

Benefits report

A publication of the
Teachers' Retirement System
of the City of New York



Continuing to Serve Our Members

When the COVID-19 pandemic forced TRS to close our Member Services Center in March, we began remote operations immediately and have been working to maintain service to members across several platforms.

As always, representatives are available to respond to phone inquiries at 1 (888) 8-NYC-TRS from 9 a.m. to 5 p.m., Monday through Friday except for New York City holidays. Call volume has been extremely high during the pandemic, and unfortunately wait times to speak with a representative can be long. We have additional representatives working to help answer the calls, and we have introduced many service alternatives over the past several months. For example:

Video Conference: You can schedule a half-hour, one-on-one Zoom call by visiting our website or scanning this QR code:



After you sign up, TRS will send you an email with a link to the Zoom meeting one day before it is scheduled.

Email: You can send a message to AskTRS NYC@trs.nyc.ny.us, and a representative will respond either by phone or by email, in most cases within two business days. Please include your phone number if you send us an email.

Fax/E-Fax: You can use (212) 918-9253 if you need to submit documents to TRS.

Drop-Off: You can drop off paperwork securely during business hours at the TRS entrance of 55 Water Street.

Of course, you can still mail correspondence to TRS at 55 Water Street, New York, NY 10041, but do allow extra time for delivery and processing during the pandemic.

For additional updates, follow us on social media or check our website frequently. A special page on our site shows news on our operations during the pandemic; go to www.trsnyc.org/memberportal/COVID-19 or look for the message in red on our home page.

Fall 2020

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Semiannual Investment Results: 6/30/2020

TRS Passport Funds

TRS' Passport Funds are available to all Tax-Deferred Annuity (TDA) Program participants and members in Tiers I and II for a portion of their funds in the Qualified Pension Plan (QPP).

For more recent investment results, please visit our website. For more details about the Passport Funds, please review our annual *Fund Profiles* booklet.

Annualized Investment Returns

	1 Year	3 Year	5 Year	10 Year
Fixed Return Fund (TDA/UFT)*	7.00%	7.00%	7.00%	7.00%
Fixed Return Fund (All Others)*	8.25%	8.25%	8.25%	8.25%
Diversified Equity Fund	2.44%	7.15%	7.62%	11.51%
Balanced Fund**	4.35%	N/A	N/A	N/A
International Equity Fund	(2.91%)	2.11%	3.74%	6.48%
Sustainable Equity Fund	23.38%	12.95%	11.49%	13.38%
U.S. Equity Index Fund**	N/A	N/A	N/A	N/A
International Equity Index Fund**	N/A	N/A	N/A	N/A

*Returns for the Fixed Return Fund are set by New York State Law. Currently, members affiliated with the United Federation of Teachers are credited with 7% annually on TDA investments in the Fund. Other members' TDA investments in the Fund, and any member's QPP investments in the Fund, are currently credited with 8.25% annually. Historical rates are published on our website. For retirees and annuitants who have Fixed Return Fund investments, the guaranteed return is factored into their monthly payments. Funds that members allocate to the Fixed Return Fund are invested with the Pension Fund.

**Annualized investment returns are incomplete for the Balanced Fund (which began as of 1/1/2018) and are not available for the two new funds that began as of 1/2/2020. The U.S. Equity Index Fund had a six-month return of 10.35%, and the International Equity Index Fund had a six-month return of 3.57%.

Five-Year Performance vs. Benchmarks

Diversified Equity Fund:

1.05%
below
Hybrid Benchmark

2.41%
below
Russell 3000

Balanced Fund¹:

0.53%
below
Custom Benchmark

International Equity Fund:

0.58%
above
International Equity
Composite Benchmark

Sustainable Equity Fund:

2.36%
below
Sustainable Fund
Composite Benchmark

¹ As of 1/1/2018, the Bond Fund became the Balanced Fund, so no 5-year comparison is available. A 2-year comparison is reported above.

TRS Plans

TRS offers two plans to members.

All members participate in the Qualified Pension Plan (QPP), a defined-benefit plan that is funded by employer contributions and member contributions. TRS also administers a Tax-Deferred Annuity (TDA) Program, a supplemental defined-contribution plan available to members. The TDA Program is funded by member contributions.

