

TRS Introduces a Roth Option

Beginning in January, TRS members will have another choice for building retirement savings. We're expanding our Tax-Deferred Annuity (TDA) Program to include a Roth option!



You may be familiar with the Roth name in retirement savings. The Roth IRA—an individual retirement plan where after-tax contributions are invested to provide tax-free benefits—was established as an alternative to the

traditional IRA, which features pre-tax contributions and taxable benefits after retirement. Similarly, TRS is introducing a Roth option as an alternative for our in-service members. (Why “Roth”? It’s the name of the U.S. Senator who sponsored the legislation to create this type of after-tax retirement account.)

Turn the page for an overview of what you need to know about TRS' new Roth option and how it compares to our traditional TDA option!

Important additional information will be available on our website. Starting on Monday, November 17, in-service members will be able to log in to the secure section of our website and enroll in the Roth option for 2026.

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Fall 2025

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Similarities between the Roth option and our traditional TDA

- ▶ Both are part of the same supplemental retirement plan—a Section 403(b) plan known as the TDA Program.
- ▶ Contributions are made only by members (not employers) through deductions from pay.
- ▶ The same investment choices (TRS' Passport Funds) are available for both.
- ▶ Both options share a limit on annual contributions (for 2025, \$23,500 for participants under age 50; higher for older participants).

The key difference between the two options is the tax treatment:

Traditional TDA	vs	Roth
■ Contributions are deducted from your gross (pre-tax) pay, lowering your current tax liability.		■ Contributions are deducted from your net (after-tax) pay.
■ Taxes are deferred on TDA contributions and earnings.		■ Since you have already paid taxes on these funds, Roth contributions and earnings grow tax-free.
■ The funds are taxed only when you receive a distribution.		■ The funds are generally not taxed when you receive a distribution.

Which option is better? There is no single answer, and TRS does not employ financial professionals that can advise you. We recommend you consult with a trusted financial advisor to determine what makes the most sense for your specific situation. But this is not an either/or question: There are benefits to participating in both options. And investing for your retirement years is always a smart choice!



If You *Don't* See Something, Say Something

Many CUNY employees work in multiple job titles, or at multiple work locations, and receive separate paychecks for each. If this situation applies to you, you should know that TRS deductions such as pension contributions should be taken from each pay stream. That might not happen if TRS is unaware of one of your jobs.

TRS works closely with the benefits staff at CUNY locations, but we also ask our members to stay aware. Please check your pay statements for each of your CUNY titles. If TRS deductions are missing from one, contact TRS or that employer. TRS representatives will likely verify your title and work location and may ask you to share a copy of your pay statement to help us investigate.

Our goal is to ensure that all deductions from your paychecks are accurate and timely. We want to prevent “deficit” situations, where members have to pay the cost of missing contributions—plus interest.

When you monitor your paychecks for TRS deductions, you're helping us help you!

Set Up Your EFT Wallet!

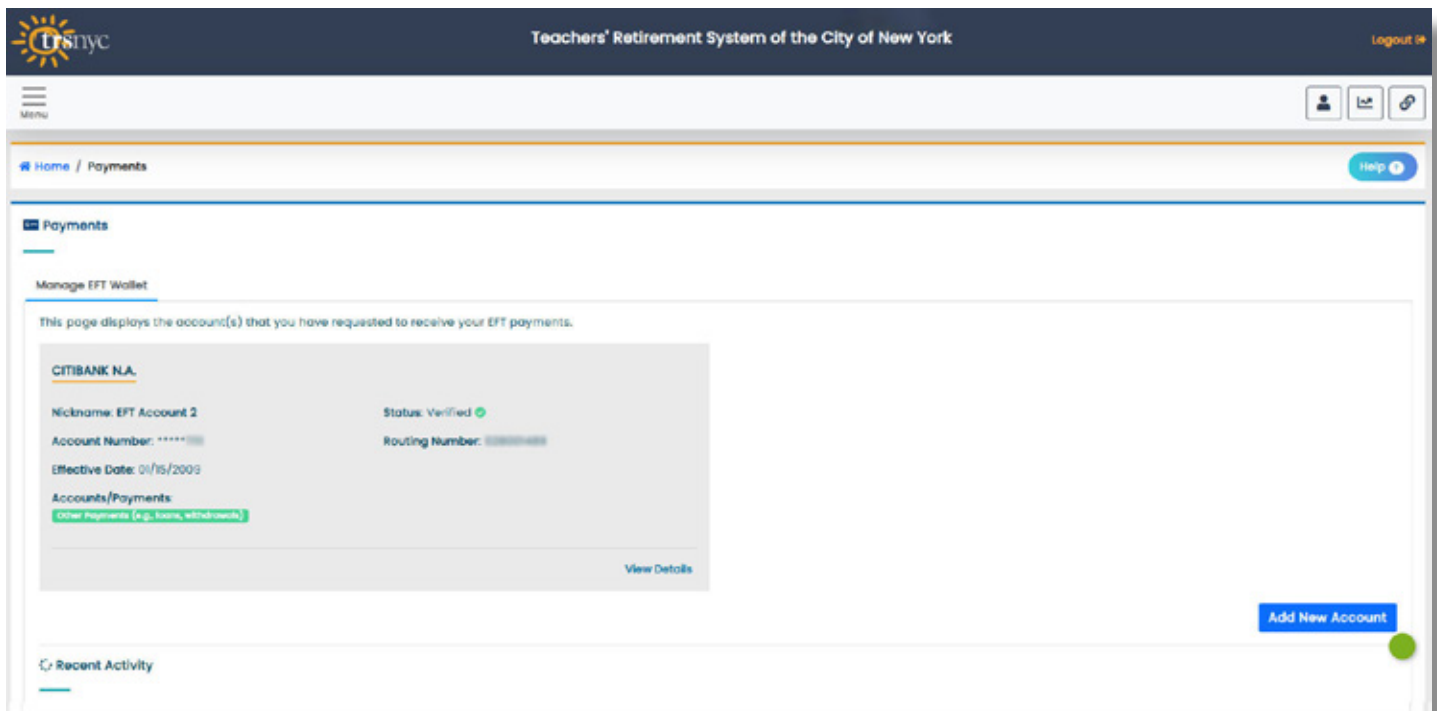
The easiest way to access your TRS funds before retirement is taking a loan. You may also qualify to take a withdrawal under hardship conditions. But before you can apply for a loan or withdrawal from TRS, you first need a bank account on file with TRS so that we can pay you through Electronic Fund Transfer (EFT).

