

In-service news

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



Avoid Retirement-Planning Regrets

As you move closer to your retirement date, you may be wondering if you'll have enough money set aside for retirement. Here's the good news. There's still time to strengthen your financial future—and TRS' Tax-Deferred Annuity (TDA) Program makes it easy. It's all about your contributions and earnings: making steady contributions over time, and then allowing your investment to grow over the long term.



TRS' TDA is a supplemental retirement plan that's custom-made for New York City educators like you. If you're not participating already, it's easy to enroll: Just pick a percentage of your paycheck that you want to invest, and then choose from our family of investment choices

(known as the Passport Funds). Before you enroll, please read up about participation, starting with the [TDA page](#) on our website.

If you're already participating in TDA, that's great! Consider whether you can increase your contribution rate and invest a little bit more in your future.

Don't regret what you could have done to fund your retirement. Visit our [TDA page](#) to learn more!

Wondering how your contributions will impact your paycheck?

Our online TDA Calculator has you covered!

- Pick various TDA contribution rates to see how they would impact your take-home pay.
- Choose an amount that you want to contribute per paycheck and learn what your TDA contribution rate will be.
- Pick a savings goal for the year and find out what TDA contribution rate will get you there.

You can find the TDA Calculator at www.trsnyc.org ► [Resources](#).

Spring/ Summer 2023

Summer Retirements / 2

Membership Transfers / 2

Member Education Programs / 3

Age 55 Retirement Program / 4

TDA Distributions / 5

Earnings After Retirement / 5

Beneficiary Updates / 5

Investment Results / 6

Pop-up Blockers / 7

Unclaimed Assets / 7

Publications / 8

Calendar / 8

Retiring This Summer?

Some TRS members will decide that school is out forever this summer. If you're in this category, here's a checklist to help you get retirement-ready:

✓ **Attend a virtual “Getting Ready for Retirement” session.**

Register on our website www.trsnyc.org ► **Resources**

► **Educational Programs.**

✓ **Pay off any deficits.**

Contribution deficits must be resolved before TRS can calculate your retirement allowance.

✓ **Purchase any available service credit.**

Additional service credit will boost your retirement allowance, but you need to start the purchase process before you retire.

✓ **Decide which option to choose for your TDA account.**

You can 1) convert your TDA account to monthly annuity payments, 2) withdraw or roll over your TDA account, or 3) elect TDA Deferral status and maintain your account at TRS—which is what most members choose.



✓ **Pay off any QPP loan balances.**

An outstanding loan balance at retirement will result in a permanent reduction to your retirement allowance.

✓ **Make beneficiary decisions.**

On your retirement application, you'll need to assign beneficiaries for up to three separate death benefits: 1) your retirement payment option unless you choose the maximum allowance, 2) a payment known as Death Benefit #2, and 3) a small “fractional” benefit based on your final month's payment. You'll need to provide data for each beneficiary (and proof of date of birth in some cases) when filing. And missing information can delay processing. If you do not designate a beneficiary, benefits are payable to your estate.

✓ **Decide where you want to be paid.**

You'll receive your retirement allowance in the same account where you currently receive paychecks—unless you file with TRS to change accounts. To make a change, complete the “EFT Election at Retirement” (code BK66) electronically on our website.

✓ **File for retirement online.**

Complete the retirement “e-forms” and upload supporting documentation. (Log in at www.trsnyc.org ► **E-Forms.**)

✓ **Apply for health insurance benefits.**

After you file for retirement with TRS and receive your filing receipt, you need to file separately (with your employer or union) for continuing health insurance coverage through the City's retiree health benefits program. Contact your employer and your union about coverage as soon as you have your filing receipt.

Switching Jobs This Year?

If you leave your current employer after this school year, do you know what will happen to your TRS membership? Even if you're not vested (i.e., you have less than five years of service credit), you will keep your TRS membership rights for seven more school years after you resign.

What if I get another City job?

Public employment within New York City may entitle you to membership in a different City retirement system. In this case, you can **transfer your membership** from TRS to the new system.

But you have another option if you are appointed to a new City position within 60 days after your resignation or termination: You can **become a transferred contributor** to TRS—in other words, you can keep your membership with TRS even though your new position provides membership in a different City system.

What if I get a job somewhere else in New York State?

Public employment outside of New York City generally means membership in a New York State retirement system. In most cases, you'll need to **transfer your membership** from TRS to the new system.

