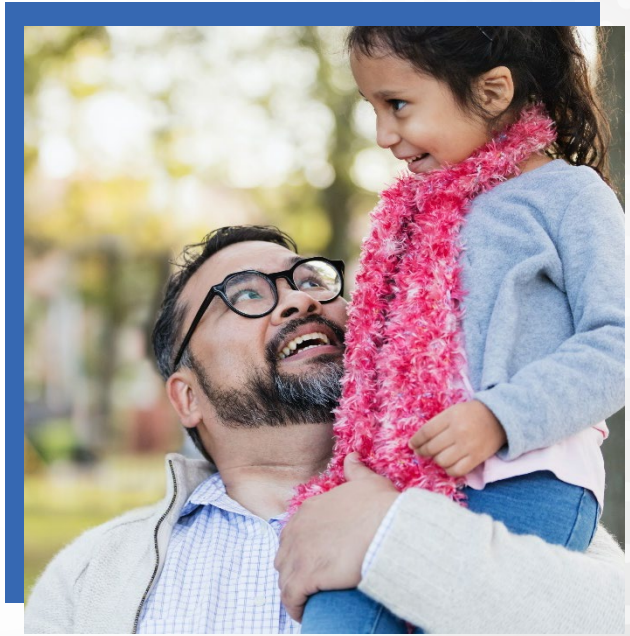


Securing your financial future today

What We'll Discuss

- What Is BERS?
- BERS Tax Deferred Annuity
- Retirement
- How to Contact BERS
- Questions?



What is BERS?

Board of Education Retirement System (BERS)

- Founded in 1921
- Provides a defined benefit plan to eligible employees of the NYC Department of Education
- Mandatory for some, but voluntary for most employees

PARTICIPATING EMPLOYERS
Department of Education
School Construction Authority
Police Department

Overview of Tier 4 and Tier 6

	TIER 4 Closed to new hires	TIER 6 Open to new hires
Participants	Eligible employees who joined between July 26,1976 and March 31, 2012	Eligible employees who join on or after April 1, 2012
Contribution Rate	3% for the MCAF (and an additional 1.85% for those participating in the Early Retirement Program)	Based on your annual salary
Retirement Age	Members can collect a full pension at the age of 62	Members can collect a full pension at the age of 63
Vesting/ Full pension	Make required contributions and **vest after 5 years of credited service**	Make required contributions and **vest after 5 years of credited service**

Tier 4 Early Retirement Program

Program	Membership Date	Pension Contribution	Additional Contribution
Chapter 19 (Optional) 55/25	On or before February 27th, 2008	3% for 10 years	1.85% for 25 years
Chapter 19 (Mandatory) 55/27	On or after February 28th, 2008, but before December 10th, 2009	3% for 10 years	1.85% for 27 years
Chapter 504 (Mandatory) 55/27	On or after December 10th, 2009, until March 31st, 2012	3% for 27 years	1.85% for 27 years

Tier 4 Early Retirement Age Reduction for Basic Tier 4 Members

Under regular Tier 4 retirement (62/5), members can retire at age 62 with five years of credited service. Retirement at an earlier age without an early retirement plan will result in a reduction of pension benefits for life.

*Early Retirement Reduction Table	
55	27%
56	24%
57	21%
58	18%
59	15%
60	12%
61	6%

Tier 6 Early Retirement Age Reduction

Under Tier 6 retirement (63/5), members can retire at age 63 with five years of credited service. Retirement at an earlier age will result in a reduction of pension benefits by 6.5% for each year by which retirement precedes age 63.

Early Retirement Reduction Table	
55	52%
56	45.5%
57	39%
58	32.5%
59	26%
60	19.5%
61	13%
62	6.5%

BERS Tax Deferred Annuity

Benefits of the TDA

- Two ways to contribute: Pre-Tax & Roth
- Two ways to invest: Fixed & Variable Program
- You decide your contribution amount and how much to put toward the Programs (contributions can be invested in one or split between the two programs)

Fixed Program	Variable Program
• A generous, guaranteed return • Interest rate 7% compounded annually for UFT affiliated members	• Invests in a diverse mix of stocks • Return is based on the stock market—it's not guaranteed and may carry higher risk than the Fixed Program, but it offers the potential for greater return • Includes a 4% annual incremental increase credited monthly to your account

TDA Explained

- Like a 401(k), you can:
  - Take a loan, if you need money before retirement
  - Withdraw from your savings (a 10% tax penalty may apply if you take money prior to age 59½)
- At retirement, you can:
  - Keep your account at BERS so it can continue to grow
  - Withdraw all your money or roll over your savings to another financial institution
  - Receive Required Minimum Distributions (RMDs)

2024 contribution limits are:

$23,000 for members under age 50

$30,500 for members over age 50

Retirement

Retirement on the Mind?

