

Calculating Your Retirement Benefit



NYC EMPLOYEES' RETIREMENT SYSTEM

Tier 4 General Membership (62/5, 57/5, 55/25)

January 2023

To be eligible for an unreduced pension, you must satisfy the age and service requirements specified in your plan. This brochure covers three plans in Tier 4 – 62/5, 57/5 and 55/25 – and all three contain the same formula to calculate a retirement benefit. Each year of service is calculated at a certain percentage contingent upon the years of Credited Service you've accumulated. The calculation is as follows:

- Members with less than 20 years of Credited Service – 1 ⅔% for each year
- Members with 20-30 years of Credited Service – 2% for each year
- Members with more than 30 years of Credited Service – 2% for each year up to 30 years, PLUS 1.5% for each year in excess of 30

In addition to these percentages, a key factor in the calculation of your retirement benefit is your Final Average Salary (FAS). In general, your FAS is a three-year average of wages earned. For more information on FAS, please refer to Brochure #929.

The charts in this brochure contain hypothetical FAS amounts and years of service. At the intersection of these two factors you will find a dollar amount that represents your Maximum Retirement Allowance, i.e., your annual retirement benefit amount without optional modification.

Here is an example of how the chart works for a member with 10 years of service and an FAS of \$45,000:

| Years of Service | Final Average Salary If you make between \$25,000 - \$55,000 | | | | | | |
|------------------|---|----------|----------|-----------|-----------|-----------|-----------|
| | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$55,000 |
| 5 | 2,083.33 | 2,500.00 | 2,916.67 | 3,333.33 | 3,750.00 | 4,166.67 | 4,583.33 |
| 6 | 2,500.00 | 3,000.00 | 3,500.00 | 4,000.00 | 4,500.00 | 5,000.00 | 5,500.00 |
| 7 | 2,916.67 | 3,500.00 | 4,083.33 | 4,666.67 | 5,250.00 | 5,833.33 | 6,416.67 |
| 8 | 3,333.33 | 4,000.00 | 4,666.67 | 5,333.33 | 6,000.00 | 6,666.67 | 7,333.33 |
| 9 | 3,750.00 | 4,500.00 | 5,250.00 | 6,000.00 | 6,750.00 | 7,500.00 | 8,250.00 |
| 10 | 4,166.67 | 5,000.00 | 5,833.33 | 6,666.67 | 7,500.00 | 8,333.33 | 9,166.67 |
| 11 | 4,583.33 | 5,500.00 | 6,416.67 | 7,333.33 | 8,250.00 | 9,166.67 | 10,083.33 |
| 12 | 5,000.00 | 6,000.00 | 7,000.00 | 8,000.00 | 9,000.00 | 10,000.00 | 11,000.00 |
| 13 | 5,416.67 | 6,500.00 | 7,583.33 | 8,666.67 | 9,750.00 | 10,833.33 | 11,916.67 |
| 14 | 5,833.33 | 7,000.00 | 8,166.67 | 9,333.33 | 10,500.00 | 11,666.67 | 12,833.33 |
| 15 | 6,250.00 | 7,500.00 | 8,750.00 | 10,000.00 | 11,250.00 | 12,500.00 | 13,750.00 |

This member would have an annual Maximum Retirement Allowance of \$7,500. Members can choose the Maximum Retirement Allowance or select a retirement option that continues their pension to a surviving beneficiary. All options will be presented in a retirement options letter which is sent about six months after a member's effective retirement date. (Depending on the complexity of a case, this time frame may be extended.) The example above assumes **NO** outstanding loans or deficits at the time of retirement. In the case of an outstanding loan, please see the chart on the last page titled "Outstanding Loan Reduction Factors" to see how the retirement benefit will be reduced.