Note: If your next job is in another state, in the private sector, or with a non-profit, you cannot transfer your TRS membership. Your rights (if you are not vested) will expire seven school years after your resignation or termination.

We'll soon publish a new brochure called *Separating from Service*, detailing these processes and the forms to file.

Summer Learning

Whatever your plans are this summer, we hope you'll be able to fit in some virtual educational programs with TRS. Based on attendee feedback, members can't seem to get enough of our classes and presenters.

All classes are free, but advance registration is required. Visit our website's Educational Programs page (www.trsnyc.org ► **Resources** ► **Educational Programs**), click on the link for one or more of the offerings below, and fill out the registration form before classes become full. See you in summer school!

JULY 2023
Tuesday, July 11
Introduction to the TDA Program (9:30 a.m. to 11:30 a.m.)
Understanding the Age 55 Retirement Program (1:30 p.m. to 3:30 p.m.)
Wednesday, July 12
Tier VI—Planning for Tomorrow (9:30 a.m. to 11:30 a.m.)
Tier IV—Your TRS Benefits and Services (1:30 p.m. to 3:30 p.m.)
Thursday, July 13
What is Service Buyback? (9:30 a.m. to 11:30 a.m.)
Final Average Salary for Tier III/IV (1:30 p.m. to 3:30 p.m.)
Tuesday, July 25
Tier III/IV Service Retirement Plans (9:30 a.m. to 11:30 a.m.)
Retirement Payment Options for Tier III/IV/VI (1:30 p.m. to 3:30 p.m.)
Wednesday, July 26
Getting Ready for Retirement Tier IV Part I (9:30 a.m. to 11:30 a.m.)
Getting Ready for Retirement Tier IV Part 2 (1:30 p.m. to 3:30 p.m.)
Thursday, July 27
Filing for Retirement Online—Tier IV (9:30 a.m. to 11:30 a.m.)
TDA Options at Retirement (1:30 p.m. to 3:30 p.m.)

AUGUST 2023
Tuesday, August 1
Tier IV—Your TRS Benefits and Services (9:30 a.m. to 11:30 a.m.)
Tuesday, August 1
Final Average Salary for Tier III/IV (1:30 p.m. to 3:30 p.m.)
Wednesday, August 2
Tier VI—Planning for Tomorrow (9:30 a.m. to 11:30 a.m.)
Final Average Salary for Tier VI (1:30 p.m. to 3:30 p.m.)
Thursday, August 3
Tier III/IV Service Retirement Plans (9:30 a.m. to 11:30 a.m.)
Retirement Payment Options for Tier III/IV/VI (1:30 p.m. to 3:30 p.m.)
Tuesday, August 8
Getting Ready for Retirement Tier IV Part I (9:30 a.m. to 11:30 a.m.)
Getting Ready for Retirement Tier IV Part 2 (1:30 p.m. to 3:30 p.m.)
Wednesday, August 9
Filing for Retirement Online—Tier IV (9:30 a.m. to 11:30 a.m.)
Wednesday, August 9
TDA Options at Retirement (1:30 p.m. to 3:30 p.m.)
Thursday, August 10
TDA Annuitization at Retirement (9:30 a.m. to 11:30 a.m.)



Understanding the Age 55 Retirement Program

Thousands of in-service members in Tier IV—and a few in Tiers II and III—are participants in TRS' Age 55 Retirement Program. The program is not open for members to join, but many still have questions about how it works.

1. What is the Age 55 Retirement Program?

The Age 55 Retirement Program was established as of February 27, 2008 for employees of the Department of Education and participating Charter Schools, to provide qualifying members with the option to retire with unreduced benefits as early as age 55 after making Additional Member Contributions (AMCs) toward their pensions. The AMCs are 1.85% of pensionable earnings, and may also be required on optional (purchased) service credit.

2. What is the difference between “55/25” and “55/27”?

The Program includes “55/25” provisions and “55/27” provisions. 55/25 participants are eligible to retire with full benefits after attaining 25 years of Total Service Credit. 55/27 participants are eligible to retire with full benefits after attaining 27 years of Total Service Credit.

The 55/25 provisions generally apply to eligible members whose TRS membership date was on or before February 27, 2008 and who opted into the program. The 55/27 provisions generally apply to eligible Tier IV members whose membership date was after February 27, 2008. This includes members covered under Chapter 504 of the Laws of 2009 (*i.e.*, eligible Tier IV members who joined TRS after December 10, 2009).