Our BERS Benefits Examiners will work with you one-on-one to help you file your retirement paperwork.

If you are…	TIMELINE
6 months away	• Request an appointment with a Benefit Examiner • Request an approximation of benefits • Inquire if you have any time that you can buy back with the city, state or military, and about time you may need to transfer from another system
3 months away	• Meet with your Benefits Examiner to start your retirement paperwork • You will need to show proof of the date of birth for you and for your beneficiaries if you are choosing an option
1 month away	Submit your paperwork

Final Average Salary

- Calculated based on your pensionable earnings.
- Averaged of 3 highest consecutive years of pay.
- KINGSTON LIMITATION
  Wages earned in any year used in the FAS computation cannot exceed more than 10% of the average of the previous two years.

How to Contact BERS

Contact Us



8:30 a.m. to 4:30 p.m.
Monday through Friday

(929) 305-3800 OR (800) 843-5575 (outside New York State)

Email: brespon@bers.nyc.gov or members_outreach@bers.nyc.gov

Web: www.nycbers.org

Register For Your BERS Member Self Service (MSS) Portal!

- BERS Members and Retirees who wish to register for a Member Self Service (MSS) account MUST visit the BERS Service Center at 65 Court Street on the 1st Floor to complete and submit a registration form.
- Please bring a valid State or Federal issued ID to verify your identity.
- BERS staff will review the application and create an account for you.
- Upon approval you will receive 2 emails; one for the temporary password and another to confirm your MSS registration.

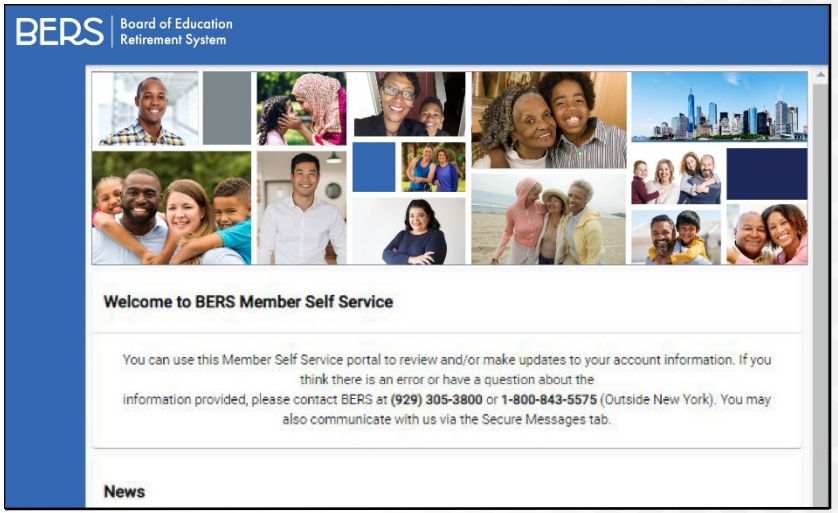


You must bring a Valid State or Federal ID to set your account.

Get 24/7 Access to your BERS Account!

The BERS Member Self Service (MSS) portal gives you immediate access to your pension account and the ability to do the following online:

- Apply for prior service
- Apply for a loan
- Generate a retirement estimate
- Make a TDA election change
- and see your account in real time - access BERS at home!




Don't be
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FOLLOW US
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NYCBERS

Securing your financial future today.

Appendix

Service Explained

- Your “credited membership service”—i.e., how much you’ve worked—can count toward your retirement allowance
- This can include:
  - Full-time service
    - Paid leaves of absence
    - Sick leave
    - Annual leave
  - Part-time service
  - Previous service*
  - Transferred service*
  - Military service*

*Must apply to have service processed and credited to your account.

Part-Time Service

- BERS prorates 1 year of credit for past or present part-time service, if you've worked:
  - 1,827 hours during the calendar year (non-UFT affiliated Titles)
  - 1,470 hours during the calendar year in a non-teaching job whose duties are regularly scheduled to be performed only during the school year
  - 1,170 hours for per-session titles
  - 180 days for substitute teachers and substitute paraprofessionals

Military Service

- Requires a minimum of 5 years of credited service at the time the application is submitted to receive credit for military time
- Can purchase up to 3 years of service

Prior Service in City or State of New York

- **If you worked for another agency**, you may be able to “buy back” service.
  - Must have 2 years of credited membership service to receive credit for ***Prior Service***
- **If you were formerly a member of a public employee retirement system**, you may be eligible for reinstatement into your previous tier.
  - Must have 2 years of credited membership service to receive credit for ***Tier Reinstatement***

Questions about your specific situation?

