detail by you and then approved by us for legal and actuarial soundness.

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**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:

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

To do this, complete a Pensioner Designation of Beneficiaries form (RS4411), available on our website at [www.osc.state.ny.us/retire/forms/rs4411.pdf](http://www.osc.state.ny.us/retire/forms/rs4411.pdf).

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*\* If you elect this option, you must submit proof of your beneficiary's birth date. You can designate only one beneficiary and you cannot 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 percent of your COLA. For more information on COLA, see page 9-52.*

## PARTIAL LUMP SUM (PLS) PAYMENT OPTION

Chapter 135 of the Laws of 2014 allows eligible members to elect to receive a partial lump sum (PLS) payment at retirement. If you elect a PLS payment, your monthly benefit will be permanently reduced. To be eligible for the PLS payment, your county employer must first adopt a resolution to provide this option to its eligible employees and you must:

- Be employed as a sheriff, undersheriff, deputy sheriff or county correction officer;
- Retire under a plan that allows for retirement after 20 or 25 years of creditable service;
- Have been eligible to retire for at least one full year prior to your actual date of retirement; and
- Retire with a service retirement benefit (not a disability retirement).

Depending on the number of years you have been eligible to retire, your choice of the PLS payment can be either 5, 10, 15, 20, or 25 percent of the actuarial value of your retirement benefit at the time of retirement.

For more detailed information, including the taxability of a PLS payment, please refer to our publication, [www.osc.state.ny.us/retire/publications/vo1750.php](http://www.osc.state.ny.us/retire/publications/vo1750.php).

# After You Retire

*The retirement process doesn't stop once you reach your date of retirement. There is still work to be done and a number of things you should know ahead of time to ensure that you are prepared for what happens next.*

## **PENSION PAYMENTS**

For most members, you will receive your first pension payment at the end of the month following your retirement month. If you have a domestic relations order on file, or if you have not submitted your proof of date of birth or pension payment option form, your first payment may be delayed.

Sign up for our Direct Deposit Program and have your retirement benefits deposited directly into your bank account. Direct deposit is quick and safe. In most cases, your money is available immediately; no waiting for a check in the mail.

To sign up, complete a Direct Deposit Application (RS6370) and return it to us. Be sure to attach a voided check or have a bank representative complete section three of the form. Refer to page 9-67 for a description and a link to the form on our website.

If you do not enroll in direct deposit, your pension check will be mailed on the second-to-last business day of each month for that month.

If you have questions about when you will receive your first pension payment, please contact us ([www.contactNYSLRS.com](http://www.contactNYSLRS.com)).

## **FINAL CALCULATION LETTER AND RETROACTIVE PAYMENTS**

When we complete your benefit calculation we will mail you a letter explaining how we determined your retirement benefit. This final calculation letter will provide you with the amount of the benefit you will be receiving each month for the remainder of your life. It will also provide you with the total amount of the pension you have earned up to that point and the total amount already paid to you.

If the total amount of the pension you have earned up to that point exceeds the total amount you were paid, we will issue you a retroactive payment to make up the difference (less federal withholding, if applicable).

## **COST-OF-LIVING ADJUSTMENTS**

Once you meet the eligibility requirements, including age and number of years retired, your retirement benefit will permanently increase each year. This adjustment, subject to pension caps and limitations, is 50 percent of the previous year's annual rate of inflation, but never less than 1 percent or more than 3 percent of your benefit. The adjustment percentage is applied only to the first \$18,000 of your Single Life Allowance, even if you selected a different option at retirement.

You will begin receiving cost-of-living adjustments (COLAs) when you are:

- Age 62 or older and retired for five or more years;
- Age 55 or older and retired for ten or more years (generally applies to members in special plans that allow for retirement, regardless of age, after a specific number of years); or
- Receiving a disability pension for five or more years.

Also eligible:

- The beneficiary of a deceased 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 benefit (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 limited if you return to work after retiring. The Retirement and Social Security Law regulates post-retirement employment for all members of NYSLRS. 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, federal government, yourself, etc.);
- Your date of membership and tier; and
- Your age.

Violating the rules can result in the loss, suspension or reduction of your retirement benefit. For more information on post-retirement employment, please visit our website, contact us, or read our booklet, *What If I Work After Retirement?* (VO1648) available on our website at [www.osc.state.ny.us/retire/publications/vol1648.php](http://www.osc.state.ny.us/retire/publications/vol1648.php).