It's easy to manage your bank account information with TRS, using our new online "EFT Wallet" for nonretired members! Log in to the secure section of our website and choose **Payments** from the Menu to see what account information TRS has on file for you. If you previously received a loan or withdrawal electronically, that bank information will be in your EFT Wallet. If you're a Department of Education employee, you should know that the account where your pay is deposited is your default account in the EFT Wallet.

To switch the account or add an account for your next payment from TRS, just follow the steps online. You may need to upload some documentation to help TRS verify the account. Keep in mind that updating your bank information could delay any loan or withdrawal applications that are in progress, so it's best to set up your EFT Wallet ahead of time.

Note that the EFT Wallet only applies to payments from TRS. If you want to change where your paycheck is directed, you need to contact your employer.

Get on the fast track to your next TRS loan by setting up your EFT Wallet today!



If TRS has bank information on file for you already, you'll see a screen like this when you log in and choose **Payments** from the Menu.

2024 Law Brings New Members to TRS

Chapter 551 of the Laws of 2024 made all job titles covered by the United Federation of Teachers (UFT) eligible for membership in TRS. Previously, dozens of UFT-represented titles were eligible for membership in the Board of Education Retirement System (BERS).

As a result of the law enacted on December 11, 2024:

- New hires and existing employees in any of the affected titles may enroll in TRS at any time. So far, about 300 newly-eligible employees have joined TRS.
- Employees in any affected title who are members of BERS have a one-year period in which they can transfer their membership to TRS. So far, about 1,900 BERS members have enrolled in TRS and started the transfer process. They must also file a transfer form with BERS.

If you are one of those new members, welcome to TRS! Be sure to complete your enrollment in TRS by registering for access to the secure section of our website and uploading your date-of-birth documentation. While you're online, you can also designate your beneficiaries. (Your beneficiary designations from BERS will not carry over to TRS.) If you participated in BERS' Tax-Deferred Annuity (TDA) Program, your account will be transferred to TRS, but you must enroll in TRS' TDA Program to keep contributing.

For BERS members who were in active service as of the Chapter 551 enactment date, the deadline to file a transfer request with BERS is **December 10, 2025**. For BERS members who were on leave, the filing deadline will be one year from the date they return to active service. Your membership in TRS will be canceled if the deadline is missed.

Learn more about the transfer rules and timeline in our [Transfers from BERS to TRS Under Chapter 551](#) brochure.



What job titles are newly eligible for TRS membership?

These are some common UFT-covered job titles that are now eligible for TRS membership as a result of Chapter 551.

Educational Analyst

Educational Officer

Occupational Therapist

Physical Therapist

Staff Nurse

Substitute, Per-Diem, and Per-Session Titles

The online enrollment application on TRS' website lists all specific job titles that are eligible.

