

# In-service news

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



## Building Better Tomorrows for 100 Years!

*A Message from the Executive Director*

Dear Members,

TRS is approaching a historic milestone—our centennial anniversary. Back when we were founded, on August 1, 1917, our membership consisted of fewer than 25,000 teachers and 1,400 retirees. Now, in our hundredth year of operation, we have 200,000 in-service members, retirees, and beneficiaries, and we manage almost \$72 billion in assets across two retirement plans.

Although we administer many member benefits, the cornerstone of TRS is our Qualified Pension Plan (QPP), the employer-sponsored defined-benefit plan that will provide your monthly retirement allowance. As the years have passed, defined-benefit plans have become increasingly rare—and therefore increasingly valuable. Our supplemental Tax-Deferred Annuity (TDA) Program, which is almost a half-century old itself, provides members an opportunity to build additional retirement income during their working careers. Two-thirds of today's members invest in TDA, and most maintain their TDA accounts into retirement.

Altogether, the benefits TRS provides to members and their families are some of the most substantial assets in their lives. We recognize our obligations to you—now and in the future—and we strive to meet your increasing expectations.

This is an auspicious time for TRS. As I mentioned in these pages last fall, we have begun a complex, multi-year transformation of our computer systems and business processes. For you, the most visible part of this effort is our website. We introduced a redesigned, mobile-friendly site earlier this year, and going forward, we are making more and more of our services available online. Expect more self-service enhancements in the months and years ahead.

*(Continued on page 6)*

## Fall 2016

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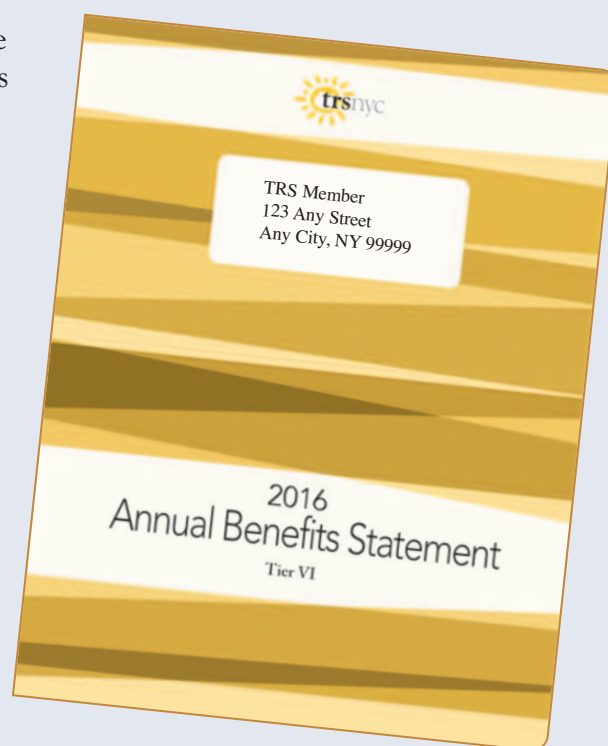
# Understanding Your ABS

This October you should have received your Annual Benefits Statement (ABS), covering the school year ending June 30. The ABS is an important document that includes basic information about your accounts under the QPP—the defined-benefit plan that provides a monthly retirement allowance to TRS members—and under the TDA Program (if applicable)—the defined-contribution program that provides TRS members with the opportunity to save additional funds for retirement. (For more detailed account information, you can consult your most recent Quarterly Account Statement.)

You can use the ABS to answer many questions about your account balances, salary and service history, potential retirement earnings, and various member benefits. Based on your specific membership, below are some examples of the many topics that may be covered in your statement.

-  **Account Summary**—Shows your balances for the accounts that contain your base pension contributions as well as any Additional Member Contributions, and any supplemental contributions.
-  **Last Reported Salary**—States your contractual salary based on the information TRS had on record for you as of June 30.
-  **Service Credit**—Details your Total Service Credit based on information in TRS' database.
-  **Service Milestones**—Provides information concerning your vested status and states when you are eligible to retire.
-  **QPP Service Retirement Benefit Formulas**—Shows how your pension will be calculated. If you are nearing retirement, you may see estimates and projections of your retirement allowance amount. If you participate in the TDA Program, you may also see estimates and projections of your TDA annuity.
-  **Death Benefits**—Lists your beneficiaries on file and indicates the designated percentage of your QPP (and TDA Program, if applicable) benefits that they will receive when there are benefits to be claimed.