3. How do I know if I'm covered under the Age 55 Retirement Program?

If AMCs are deducted from your pay, you are in the Program; look for the deduction labeled “TRS AMC PRGM” on your paystub. You can also check your TRS account statements for an AMC fund balance, and your Annual Benefits Statement indicates whether you are covered by the 55/25 or 55/27 provisions. Monthly, quarterly, and annual account information is available in the secure section of our website.

4. Do I have to retire at age 55?

No. Under the Program, you can retire with unreduced benefits at age 55 or later, as long as you meet the total service credit requirement. If you wait until 62 or older to retire, you may be eligible for the return of half of your AMC fund balance.

5. Can I retire at 55 if I don't have the 25 (or 27) years of service credit?

If you are age 55 and have less than the total service credit requirement under your plan provision, you may retire—but with a permanent reduction in your retirement allowance. You need to meet your total service credit requirement (25 or 27 years) to retire with an unreduced retirement allowance under the Program.

6. Can I retire if I have the 25 (or 27) years of service credit, but I am not yet 55?

No. You cannot retire earlier than your 55th birthday.

7. How can I join the Age 55 Retirement Program?

The Age 55 Retirement Program is no longer available for members to opt in.





Later TDA Distributions for Retirees

If you have a Tax-Deferred Annuity (TDA) Program account, you may eventually be subject to an annual Required Minimum Distribution, or RMD.

As of January 1, 2023, new federal legislation known as the SECURE Act 2.0 changed the beginning age for RMDs: Retirees born between 1951 and 1959 will need to start receiving RMDs at age 73, and retirees born after 1959 must begin at age 75. Before the SECURE Act 2.0, retirees had to begin receiving distributions earlier (age 72 or 70½).

RMDs are required only for retirees who maintain their TDA accounts after retirement. You can learn more about RMDs in the meantime by reading our [Required Minimum Distributions for Members](#) brochure at www.trsnyc.org

► Publications ► Brochures.

Thinking of Returning to Work After You Retire?

Normally, there are restrictions on the amount of income that can be earned by certain retirees who reenter the workforce. New York State Executive Orders have suspended these restrictions for most of the COVID-19 pandemic, and the restrictions were still suspended at press time. But prospective retirees should be aware of the rules:

- You can work in the private sector, for a non-profit, or in public service outside New York State with no restrictions.
- If you are under age 65 and work in public employment within New York State, you'll need to file a Section 212 Waiver—"Certification of Employment Under Section 212" (code RP76)—with TRS annually.
- If you will earn more than the annual limit (currently \$35,000) in a year, you'll also need to obtain a Section 211 Waiver and file it with your employer.
- Once you reach age 65, the waivers are no longer required.
- Failure to comply with these requirements could lead to the reduction or suspension of your retirement allowance.



In addition to the Executive Orders suspending the above rules, there is a separate legislative exemption: Through June 30, 2024, retiree earnings from New York State public school employment do not count toward the annual earnings limit.

However, the suspensions and exemptions are not permanent. Retirees under age 65 who work in public employment in New York State are encouraged to obtain the necessary waivers and read our [Earnings After Retirement](#) brochure for more details. (Go to www.trsnyc.org ► Publications ► Brochures ► Post-Retirement.)

Reminder

Keep Track of Your Beneficiary Designations

If you need to update contact information for a beneficiary online:

- Use the Beneficiary Profiles feature.
(Log in at www.trsnyc.org ► Beneficiaries ► Beneficiary Profiles.)

If you want to make a change to your list of beneficiaries:

- Go to ► Beneficiaries ► QPP Beneficiaries or TDA Beneficiaries instead.

Keep your beneficiary designations current to ensure that benefits from your TRS accounts are distributed as you intended.

Semiannual Investment Results: 12/31/2022

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 www.trsnyc.org ► **Investments** ► **Investment Returns**. 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	-19.45%	4.61%	6.33%	9.82%
Balanced Fund**	-10.18%	0.89%	2.17%	N/A
International Equity Fund	-17.15%	0.95%	1.84%	5.18%
Sustainable Equity Fund	-31.01%	7.64%	8.00%	11.30%
U.S. Equity Index Fund***	-18.72%	13.05%	N/A	N/A
International Equity Index Fund***	-15.36%	5.86%	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.