CONTACT US!

(929) 305-3800

or

(800) 843-5575

(outside New York State)

brespon@bers.nyc.gov

More About Prior Service

- Prior service for Tier 4 costs 3% of the wages you earned during the years you want to buy back plus 5% interest.
- Additional cost for those mandated in early retirement program.
- Prior service for Tier 6 costs 6% of the wages you earned during the years you want to buy back plus 5% interest.
- Can buy back via lump sum, post-tax payroll deductions, 457 Deferred Compensation, or with TDA funds.

What if You Become Disabled?

- Two types:
  - Ordinary and Accidental disability.
  - Must have 10 years of credited service to apply for ordinary disability retirement.
  - No minimum years of service is required to apply for accidental disability retirement.
- You must file with BERS for either disability retirement.
- Approval is established by the DOE Medical Bureau.

Options at Retirement

Maximum Retirement Allowance

- You receive a monthly lifetime allowance whose amount is greater than the amount of any other benefit option. Upon your death, beneficiaries do not receive a benefit. This means that when you die, the benefit stops.

Options at Retirement *(Cont'd)*

Option 1 | 100% Joint and Survivor

- You receive a reduced monthly lifetime allowance. Upon your death, your sole beneficiary receives 100% of your reduced allowance for the rest of their life. If your beneficiary dies before you, you will continue to receive reduced benefits for life.

Options at Retirement *(Cont'd)*

Option 2 | Other Joint and Survivor

- You receive a reduced monthly lifetime allowance. You must decide to leave your sole beneficiary either 25%, 50% or 75% of your benefit upon your death. Your allowance will be reduced based on the decision you make and cannot be changed after 30 days of the first payment is made.

Options at Retirement *(Cont'd)*

Option 3 | Five-Year Certain

- You receive a reduced monthly lifetime allowance. After payment of the retirement allowance to you for five years, however, there is no further coverage for your beneficiary. If you die within the five years following retirement, your beneficiary will receive the reduced monthly payments for the remainder of that period.

  If your primary beneficiary dies before that period, the remainder of the benefits are paid to a contingent beneficiary as a monthly benefit.

Options at Retirement *(Cont'd)*

Option 4 | Ten-Year Certain

- You receive a reduced monthly lifetime allowance. After payment of the retirement allowance to you for ten years, however, there is no further coverage for your beneficiary. If you die within the ten years following retirement, your beneficiary will receive the reduced monthly payments for the remainder of that period.

  If your primary beneficiary dies before that period, the remainder of the benefits are paid to a contingent beneficiary as a monthly benefit.

Options at Retirement *(Cont'd)*

Option 5 | Pop-Up

- You receive a reduced monthly lifetime allowance. You must decide to leave your sole beneficiary either 50% or 100% of your benefit upon your death. Your allowance will be reduced based on the decision you make and cannot be changed 30 days after the printing of first check.

  If, however, your beneficiary dies before you do, your benefit converts to the maximum allowance for the rest of your life.

What if You Die Before Retirement?

- Members are eligible for ordinary death benefits to be paid to their beneficiaries.
- Paid as predetermined in your beneficiary designation.

Lump sum of your MCAF account, plus the following:

NUMBER OF YEARS OF CREDITED SERVICE	LUMP SUM BENEFIT
1 yr but less than 2 yrs	1 year's salary
2 yrs but less than 3 yrs	2 X current salary
3 or more years	3 X current salary

Each year after age 60, the death benefit is reduced by 5% of the original amount that would have been paid. But, once age 70 or older, the amount is not reduced below 50% of the original death benefit in effect.

What if You Die After Retirement?

POST-RETIREMENT DEATH BENEFITS

IF DEATH OCCURS	AMOUNT OF BENEFIT
In the first year of retirement	50% of the benefit in force at age 60
In the second year of retirement	25% of the benefit in force at age 60
In the third year of retirement and thereafter	10% of the benefit in force at age 60

Disclaimer

The Board of Education Retirement System does not offer definitive investment advice or suggest investment choices, nor can BERS recommend any one course of action over another.

It is our intention to point out the various alternatives available to you. You should investigate your choices before making any decision which may profoundly impact your future.

The information in this presentation is valid as of January 2024.

You may wish to consult with professional advisors to discuss your individual circumstances.