This page is for Members with between 5 – 15 years of service.

| Years of Service | Final Average Salary If you make between \$25,000 - \$55,000 | | | | | | |
|------------------|---|----------|----------|-----------|-----------|-----------|-----------|
| | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$55,000 |
| 5 | 2,083.33 | 2,500.00 | 2,916.67 | 3,333.33 | 3,750.00 | 4,166.67 | 4,583.33 |
| 6 | 2,500.00 | 3,000.00 | 3,500.00 | 4,000.00 | 4,500.00 | 5,000.00 | 5,500.00 |
| 7 | 2,916.67 | 3,500.00 | 4,083.33 | 4,666.67 | 5,250.00 | 5,833.33 | 6,416.67 |
| 8 | 3,333.33 | 4,000.00 | 4,666.67 | 5,333.33 | 6,000.00 | 6,666.67 | 7,333.33 |
| 9 | 3,750.00 | 4,500.00 | 5,250.00 | 6,000.00 | 6,750.00 | 7,500.00 | 8,250.00 |
| 10 | 4,166.67 | 5,000.00 | 5,833.33 | 6,666.67 | 7,500.00 | 8,333.33 | 9,166.67 |
| 11 | 4,583.33 | 5,500.00 | 6,416.67 | 7,333.33 | 8,250.00 | 9,166.67 | 10,083.33 |
| 12 | 5,000.00 | 6,000.00 | 7,000.00 | 8,000.00 | 9,000.00 | 10,000.00 | 11,000.00 |
| 13 | 5,416.67 | 6,500.00 | 7,583.33 | 8,666.67 | 9,750.00 | 10,833.33 | 11,916.67 |
| 14 | 5,833.33 | 7,000.00 | 8,166.67 | 9,333.33 | 10,500.00 | 11,666.67 | 12,833.33 |
| 15 | 6,250.00 | 7,500.00 | 8,750.00 | 10,000.00 | 11,250.00 | 12,500.00 | 13,750.00 |

| Years of Service | Final Average Salary If you make between \$60,000 - \$90,000 | | | | | | |
|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$60,000 | \$65,000 | \$70,000 | \$75,000 | \$80,000 | \$85,000 | \$90,000 |
| 5 | 5,000.00 | 5,416.67 | 5,833.33 | 6,250.00 | 6,666.67 | 7,083.33 | 7,500.00 |
| 6 | 6,000.00 | 6,500.00 | 7,000.00 | 7,500.00 | 8,000.00 | 8,500.00 | 9,000.00 |
| 7 | 7,000.00 | 7,583.33 | 8,166.67 | 8,750.00 | 9,333.33 | 9,916.67 | 10,500.00 |
| 8 | 8,000.00 | 8,666.67 | 9,333.33 | 10,000.00 | 10,666.67 | 11,333.33 | 12,000.00 |
| 9 | 9,000.00 | 9,750.00 | 10,500.00 | 11,250.00 | 12,000.00 | 12,750.00 | 13,500.00 |
| 10 | 10,000.00 | 10,833.33 | 11,666.67 | 12,500.00 | 13,333.33 | 14,166.67 | 15,000.00 |
| 11 | 11,000.00 | 11,916.67 | 12,833.33 | 13,750.00 | 14,666.67 | 15,583.33 | 16,500.00 |
| 12 | 12,000.00 | 13,000.00 | 14,000.00 | 15,000.00 | 16,000.00 | 17,000.00 | 18,000.00 |
| 13 | 13,000.00 | 14,083.33 | 15,166.67 | 16,250.00 | 17,333.33 | 18,416.67 | 19,500.00 |
| 14 | 14,000.00 | 15,166.67 | 16,333.33 | 17,500.00 | 18,666.67 | 19,833.33 | 21,000.00 |
| 15 | 15,000.00 | 16,250.00 | 17,500.00 | 18,750.00 | 20,000.00 | 21,250.00 | 22,500.00 |



This page is for Members with between 16 – 25 years of service.