## 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 — 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* (VO1848), on the next page, to help you with 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.

# WHERE MY ASSETS ARE

One problem survivors often have is finding documents and valuable papers. You can assist them by filling out this form. Give copies to your loved ones, executor, lawyer and anyone else who will need this information. You should review and update this information periodically.

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

NYSLRS ID No. \_\_\_\_\_ NYSLRS Registration No. \_\_\_\_\_

## 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: A	B	C	ITEM	LOCATION: 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 and loaned items	___	___	___
Life insurance	___	___	___	Auto ownership records	___	___	___
Health insurance policy	___	___	___	Birth certificate	___	___	___
Homeowner's 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	___	___	___	Health care proxy	___	___	___
List of credit cards	___	___	___	Other: _____	___	___	___
Brokerage account records	___	___	___	_____	___	___	___

## Important Names, Addresses and Phone Numbers

New York State and Local Retirement System, 110 State Street, Albany, NY 12244-0001, or toll-free at 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 notify NYSLRS upon your death to determine what benefits may be due.

VO1848 (Rev. 4/17)



Office of the New York State Comptroller  
Thomas P. DiNapoli, State Comptroller

# Death Benefits

*It's important that you understand your death benefit coverage at various points during your membership.*

*In addition to knowing how and when you become covered by a particular benefit, you should also keep your beneficiary information up to date with NYSLRS. If we should ever have to pay a death benefit on your behalf, having accurate information in your records will ensure that we will be able to contact and pay the beneficiary — or beneficiaries — you have chosen.*

# TIER 1

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## ORDINARY DEATH BENEFIT

### Eligibility

- You must have at least one year of service.
- You must be younger than age 55.
- Payable upon death in active service.

### Benefit

- One month's salary for each year of service (not to exceed 36 years).
- Paid as a lump sum.
- Up to first \$50,000 is paid as group term life insurance and is not taxable.

#### Example

#### Tier 1, Age 54

Years of service: 34

Last year's salary: \$43,500

$$\frac{34 \times \$43,500}{12} = \$123,250 \text{ (lump sum)}$$

## ALTERNATIVE DEATH BENEFIT

### Eligibility

- You must have at least one year of service.
- You must be age 55 or older.
- Payable upon death in active service.

### Benefit

- Equals the initial value of your pension benefit under the Non-contributory Retirement Plan (Section 75-c).
- Paid as a lump sum.
- Up to first \$50,000 is paid as group term life insurance and is not taxable.
- Comparison between ordinary and alternative benefit is made and the greater benefit is paid.

#### Example

##### Tier 1, Age 55

Years of service: 34

Last year's salary: \$43,500

$$\frac{34 \times \$43,500}{60} = \$24,650 \times 13.954^* = \mathbf{\$ 343,966}$$

**(lump sum)**

\* Annuity factor for member age 55

## **ACCIDENTAL DEATH BENEFIT**

### **Eligibility**

- No minimum service required.
- Your death is the result of an on-the-job accident not due to your own willful negligence.
- Payable by law to certain beneficiaries, in the following order:
  - First, to your surviving spouse for life or until remarriage.
  - Second, if no surviving spouse, to your dependent children until they reach age 18.
  - Third, if neither surviving spouse, nor dependent children, to dependent parent(s) for life.

### **Benefit**

- Annual benefit equals 50 percent of your final average salary reduced by any workers' compensation payments payable.
- Paid as a monthly benefit.
- Nontaxable.

## TIERS 2, 3, 4, 5 & 6

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### ORDINARY DEATH BENEFIT

#### Eligibility

- You must have at least one year of service.
- Available at any age.
- Reductions apply if you are still working on or after the age of 61.
- Payable upon death in active service.

#### Benefit

- Equals your last year's earnings multiplied by your years of service, not to exceed three years of earnings, plus contributions with interest.
- Paid as a lump sum.
- Usable earnings may be limited by Section 130 of Civil Service Law.
- Up to first \$50,000 is paid as group term life insurance and is not taxable.