Lock Up Your Login Credentials

Cyber-crime is on the rise. So, you need to be extra careful when accessing your TRS account. Follow these tips when you visit the secure section of our website:

- * Guard your login credentials. Never share your TRS account (or bank account) information.
- * Make sure the software on your computer and phone are up to date.
- * Create strong account passwords and use Multi-Factor Authentication for better protection.
- * Be on high alert for online and phone scammers. Verify, then Trust.
- * Report suspicious activity to TRS immediately.



Get Smarter About Your TRS Benefits

Whether you're starting your career or making retirement plans, TRS offers educational programs on many aspects of membership. It pays to get smart about your TRS benefits. See below for the current schedule of online classes.

2025

- **Tier VI—Planning for Tomorrow**
Wednesday, November 5, 2025 (3:00 p.m. to 5:00 p.m.)
- **Introduction to the TDA Program**
Wednesday, November 12, 2025 (3:00 p.m. to 5:00 p.m.)
- **What is Service Buyback?**
Monday, November 17, 2025 (3:00 p.m. to 5:00 p.m.)
- **Final Average Salary for Tier VI**
Tuesday, November 18, 2025 (3:00 p.m. to 5:00 p.m.)
- **Understanding the Age 55 Retirement Program**
Wednesday, November 19, 2025 (3:00 p.m. to 5:00 p.m.)
- **Tier III/IV Service Retirement Plans**
Monday, November 24, 2025 (3:00 p.m. to 5:00 p.m.)
- **Retirement Payment Options**
Tuesday, November 25, 2025 (3:00 p.m. to 5:00 p.m.)
- **Getting Ready for Retirement—Tier IV, Part 1**
Monday, December 1, 2025 (3:00 p.m. to 5:30 p.m.)
- **Getting Ready for Retirement—Tier IV, Part 2**
Tuesday, December 2, 2025 (3:00 p.m. to 5:30 p.m.)
- **Filing for Retirement Online**
Wednesday, December 3, 2025 (3:00 p.m. to 5:00 p.m.)
- **What is Service Buyback?**
Tuesday, December 9, 2025 (3:00 p.m. to 5:00 p.m.)
- **Final Average Salary for Tier III/IV**
Wednesday, December 10, 2025 (3:00 p.m. to 5:00 p.m.)
- **Getting Ready for Retirement—Tier IV, Part 1**
Monday, December 15, 2025 (3:00 p.m. to 5:30 p.m.)

- **Getting Ready for Retirement—Tier IV, Part 2**
Tuesday, December 16, 2025 (3:00 p.m. to 5:30 p.m.)
- **Filing for Retirement Online**
Wednesday, December 17, 2025 (3:00 p.m. to 5:00 p.m.)
- **Retirement Payment Options**
Monday, December 22, 2025 (3:00 p.m. to 5:00 p.m.)

2026

- **Introduction to the TDA Program**
Wednesday, January 7, 2026 (3:00 p.m. to 5:00 p.m.)
- **Tier IV—Your TRS Benefits and Services**
Thursday, January 8, 2026 (3:00 p.m. to 5:00 p.m.)
- **What is Service Buyback?**
Wednesday, January 14, 2026 (3:00 p.m. to 5:00 p.m.)
- **Tier III/IV Service Retirement Plans**
Wednesday, January 21, 2026 (3:00 p.m. to 5:00 p.m.)
- **Retirement Payment Options**
Thursday, January 22, 2026 (3:00 p.m. to 5:00 p.m.)
- **Getting Ready for Retirement—Tier IV, Part 1**
Wednesday, January 28, 2026 (3:00 p.m. to 5:30 p.m.)
- **Getting Ready for Retirement—Tier IV, Part 2**
Thursday, January 29, 2026 (3:00 p.m. to 5:30 p.m.)



Visit www.trsnyc.org ► **Resources** ► **Educational Programs** for complete class descriptions and registration links. There's no cost to attend, but advance registration is required. We look forward to seeing you.

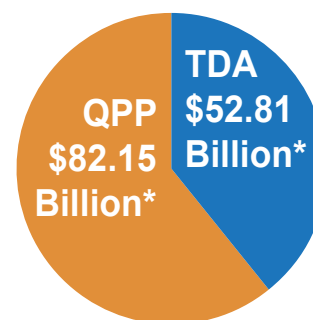
TRS Investment Results: 6/30/25

TRS offers two plans to members.

All members participate in the Qualified Pension Plan (QPP), a defined-benefit plan that is funded by employer 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.

Total Investments



*As of 6/30/2025 (unaudited)

TRS Passport Funds

TRS' Passport Funds are available to all TDA participants and members in Tiers I and II for a portion of their funds in the 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

Name of Fund	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	14.41%	17.58%	14.02%	10.77%
Balanced Fund**	9.08%	7.65%	4.93%	N/A
International Fund	14.10%	13.81%	9.96%	6.80%
Sustainable Equity Fund	11.09%	19.80%	14.27%	12.87%
U.S. Equity Index Fund**	14.78%	18.60%	16.37%	N/A
International Equity Index Fund**	18.01%	13.52%	10.30%	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. For retirees and annuitants who have Fixed Return Fund investments, the guaranteed return is factored into their monthly payments. Members' allocations to the Fixed Return Fund are invested with TRS' Pension Fund.