QPP Total Investments

\$60.12 Billion*

TDA Total Investments

\$37.05 Billion*

* As of 6/30/2020 (unaudited)

Legislative Updates

CARES Act

Earlier this year, TRS implemented the federal CARES Act, which is intended to provide financial assistance to individuals directly affected by COVID-19. Here are the highlights of the provisions affecting TRS members:

- The TDA Required Minimum Distribution was suspended for 2020 (*See story below.*)
- Special provisions are available temporarily on TDA withdrawals—higher limits, no early withdrawal penalty, and the ability to repay the withdrawal.
- The maximum loan amounts for QPP and TDA loans were temporarily increased to \$100,000. Those limits expired in September.

- 12 months of loan payment deferral are temporarily available on new and existing loans. That provision is available through December 1.

Accidental Death Benefit

TRS also implemented the New York State COVID-19 Accidental Death Benefit law. The law treats certain COVID-caused deaths as line-of-duty deaths, with a different death benefit payable to qualifying statutory beneficiaries. Unfortunately, this benefit applies for dozens of TRS members who passed away this year.

For more information about these laws, visit the [FAQs](#) page on our website. There you will find specific pages for CARES Act FAQs and Accidental Death Benefit FAQs.

No TDA Distribution Required in 2020

As part of the CARES Act, Required Minimum Distributions (RMDs) from Tax-Deferred Annuity (TDA) Program accounts are waived for 2020. If you would otherwise be subject to the RMD for this year, TRS contacted you by letter in the spring to inform you of this suspension.

When the distribution requirements resume in 2021, a different new law (known as the SECURE Act)

affects the required beginning age for the RMD. In general, if you had not reached age 70½ by the end of 2019, you will not be subject to the RMD rules until the year in which you reach age 72. However, if you were already 70½ by the end of 2019, you must continue receiving RMDs each year, resuming in 2021.

If that sounds confusing, don't worry. TRS will contact all affected members by letter in the spring of 2021.

You've Got Mail

Did you know that you can view recent correspondence from TRS in the secure section of our website? Just log in with your username and password, and go to your **Documents** page and you'll see any letters that TRS has mailed you since April 2020. (Please note that account statements are shown separately, and some individualized letters cannot be displayed.)

We'll also send you an email to let you know whenever new correspondence is available for you to view. It's just another way TRS is working to keep you informed during the pandemic period.



Make Your Payments Online

If you are repaying a TDA loan to TRS, please use the **Online Payments** feature in the secure section of our website. TRS is phasing out check processing, as are many organizations these days, and we cannot accept loan payments mailed to TRS by check. With Online Payments, you can still submit payment directly from your bank account free of charge. You can also make payment through a credit card or debit card for a fee assessed by our third-party payment processor. In all cases, bank or card information is not retained after the transaction is completed. Please see the flyer enclosed with your loan statements for details.



Teachers' Retirement System of the City of New York
Public Information Office
55 Water Street, New York, NY 10041

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Publications

The following TRS publications have recently been updated and are available on our website:

- [Earnings After Retirement](#)
- [Fund Profiles](#)
- [Summary Plan Description \(Tier III/Tier IV\)](#)
- [Summary Plan Description \(Tier VI\)](#)
- [TDA Program Summary](#)
- [TRS Guide to Domestic Relations Orders](#)
- [Your TRS Benefits in Brief \(Tier IV\)](#)
- [Your TRS Benefits in Brief \(Tier VI\)](#)

Calendar

November 2020: Posting of TDA Quarterly Statements for the third quarter of 2020 for retirees with TDA Deferral status.

January 1, 2021: Effective date of retiree investment election changes received by November 1, 2020 (QPP changes, TDA annuitant changes) or December 1, 2020 (changes for deferred TDA accounts).

January 2021: Expected distribution of 1099 forms for distributions made from members' TRS accounts in 2020. Expected distribution of EFT Quarterly Statements for the fourth quarter of 2020 to retirees who receive their TRS monthly payments electronically.

February 2021: Posting of TDA Quarterly Statements for the fourth quarter of 2020 for retirees with TDA Deferral status.

Retirement payments are transmitted on the last business day of each month; check with your bank about when funds will be available in your account. Checks are mailed three business days before the end of each month.

Please remember that TRS offices will be closed on the official New York City holidays occurring **November 3, November 11, November 26, and December 25, 2020, and January 1, January 18, and February 15, 2021.**

Stay informed between issues of *Benefits Report*. Please follow TRS on social media. And check our website frequently for updates on our operations and services!