The ABS is also available to you online 24/7. Please carefully review your statement to ensure the accuracy of the information TRS has on file for you. If you have questions regarding the information provided in this year's ABS, you may file an inquiry in the secure area of our website or submit the "ABS Inquiry Form" (code SD12) for your tier.



# Help Yourself... to Financial Security!

You already have a basic pension plan in place with TRS' Qualified Pension Plan (QPP), but wouldn't you like to save even more for your retirement? For decades, TRS members have recognized our Tax-Deferred Annuity (TDA) Program as an excellent opportunity to supplement their retirement income. The TDA Program is a voluntary retirement plan, exclusively available to TRS members.

By investing in the TDA Program's Passport Funds, you can save additional money on a tax-deferred basis. You can set your own contribution rate, and you will not pay any taxes on your contributions until you receive your funds. That's a sweet deal.

Remember, taking even a small slice of your salary to invest in TDA can yield a generous additional income at retirement. And if you're already a TDA participant, consider increasing the amount of your contribution.

Participating is convenient and flexible. Start by visiting our website: Read our *TDA Program Summary* and *Fund Profiles* publications, play with our TDA calculator, and enroll online when you're ready.

Help yourself today to take better care of tomorrow!



## TRS Needs Your Official Date-of-Birth Documentation

Before TRS can process your loan request or calculate your benefits at retirement, there's one thing we need from you: proof of your date of birth.

Acceptable date-of-birth documentation includes one of the following three documents:

- ✓ Birth certificate
- ✓ Passport
- ✓ Naturalization document

If you have none of the items listed above, then you must provide two of the following:

- ✓ Driver's license
- ✓ Certificate of military record
- ✓ Form SSA-2458 Confidential Social Security Benefit Information
- ✓ Other government-issued identification

Photocopies are acceptable. If any of the documents are in a foreign language, translation must be provided.

If you are not sure whether or not TRS has proof of your date of birth, please check your member profile in the secure area of our website. Please take a few minutes now to make sure your documentation is on file. If we do not have proof of your date of birth on file, you will see a link labeled "CERTIFY" next to "DOB." You may upload your date-of-birth documentation via our website or mail it to TRS.

# Investment Results

TRS' six Passport Funds are available to all Tax-Deferred Annuity (TDA) Program participants and to Tiers I/II member Plan (QPP) funds. Tiers III/IV/VI members are credited with 5% interest in their QPP accounts.

Visit TRS' website for more detailed information about the Passport Funds, including the most recent performance data.

## Annualized Investment Returns

	1 Year 7/1/15 to 6/30/16	3 Years 7/1/13 to 6/30/16	5 Years 7/1/11 to 6/30/16	10 Years 7/1/06 to 6/30/16
Fixed Return Fund (TDA/UFT)*	7.00%	7.00%	7.00%	7.43%
Fixed Return Fund (All others)*	8.25%	8.25%	8.25%	8.25%
Diversified Equity Fund	-0.62%	8.79%	9.41%	6.07%
Bond Fund**	2.83%	1.84%	N/A	N/A
International Equity Fund***	-6.65%	2.98%	2.23%	N/A
Inflation Protection Fund***	0.50%	2.11%	2.96%	N/A
Socially Responsive Equity Fund***	0.93%	9.65%	9.50%	N/A

\* Fixed Return Fund

QPP: Tiers I/II members are credited with 8.25% annually on QPP investments in the Fixed Return Fund; this rate has been in effect since July 1, 1988.