** 10-year investment returns are not available for the Balanced Fund (began on 1/1/2018) or U.S. Equity Index and International Equity Index funds (began on 1/1/2020).

Five-Year Fund Performance vs. Benchmarks

-0.30%	Diversified Equity Fund vs. Hybrid Benchmark
-1.00%	Diversified Equity Fund vs. Global Market Composite Benchmark
-0.12%	Balanced Fund vs. Composite Benchmark
-0.04%	International Equity Fund vs. Composite Benchmark
-3.88%	Sustainable Equity Fund vs. Composite Benchmark
0.50%	U.S. Equity Index Fund vs. Dow Jones U.S. Total Stock Market Index
0.10%	International Equity Index Fund vs. MSCI ACWI ex-US IMI Net Index

A Golden Anniversary of Sorts

“Ford to City: Drop Dead” Does that *Daily News* headline ring a bell?

This fall marks the 50th anniversary of the New York City fiscal crisis that TRS played a small role in helping to resolve. Here’s a recap:

In 1975, the City was suffering through a severe economic downturn, facing high unemployment and inflation, lost industry and jobs, and deep debt after years of fiscal mismanagement. Worse, the City was unable to borrow additional money to improve its standing.

The low point was October 17, 1975, as Mayor Abe Beame was preparing to announce the City’s bankruptcy. A \$453 million debt payment was due that day, but the City could pay only a fraction of that amount. Hours before the payment deadline, after intervention from teachers’ union President Al Shanker, the Teachers’ Retirement Board agreed to a \$150-million bond purchase that rescued the City from immediate disaster.

In the days that followed, the City continued to appeal for help from the State and Federal Government. It was President Gerald Ford’s refusal to “bail out” New York City that prompted the infamous headline. Eventually, New York State agreed to loan funds but took greater control of the City’s finances. The Federal Government also later agreed to loan the City \$2.3 billion, requiring the City to balance its budget by 1978. Another difficult chapter followed, as the City implemented a financial plan that featured higher taxes, mass layoffs, and new financial controls.

While it was a collective effort to save New York City from bankruptcy, the board of the Teachers’ Retirement System played a crucial role at a pivotal time—a historical milestone worth remembering.



New York City endured a terrible fiscal crisis in the mid-1970s.

Honoring Mel Aaronson



In a ceremony on May 15, TRS named our Member Education Center in honor of Melvyn Aaronson, longtime trustee of the Teachers’ Retirement Board. Mr. Aaronson attended the event at TRS, along with current and former Board members, and former colleagues from TRS and the United Federation of Teachers.

Mr. Aaronson, known to all as Mel, served on the Teachers’ Retirement Board from 1980 through 2015, the last four years as Chairman. TRS Executive Director Patricia Reilly remarked that Mel led with wisdom, vision, and heart during his long tenure. “He helped to strengthen this institution in ways that continue to benefit our members every day.”

To attend a program in the Melvyn Aaronson Member Education Center, sign up at www.trsnyc.org ► **Educational Programs.** Many of the topics we cover in our programs—from retirement readiness to our Tax-Deferred Annuity Program—were championed by Mr. Aaronson throughout his career. Thank you, Mel!



Teachers' Retirement System of the City of New York
Public Information Office
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TEACHERS' RETIREMENT BOARD

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**Does TRS have the correct mail
and email address for you?**
**Log in to www.trsnyc.org to
check and make updates!**

Publications

View past newsletters, our financial reports, and brochures at www.trsnyc.org ► **Publications.**

Recent updates: *Benefits in Brief*

Calendar

October 3, 2025: Annual Benefits Statements are available for in-service and on-leave members to view in the secure section of TRS' website.

October 2025: TRS introduces "EFT Wallet" for nonretired members, allowing them to view and update the bank account information that they have on file with TRS. See page 3.

November 2025: Posting of Quarterly Account Statements for the third quarter of 2025.

November 17, 2025: First opportunity for members to enroll in TRS' Roth option for 2026. See page 1.

December 10, 2025: Deadline for membership transfer filing under Chapter 551. See page 4.

January 1, 2026: Effective date of investment election changes received by December 1, 2025.

January 2026: Expected distribution of 1099 forms for any distributions made from members' TRS accounts in 2025.

TRS offices will be closed to observe official New York City holidays on the following dates: **November 4, 11, and 27, December 25, 2025, and January 1, 19, and February 16, 2026.**



Use the TRS website to get early access to this newsletter and other communications from us.

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