#### Example

Age 54

Years of Service: 25

Last Year's Earnings: \$43,500

$3 \times \$43,500 = \$130,500$  (lump sum)

## ACCIDENTAL DEATH BENEFIT

### Eligibility

- No minimum service required.
- Death is result of an on-the-job accident not due to your own willful negligence.
- Payable by law to certain beneficiaries, in this order:
  - First, to your surviving spouse for life or until remarriage.
  - Second, if no surviving spouse, to your dependent children until they reach:
    - Age 18 for Tier 2 members.
    - Age 25 for Tier 3, 4, 5 and 6 members.
  - Third, if neither surviving spouse nor dependent children, to dependent parent(s) for life.

### Benefit

- Annual benefit equals 50 percent of your final average salary reduced by any workers' compensation payments payable.
- Paid as a monthly benefit.
- Nontaxable.

#### Example

Final Average Salary: \$43,500

50% of \$43,500 = **\$21,750 (annually)**

## POST-RETIREMENT DEATH BENEFIT

### Eligibility

- You retire directly from payroll or within one year of leaving covered employment.

### Benefit

- Equals 50 percent of the ordinary death benefit if your death occurs within one year from your date of retirement.
- Equals 25 percent of the ordinary death benefit if your death occurs within two years from your date of retirement.
- Equals 10 percent of ordinary death benefit payable at age 60 or at your retirement, if your death occurs more than two years from your date of retirement.
- Paid as a lump sum.
- Up to first \$50,000 is paid as group term life insurance and is not taxable.

#### Example

Pre-Retirement Death Benefit: \$130,500

50% of \$130,500 = **\$65,250**  
(1st year of retirement)

25% of \$130,500 = **\$32,625**  
(2nd year of retirement)

10% of \$130,500 = **\$13,050**  
(3rd year and thereafter)

# OUT-OF-SERVICE DEATH BENEFIT

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## All Tiers

An out-of-service death benefit may be payable under one of the following scenarios if you leave public employment:

- With **at least one year** of service credit, the full amount of the ordinary death benefit plus contributions (if any) with interest is payable if:
  - You did not terminate your membership;
  - You are not gainfully employed; and
  - Your death occurs within one year of terminating employment.
- With **ten or more years** of service credit, 50 percent of the ordinary death benefit, plus contributions (if any) with interest is payable if:
  - Your death occurs more than one year after terminating employment; or
  - You become employed within the first year of discontinuing public employment.

Out-of-service death benefits are paid as a lump sum. Up to the first \$50,000 is paid as group term life insurance, and is not taxable.

# Survivor's Benefit Program

*This program is available to New York State retirees only. The benefit is paid in a lump sum upon your death if certain eligibility requirements have been met.*

## **ELIGIBILITY**

- You must have at least ten years of full-time State service within the last 15 years immediately prior to leaving or retiring from State service.
- You must:
  - Retire directly from any retirement system or pension plan supported by State funds;
  - Retire directly from the State University optional retirement program after age 55, and begin receiving your benefit within 90 days of your last day on the payroll; or
  - Leave State service after age 62.

## **BENEFIT**

- Equals \$3,000.
- Payable as a lump sum.

## **FILING**

- Contact us or your human resources office to file the appropriate form for this benefit.

## **BENEFICIARIES**

- If you select the Single Life Allowance (Option 0) at retirement, you must name a beneficiary for this benefit by completing the Survivor's Benefit Program form (RS6355) available from NYSLRS and your human resources office.
- If you selected any retirement option other than the Single Life Allowance, your survivor's benefit beneficiary(ies) is the same as your retirement option beneficiary(ies).
- If you wish to change your beneficiary after you retire, please contact our Call Center.

# Your Obligations

## **NOTIFY US IF YOUR ADDRESS CHANGES**

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

*Retirement Online* is the fastest and easiest way to update your address with NYSLRS. Visit our NYSLRS home page at [www.osc.state.ny.us/retire/index.php](http://www.osc.state.ny.us/retire/index.php), then click “Register” or “Sign In.”

## **KEEP YOUR BENEFICIARIES CURRENT**

By keeping your beneficiary designation up to date, you ensure that your loved ones receive any post-retirement death benefit due to 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, or, if you are not yet retired, submit a Designation of Beneficiary form (RS5127). Refer to page 9-68 for a description and a link to the form on our website.