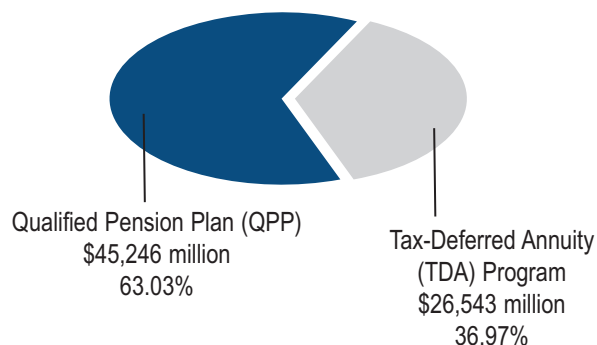
TDA: Members who are serving in (or resigned/retired from) UFT-represented positions are credited with 7% annually on TDA investments in the Fixed Return Fund. This rate has been in effect since December 11, 2009; the previous rate was 8.25%. All other members are credited with 8.25% annually on TDA investments in the Fund; this rate has been in effect since July 1, 1988.

\*\* Annualized investment performance is only available for the one- and three-year periods because the Fund began on January 1, 2012.

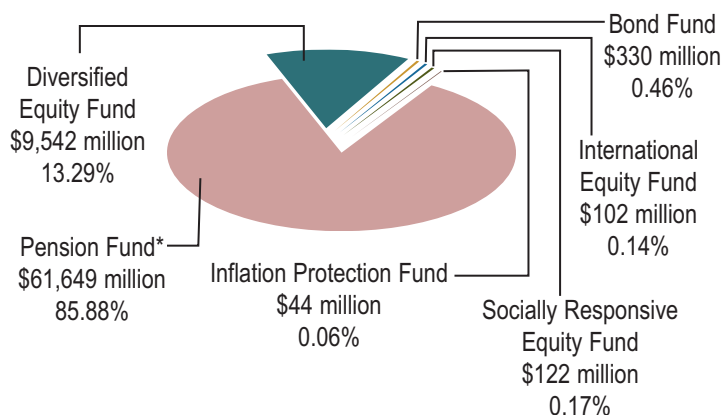
\*\*\* Annualized investment performance is only available for the one-, three-, and five-year periods because the Fund began in July 2008. For approximations of annualized performance for other periods, see the *Fund Profiles* booklet on our website.

## Total Investment

### BY PLAN \$71.789 Billion



### BY FUND \$71.789 Billion



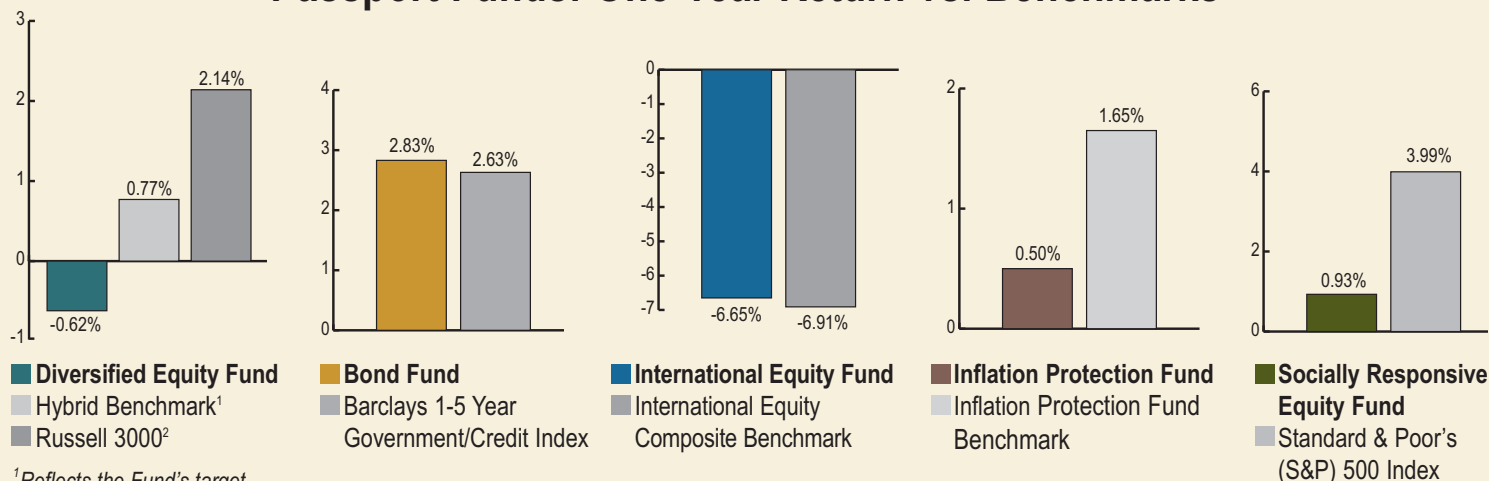
\* Includes all QPP and TDA funds in the Fixed Return Fund and all Tiers III/IV/VI QPP funds