| Years of Service | Final Average Salary If you make between \$25,000 - \$55,000 | | | | | | |
|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$55,000 |
| 16 | 6,666.67 | 8,000.00 | 9,333.33 | 10,666.67 | 12,000.00 | 13,333.33 | 14,666.67 |
| 17 | 7,083.33 | 8,500.00 | 9,916.67 | 11,333.33 | 12,750.00 | 14,166.67 | 15,583.33 |
| 18 | 7,500.00 | 9,000.00 | 10,500.00 | 12,000.00 | 13,500.00 | 15,000.00 | 16,500.00 |
| 19 | 7,916.67 | 9,500.00 | 11,083.33 | 12,666.67 | 14,250.00 | 15,833.33 | 17,416.67 |
| 20 | 10,000.00 | 12,000.00 | 14,000.00 | 16,000.00 | 18,000.00 | 20,000.00 | 22,000.00 |
| 21 | 10,500.00 | 12,600.00 | 14,700.00 | 16,800.00 | 18,900.00 | 21,000.00 | 23,100.00 |
| 22 | 11,000.00 | 13,200.00 | 15,400.00 | 17,600.00 | 19,800.00 | 22,000.00 | 24,200.00 |
| 23 | 11,500.00 | 13,800.00 | 16,100.00 | 18,400.00 | 20,700.00 | 23,000.00 | 25,300.00 |
| 24 | 12,000.00 | 14,400.00 | 16,800.00 | 19,200.00 | 21,600.00 | 24,000.00 | 26,400.00 |
| 25 | 12,500.00 | 15,000.00 | 17,500.00 | 20,000.00 | 22,500.00 | 25,000.00 | 27,500.00 |

| Years of Service | Final Average Salary If you make between \$60,000 - \$90,000 | | | | | | |
|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$60,000 | \$65,000 | \$70,000 | \$75,000 | \$80,000 | \$85,000 | \$90,000 |
| 16 | 16,000.00 | 17,333.33 | 18,666.67 | 20,000.00 | 21,333.33 | 22,666.67 | 24,000.00 |
| 17 | 17,000.00 | 18,416.67 | 19,833.33 | 21,250.00 | 22,666.67 | 24,083.33 | 25,500.00 |
| 18 | 18,000.00 | 19,500.00 | 21,000.00 | 22,500.00 | 24,000.00 | 25,500.00 | 27,000.00 |
| 19 | 19,000.00 | 20,583.33 | 22,166.67 | 23,750.00 | 25,333.33 | 26,916.67 | 28,500.00 |
| 20 | 24,000.00 | 26,000.00 | 28,000.00 | 30,000.00 | 32,000.00 | 34,000.00 | 36,000.00 |
| 21 | 25,200.00 | 27,300.00 | 29,400.00 | 31,500.00 | 33,600.00 | 35,700.00 | 37,800.00 |
| 22 | 26,400.00 | 28,600.00 | 30,800.00 | 33,000.00 | 35,200.00 | 37,400.00 | 39,600.00 |
| 23 | 27,600.00 | 29,900.00 | 32,200.00 | 34,500.00 | 36,800.00 | 39,100.00 | 41,400.00 |
| 24 | 28,800.00 | 31,200.00 | 33,600.00 | 36,000.00 | 38,400.00 | 40,800.00 | 43,200.00 |
| 25 | 30,000.00 | 32,500.00 | 35,000.00 | 37,500.00 | 40,000.00 | 42,500.00 | 45,000.00 |



This page is for Members with between 26-35 years of Service.

| Years of Service | Final Average Salary If you make between \$25,000 - \$55,000 | | | | | | |
|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$25,000 | \$30,000 | \$35,000 | \$40,000 | \$45,000 | \$50,000 | \$55,000 |
| 26 | 13,000.00 | 15,600.00 | 18,200.00 | 20,800.00 | 23,400.00 | 26,000.00 | 28,600.00 |
| 27 | 13,500.00 | 16,200.00 | 18,900.00 | 21,600.00 | 24,300.00 | 27,000.00 | 29,700.00 |
| 28 | 14,000.00 | 16,800.00 | 19,600.00 | 22,400.00 | 25,200.00 | 28,000.00 | 30,800.00 |
| 29 | 14,500.00 | 17,400.00 | 20,300.00 | 23,200.00 | 26,100.00 | 29,000.00 | 31,900.00 |
| 30 | 15,000.00 | 18,000.00 | 21,000.00 | 24,000.00 | 27,000.00 | 30,000.00 | 33,000.00 |
| 31 | 15,375.00 | 18,450.00 | 21,525.00 | 24,600.00 | 27,675.00 | 30,750.00 | 33,825.00 |
| 32 | 15,750.00 | 18,900.00 | 22,050.00 | 25,200.00 | 28,350.00 | 31,500.00 | 34,650.00 |
| 33 | 16,125.00 | 19,350.00 | 22,575.00 | 25,800.00 | 29,025.00 | 32,250.00 | 35,475.00 |
| 34 | 16,500.00 | 19,800.00 | 23,100.00 | 26,400.00 | 29,700.00 | 33,000.00 | 36,300.00 |
| 35 | 16,875.00 | 20,250.00 | 23,625.00 | 27,000.00 | 30,375.00 | 33,750.00 | 37,125.00 |