You can update your beneficiary information using *Retirement Online*. Visit our NYSLRS home page at [www.osc.state.ny.us/retire/index.php](http://www.osc.state.ny.us/retire/index.php), then click “Register” or “Sign In.”

## **READ OUR PUBLICATION, *A Guide For Retirees (VO1705)***

This publication provides information about other benefits you may be entitled to and the services we offer to retirees. It is available on our Publications page at [www.osc.state.ny.us/retire/publications/index.php](http://www.osc.state.ny.us/retire/publications/index.php), or from our Call Center.

## **KEEP YOUR BENEFICIARIES INFORMED**

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

# NYSLRS Forms

## Request to Purchase Service Credit (Including any Military Service)

[www.osc.state.ny.us/retire/forms/rs5042.pdf](http://www.osc.state.ny.us/retire/forms/rs5042.pdf)

Use this form to request credit for your public service before you became a member of NYSLRS. We will send you a letter indicating the amount of previous service credit you are eligible to receive and the cost, if applicable.

For more information on service credit, please see pages 9-9 through 9-14.

## Request for Estimate (RS6030)

[www.osc.state.ny.us/retire/forms/rs6030.pdf](http://www.osc.state.ny.us/retire/forms/rs6030.pdf)

Use this form to request an estimate. An estimate provides information about your retirement benefits and the approximate amount you can expect to receive annually and monthly under each of the standard retirement options. The date of retirement on your request cannot be more than five years in the future and you must have at least five years of service credit.

Your request must include an estimated date of retirement, the name and birth date of your intended pension beneficiary (if applicable) and a list of your entire public employment history, including military service. It's important to note that an estimate can take a number of months to complete, so we recommend you submit your request at least nine to 18 months prior to your estimated date of retirement.

For more information on preparing for retirement, please see pages 9-31 through 9-44.

(Note: This is a two-page form; please submit both pages.)

## Application for Service Retirement (RS6037)

[www.osc.state.ny.us/retire/forms/rs6037.pdf](http://www.osc.state.ny.us/retire/forms/rs6037.pdf)

Complete this form and file it with us to receive your retirement benefit. Your retirement application must be on file with us at least 15 days, but not more than 90 days, before your retirement date. The 15-day filing requirement is waived if you are over age 70 at retirement. 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 file these time-sensitive documents personally, you can fulfill the filing requirements by mailing the document 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 the document via “Certified Mail — Return Receipt Requested.” When we receive the document, it will be considered as having been filed on the same date it was mailed.

For more information on applying for your service retirement benefit, please see pages 9-45 through 9-50.

(Note: This is a two-page form; please submit both pages.)

Office of the New York State Comptroller  
**NYSLRS**  
New York State and Local Retirement System  
110 State Street, Albany, New York 12244-0001

RECEIVED

**Application for Service Retirement RS 6037**  
Rev. 6/13

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 15 DAYS, BUT NOT MORE THAN 90 DAYS, BEFORE YOUR RETIREMENT CAN BECOME EFFECTIVE.**

Items 1-14 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. TELEPHONE NUMBER HOME: ( ) WORK: ( )
5. FOR UNITED STATES TAX WITHHOLDING AND REPORTING PURPOSES (PLEASE CHECK ONE) I AM AN: <input type="checkbox"/> U.S. CITIZEN <input type="checkbox"/> RESIDENT ALIEN <input type="checkbox"/> NONRESIDENT ALIEN	
6. REGISTRATION NUMBER	7. DATE OF BIRTH
8. 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.

**9. INFORMATION ABOUT YOUR PUBLIC EMPLOYMENT**  
PLEASE CHECK THE FIRST RETIREMENT SYSTEM YOU WERE A MEMBER OF:  
 New York State Teachers' Retirement System  New York City Board of Education Retirement System  
 New York State and Local Employees' Retirement System  New York City Teachers' Retirement System  
 New York State and Local Police and Fire Retirement System  New York City Police Pension Fund  
 New York City Employees' Retirement System  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**

EMPLOYER (Indicate whether State, County, City, Town, Village, etc.)	DEPARTMENT OR AGENCY	TITLE OF POSITION	SERVICE FROM TO

**10. RERESTATEMENT APPLICATION.** If you were previously a member of any public retirement system in New York State you may wish to have based on your previous membership date and tier. To apply for the reinstatement, please complete this section.