# as of June 30, 2016

ers for the Annuity Savings Fund (ASF) and Increased-Take-Home-Pay (ITHP) portions of their Qualified Pension

for each fund. You may also access our latest *Fund Profiles* booklet.

## Passport Funds: One-Year Return vs. Benchmarks



<sup>1</sup>Reflects the Fund's target allocations to non-U.S. and defensive strategies

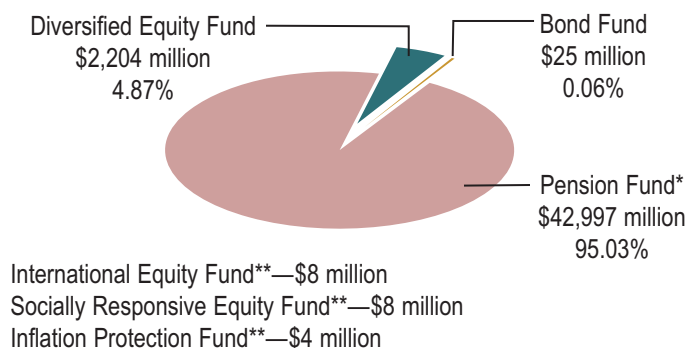
<sup>2</sup>Measures the U.S. equity market

The **Fixed Return Fund** provides a fixed rate of return, determined by the New York State Legislature in accordance with applicable laws. As such, the Fund has no benchmark. See note on page 4 for information on the rates that are credited to investments in the Fixed Return Fund.

Note: TRS performance figures are shown net of fees.

## nts (Unaudited)

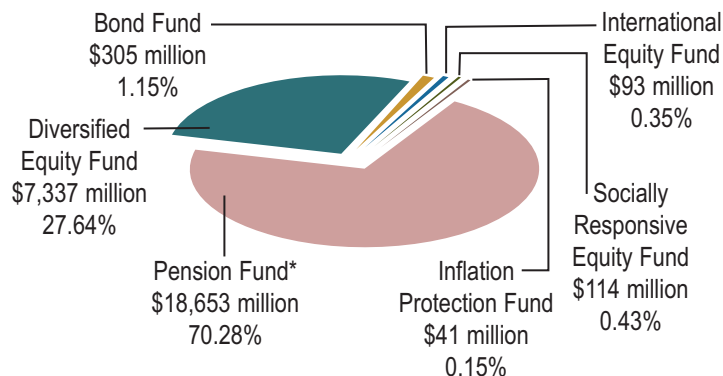
### TOTAL QPP INVESTMENTS \$45.246 Billion



\* Includes all Tiers I/II QPP funds in the Fixed Return Fund and all Tiers III/IV/VI QPP funds

\*\* Not shown in chart above

### TOTAL TDA INVESTMENTS \$26.543 Billion



\* Includes all TDA funds in the Fixed Return Fund

# More Military Service Is Now Creditable

A new law allows eligible TRS members to claim service credit for military duty *no matter when they served*. Previously, under Article 20 of the New York State Retirement and Social Security Law, military service had to be performed during specific periods of conflict in order to be creditable.

To be eligible to apply for military service credit under this law, you must be an in-service member with an honorable discharge from your

military service. Simply file TRS' "Military Service Credit Request Form" (code SD68) and provide us with a copy of your official discharge, most often Form DD-214, *before* your effective retirement date.

If your application is approved, TRS will send you a letter explaining the cost of purchasing pension credit for your military service. Purchase is optional.

Please check the "Military Service Credit Request Form" for additional information.