| Years of Service | Final Average Salary If you make between \$60,000 - \$90,000 | | | | | | |
|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | \$60,000 | \$65,000 | \$70,000 | \$75,000 | \$80,000 | \$85,000 | \$90,000 |
| 26 | 31,200.00 | 33,800.00 | 36,400.00 | 39,000.00 | 41,600.00 | 44,200.00 | 46,800.00 |
| 27 | 32,400.00 | 35,100.00 | 37,800.00 | 40,500.00 | 43,200.00 | 45,900.00 | 48,600.00 |
| 28 | 33,600.00 | 36,400.00 | 39,200.00 | 42,000.00 | 44,800.00 | 47,600.00 | 50,400.00 |
| 29 | 34,800.00 | 37,700.00 | 40,600.00 | 43,500.00 | 46,400.00 | 49,300.00 | 52,200.00 |
| 30 | 36,000.00 | 39,000.00 | 42,000.00 | 45,000.00 | 48,000.00 | 51,000.00 | 54,000.00 |
| 31 | 36,900.00 | 39,975.00 | 43,050.00 | 46,125.00 | 49,200.00 | 52,275.00 | 55,350.00 |
| 32 | 37,800.00 | 40,950.00 | 44,100.00 | 47,250.00 | 50,400.00 | 53,550.00 | 56,700.00 |
| 33 | 38,700.00 | 41,925.00 | 45,150.00 | 48,375.00 | 51,600.00 | 54,825.00 | 58,050.00 |
| 34 | 39,600.00 | 42,900.00 | 46,200.00 | 49,500.00 | 52,800.00 | 56,100.00 | 59,400.00 |
| 35 | 40,500.00 | 43,875.00 | 47,250.00 | 50,625.00 | 54,000.00 | 57,375.00 | 60,750.00 |

Outstanding Loan at Retirement

An outstanding loan at retirement will permanently reduce your retirement benefit. The amount of the reduction in your benefit depends on your age at retirement and the size of the loan. The chart on the right illustrates the benefit reduction in dollars for every \$1,000.00 of an outstanding loan amount (based on a table of factors used for Calendar Year 2023 retirements).

Outstanding Loan Reduction Amounts Based on 2023

| Loan Factors* | | | | | |
|---------------|------------------------------|-----|------------------------------|-----|------------------------------|
| Age | Annual Reduction per \$1,000 | Age | Annual Reduction per \$1,000 | Age | Annual Reduction per \$1,000 |
| 55 | \$59.93 | 62 | \$68.36 | 69 | \$81.28 |
| 56 | 60.97 | 63 | 69.85 | 70 | 83.77 |
| 57 | 62.05 | 64 | 71.42 | 71 | 86.51 |
| 58 | 63.18 | 65 | 73.12 | 72 | 89.45 |
| 59 | 64.37 | 66 | 74.94 | 73 | 92.66 |
| 60 | 65.63 | 67 | 76.89 | 74 | 96.16 |
| 61 | 66.96 | 68 | 79.00 | 75 | 100.02 |

* Please note that the examples shown above reflect Service Retirement only. If you retired under Disability, these numbers would change and your reduction may be greater.