**FORMER MEMBERSHIP INFORMATION:**  
PLEASE CHECK THE FIRST RETIREMENT SYSTEM YOU WERE A MEMBER OF:  
 New York State Teachers' Retirement System  New York City Board of Education Retirement System  
 New York State and Local Employees' Retirement System  New York City Teachers' Retirement System  
 New York State and Local Police and Fire Retirement System  New York City Police Pension Fund  
 New York City Employees' Retirement System  New York City Fire Pension Fund

## Electronic Funds Transfer Direct Deposit Enrollment Application (RS6370)

[www.osc.state.ny.us/retire/forms/rs6370.pdf](http://www.osc.state.ny.us/retire/forms/rs6370.pdf)

Use this form to have your monthly retirement benefit electronically deposited into the checking or savings account of your choice. This form is also used to change the bank where your benefit is deposited.

For more information on the Direct Deposit Program, please see page 9-52.

(Note: This is a two-page form; please submit page 1.)

Office of the New York State Comptroller  
**NYSLRS**  
New York State and Local Retirement System  
110 State Street, Albany, New York 12244-0001

RECEIVED

**Electronic Funds Transfer Direct Deposit Enrollment Application**  
RS 6370  
Rev. 6/13

(See Reverse Side for Information and Instructions)

**SECTION 1. TO BE REVIEWED AND CORRECTED BY PENSIONER**

Name \_\_\_\_\_ Soc. Sec. No. \_\_\_\_\_ Retirement # \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
Connections (if any): \_\_\_\_\_  
Preferred Telephone: ( ) \_\_\_\_\_ (Please Provide) Registration # \_\_\_\_\_

**SECTION 2. TO BE COMPLETED BY PENSIONER**

I hereby request all future benefits which become payable to me from the New York State and Local Retirement Systems (NYSLRS) be transferred to my account via Electronic Funds Transfer (EFT) Direct Deposit to:

Name of Financial Institution: \_\_\_\_\_  
Account Type: \_\_\_\_\_  
 Checking (attach voided check to Section 3, or have Section 3 completed by your Financial Institution).  
 Savings - Section 3 MUST be completed by the Financial Institution.  
If your checks do not have your name imprinted on them, Section 3 MUST be completed by the Financial Institution.

NYSLRS is authorized to continue making such benefit payments to said financial institution or any of its successors until NYSLRS receives written notice from me to the contrary. I agree the NYSLRS shall have no liability or responsibility for loss occasioned by erroneous information supplied by myself, my duly authorized representative, or the financial institution.

I expressly acknowledge and understand any payments made pursuant to this request will be strictly an accommodation made to me by NYSLRS. NYSLRS reserves the right to discontinue or decline to honor this EFT request without prior notice.

I hereby authorize and direct the financial institution, on my behalf, my joint account holder, if any, and my estate to charge my account for amounts paid to which I was not entitled. I also agree, on behalf of myself, my joint account holder, if any, and my estate, that such amounts will be returned to the NYSLRS.

By making this request, I hereby represent the account identified herein (and as may later be modified) is not a trust.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Signature of Joint Holder (if any): \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION 3. TO BE COMPLETED BY YOUR FINANCIAL INSTITUTION IF DIRECTING FUNDS INTO A SAVINGS ACCOUNT OR IF A VOIDED CHECK IS NOT ATTACHED. THE ABOVE PENSIONER'S NAME MUST APPEAR ON THE ACCOUNT.**

Name of Account (Full Title of Account): \_\_\_\_\_  
Only account type in section 2 is correct: \_\_\_\_\_  
TransferABA Number (ACH Format - 9 Digits): \_\_\_\_\_ Depositor's Account Number (EFT Format - Cannot Exceed 17 Digits): \_\_\_\_\_  
Address: \_\_\_\_\_ Telephone: ( ) \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
I, an representative of the above named financial institution, agree to abide by the NACHA Rules and Regulations. Amounts paid to account holder to which he/she is not entitled will be returned to NYSLRS. Liability shall be limited as prescribed in the NACHA Rules and Regulations.

Bank Officer Signature: \_\_\_\_\_  
Bank Officer (Please Print): \_\_\_\_\_