## New Deadline to File World Trade Center Notice

Qualifying TRS members who worked in the World Trade Center rescue, recovery, or cleanup operations between September 11, 2001 and September 12, 2002 may file a "Notice of Participation" (code DI40) with TRS. The "Notice of Participation" serves to inform TRS that, due to your participation in the above operations, you believe that you have developed, or may develop, a disabling health condition.

Recent New York State legislation extends the filing deadline for members to file a "Notice of Participation" to September 11, 2018.

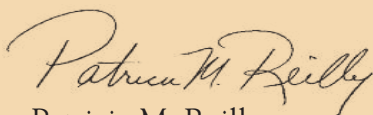
Please access our website to obtain the "World Trade Center Presumptive Disability and Death Benefits Laws" information sheet and "Notice of Participation" form.

## Building Better Tomorrows

(Continued from page 1)

As a TRS member, you follow generations of New York City educators and administrators for whom TRS has been building better tomorrows. We will proudly commemorate our centennial throughout 2017, keeping our focus on the present while directing our energies toward the future. You can visit our website at [www.trsnyc.org](http://www.trsnyc.org)—and keep reading *In-Service News*—to learn more. As the year progresses, you can rest assured that TRS will continue to put our members' best interests first, in all that we do.

Sincerely,



Patricia M. Reilly



# Attend a TRS Education Session!

Throughout the year, TRS offers education programs at our 55 Water Street location for new and longtime TRS members. Our newest program, **“Tier VI–Planning for Tomorrow,”** will begin in December and focuses on Tier VI benefits and services. We are also offering the popular **“Getting Ready for Retirement–Tier IV”** and **“Introduction to the TDA Program”** at the dates and times listed below.

Please check our website for detailed course descriptions: From the homepage, click on **RESOURCES** and then **EDUCATIONAL PROGRAMS**.



Upcoming Programs for November 2016 - February 2017			
“Getting Ready for Retirement–Tier IV”	• Sunday, November 20	• Sunday, February 12	9:30 a.m. to 1:30 p.m.
	• Sunday, December 11	• Tuesday, February 21	
“Tier VI–Planning for Tomorrow”	• Saturday, December 17	• Wednesday, February 22	9:30 a.m. to 12:00 p.m.
	• Tuesday, December 27	• Sunday, February 26	
	• Wednesday, December 28		
“Introduction to the TDA Program”	• Thursday, December 29	• Thursday, February 23	
	• Friday, February 24		

To register: Log on to the secure area of our website or complete the form below and mail it to TRS, **Attn: Member Education** by December 31. We will confirm your registration before your session.

## Registration Form for TRS’ Education Programs

Name: \_\_\_\_\_

TRS Membership Number: **00T** \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email (**Please Print**): \_\_\_\_\_

Please indicate a second choice of date, if available.

Please note that spaces are limited for education programs.

*I would like to attend:*

“Getting Ready for Retirement–Tier IV” ☐

“Tier VI–Planning for Tomorrow” ☐

“Introduction to the TDA Program” ☐

on \_\_\_\_\_ (date of your 1<sup>st</sup> choice)

OR \_\_\_\_\_ (date of your 2<sup>nd</sup> choice).

**Mailed registration forms must be postmarked by Saturday, December 31, 2016.**

Member Education

Fall 2016

## Publications

The following TRS publications have been updated since our last issue and are available on our website:

- *Accident Disability Retirement*
- *Enrolling in TRS*
- *Lump-Sum Disability Benefit*
- *TDA Program Summary*
- *Ordinary Disability Retirement*
- *TRS Membership for CUNY Employees*
- *Your TRS Benefits in Brief—Tier IV*
- *Your TRS Benefits in Brief—Tier VI*

## Calendar

**January 1, 2017:** Effective date of investment election changes received by December 1, 2016.

**January 31, 2017:** Expected distribution of 1099 forms for any distributions made from members' TRS accounts in 2016.

**February 2017:** Distribution of Quarterly Account Statements for the fourth quarter of 2016.

**April 1, 2017:** Effective date of investment election changes received by March 1, 2017.

Please remember that TRS offices will be closed on the official New York City holidays occurring **November 24** and **December 26, 2016**, and **January 2, January 16**, and **February 20, 2017**.



Patricia Reilly

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