** 10-year investment return is not available for the Balanced Fund, which began on 1/1/2018.

***5- and 10-year investment returns are not available for the U.S. Equity Index and International Equity Index funds, which began on 1/1/2020.

Five-Year Performance vs. Benchmarks

Diversified Equity Fund:



Hybrid Benchmark



Global Market Composite Benchmark

Balanced Fund:



Balanced Fund Composite Benchmark

International Equity Fund:



International Equity Fund
Composite Benchmark

Sustainable Equity Fund:



Sustainable Equity Fund
Composite Benchmark

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. The TDA Program is funded by member contributions.

QPP Total Investments

\$63.68 Billion*

TDA Total Investments

\$42.17 Billion*

* As of 12/31/2022 (unaudited)

Are Pop-up Blockers Affecting Your Online Experience?

Have you ever tried to open your Quarterly Account Statement document on the secure section of our website, and found that you couldn't? Or maybe you've tried to create a document for income verification purposes: you click on "Create Letter" and... nothing.

While it may seem like there's a problem with the website in these cases, the issue might actually be a pop-up blocker—a browser setting designed to prevent the display of unwanted pop-up ads. The problem is, sometimes these blockers prevent users from accessing useful information too.

To resolve the issue, you need to disable the pop-up blockers. The steps to follow vary depending on which internet browser and which device you are using. Some browsers give an alert or other clue in the address bar to indicate that there's an issue with pop-up settings. But, if you go to your browser settings and search for "pop-up," you should be able to figure it out.

As a reminder, for best results, be sure you're using the latest version of Microsoft Edge, Google Chrome, Firefox, or Safari to access our website.



Recover Unclaimed Treasure

Ever wished you had more money? That wish may become a reality. Billions of dollars in cash and assets are waiting for their rightful owners to claim! That's according to the National Association of Unclaimed Property Administrators (NAUPA)—a network of the National Association of State Treasurers and a clearinghouse for unclaimed property.

How to Search for Unclaimed Assets

For starters, go to www.missingmoney.com (endorsed by NAUPA) and search for unclaimed property records in your or a loved one's name. The database contains information on missing or unclaimed money, property, and other assets. Here's what you may find:

- Checking or savings accounts
- Certificates of deposit
- Safe deposit box contents
- Stocks
- Uncashed dividends or payroll checks

Search in New York State—and within TRS!

For unclaimed New York State funds, go to the State Comptroller's website at www.osc.state.ny.us/unclaimed-funds, or call the Unclaimed Funds Office at 1 (800) 221-9311. For unclaimed funds issued by TRS, go to www.trsnyc.org ► **Resources** ► **Unclaimed Funds**. To claim a payment, you may need to file an "Affidavit for Missing Check (and Authorization to Stop Payment) Form" (code BK2) with TRS.

Good luck with your search!



Do You Know?

According to *Pensions & Investments*, TRS' Tax-Deferred Annuity (TDA) Program is America's 2nd largest 403(b) plan and 7th largest public defined-contribution plan.

Pensions & Investments' annual survey of retirement plans was published in the February 13, 2023 issue, based on data as of September 30, 2022.



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

IN-SERVICE NEWS

Volume XXVIII, Number 2

TEACHERS' RETIREMENT BOARD

Thomas Brown, Chairperson
Bryan Berge
Dr. Angela Green
David Kazansky
Brad Lander
Victoria Lee

EXECUTIVE DIRECTOR

Patricia Reilly



Publications

The following TRS publications have recently been updated and are available on our website (www.trsnyc.org ► **Publications**):

- *Investment Portfolios*
- *Service Retirement Plans and Benefits for Tiers III/IV*
- *Service Retirement Plans and Benefits for Tier VI*
- *Your Tax-Deferred Annuity Program*

Calendar

July 1, 2023: Effective date of investment election changes that members filed by May 31.

August 2023: Posting of Quarterly Account Statements for the second quarter of 2023.

October 2023: Expected availability of 2023 Annual Benefits Statements. October 1 is the effective date of investment election changes that members filed by August 31.

TRS offices will be closed on the official New York City holidays occurring **June 19, July 4, September 4,** and **October 9, 2023.** On Fridays from **July 7** through **September 8**, we will close at 1:00 p.m.

Stay informed between issues of *In-Service News*. Please follow TRS on social media.

