

In-service news

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



Get Credit for Prior Service

Did you work in public employment for New York City or New York State before joining TRS? If the answer is yes, you probably have pensionable prior service—meaning you can purchase credit for that time and boost your future pension.

Why Purchase Credit for Prior Service?

Service credit is one of the factors that goes into your guaranteed pension under the Qualified Pension Plan (QPP). The higher your service credit total, the higher your pension amount at retirement.

To qualify for a pension, you must first become vested. This happens when you reach five years of service credit. Purchasing prior service credit can also help you become vested earlier.

How Does It Work?

Generally, TRS has employer-provided data about your pensionable prior service in New York City. You'll see this service total reported in the "Total Service Credit Details" section on your Annual Benefits Statement. You can purchase credit for this upon request.

(Continued on page 2)

Do You Have Previous NYC Employment?

Throughout this school year, TRS will contact members who have prior City service available to purchase. If you have registered on the TRS website, we will send an email to the address you entered, and we'll also post a cost letter in the secure section of our website. (See page 4 for a guide to viewing correspondence online.)

Your cost letter will explain the amount of service credit available, the cost of purchase, and the different payment options. Due to accumulating interest charges, the cost will increase over time, so we will post an updated cost letter periodically. TRS will not send you these letters by mail, but we will notify you by email whenever new correspondence is posted.

Purchasing credit for prior service is always optional, but we hope you'll consider the benefits!

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Employee Sabbaticals: What to Know

One of the perks of working in education is the opportunity to take a sabbatical. Educators may use it to obtain additional education or conduct academic research. Most sabbaticals last from six months to a year. If you're eligible, here's how taking a sabbatical impacts your employment status and TRS membership.

1. How does a sabbatical affect my TRS membership?

TRS membership is not affected. Members who take a sabbatical stay on payroll, often at a reduced salary, and are considered "active."

2. Do I have to continue making pension contributions?

Yes. While on sabbatical, you are required to continue making regular pension contributions.

3. Will I earn service credit while on sabbatical?

Yes. Credit is granted as if you continued your regular work duties.

4. Can I contribute to my TDA account while on sabbatical?

Yes. But be aware that your TDA contribution rate is still based on your full salary.

5. What about loan payments and other pay deductions?

All TRS-related deductions from pay continue during a sabbatical. Deduction amounts remain the same even though your paycheck may be smaller.

For example, you are required to continue making payments on your outstanding loans during a sabbatical. Loan repayment amounts remain the same. Payment plans for service purchase and deficits will also continue in the same way.

6. As a Tier VI member, if my salary is reduced during my sabbatical, will my pension contribution rate change?

No. Tier VI members' pension contribution rates may range from 3% to 6% based on annual wages or contractual salary. However, salary reductions due to a sabbatical are not considered in determining the required contribution rate.

7. Do I need to notify TRS when going on sabbatical?

No, your employer will notify TRS.



Get Credit for Prior Service

(Continued from page 1)

If you had a public-sector job elsewhere in New York State, you'll need to tell us about your prior service by completing a form. We'll review your claim and validate that service with your former employers. To start this process, download the "Cost Letter Request Form" (code SB64) from our website—just search for "SB64."

How Much Does Service Purchase Cost?

For Tier VI members, the cost is 6% of the wages you earned while performing the service, plus applicable interest back to the dates of service. For Tier IV members, the cost is based on a different percent of those wages (usually 3% or 4.85%), plus applicable interest.

When Should I Purchase My Prior Service?

If you plan to retire soon, keep in mind that TRS must receive claims for prior service credit before your retirement date. If you're a long way from retiring, good! Claiming and purchasing prior service credit sooner rather than later will limit the interest charges that accrue over time.

For more information on this subject, read the Service Credit brochure for your tier. (Go to www.trsnyc.org ► Publications ► Brochures ► Service Credit.)

Track Your Progress Toward Retirement

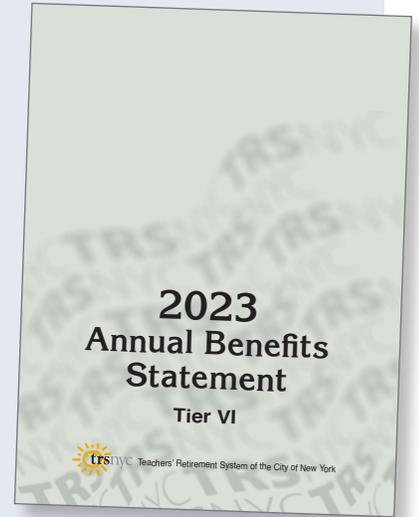
Have you reviewed your 2023 Annual Benefits Statement (ABS) yet? In October, TRS sent an email to let you know your ABS was available on our website. To view it, log in to the secure section at www.trsnyc.org and go to **Documents ► Annual Benefits Statement**.

The ABS reports your total service credit, eligibility for benefits, and designated beneficiaries as of June 30. If you had a pension contribution deficit as of June 30, the amount is also shown. Some members who are close to retirement

age may also find estimates and projections of their future retirement benefits in the ABS.

In short, your ABS provides you with a detailed look at your retirement progress. You may want to print a copy for your files. Your ABS will be available online for five years.

Note: Members who joined TRS this school year will receive their first ABS next fall.



Retirement Is Expensive...TDA Can Help

You're probably feeling the pinch of rising costs at the supermarket, gas station, and other places too. But the financial uncertainty of today can provide the fuel to fund a solution.

Investing even a small percentage of your paycheck in TRS' Tax-Deferred Annuity (TDA) Program can help you now and in the future. Here's how:

- Contributions to the TDA Program are subtracted from your pay before taxes, which typically lowers your current tax bill.
- Those same contributions have years (maybe decades) to grow before you retire. Enroll in TDA to create another source of retirement income.

Diverting dollars from your paycheck may seem difficult in these times. But starting to invest today will help you gain the flexibility and security you deserve for tomorrow.

Here's what TRS members are saying about the TDA Program:

"It's a painless way to ensure your future!"

"The younger generation should take full advantage of this perk!"

"One of the best decisions you could make."

IRS Raises TDA Contribution Limit for 2024

The IRS announced the 2024 maximum amount you can contribute to your TDA is \$23,000, up from \$22,500 in 2023. And if you're 50 or older, you can make additional "catch-up" contributions—up to \$7,500 in 2024. To make your maximum TDA contribution in 2024, you can choose the "Full-Year, Full-Contribution Rate" for your TDA account. Your Full-Year, Full-Contribution Rate for 2024 is shown on your Quarterly Account Statement for the 3rd Quarter of 2023. Sign in to the secure section at www.trsnyc.org and go to TDA to change your rate.

You've Got TRS Mail!

Do you know that you can view your correspondence from TRS in your secure online account? Just log in at www.trsnyc.org, go to **Documents**, and then choose **Correspondence**. Follow the step-by-step guide below.

No need to worry about misplacing your hard-copy TRS documents; you'll have online access to that information. No surprises either—we send you an email to alert you when you've got new TRS mail. In most cases, correspondence will be available for online viewing days before you receive the physical letter. Instead of waiting for a delivery from your mail carrier, you simply log in to your account and view the message right away!

Beginning in 2024, TRS plans to reduce the correspondence that we physically mail: Confirmations and some other letters will only be delivered electronically. We will continue to mail important correspondence, but electronic communications are more timely, cost-effective, and eco-friendly. Rest assured: You may not receive every letter in your physical mailbox, but you'll always be notified in your email box!

How to View Your TRS Mail Online

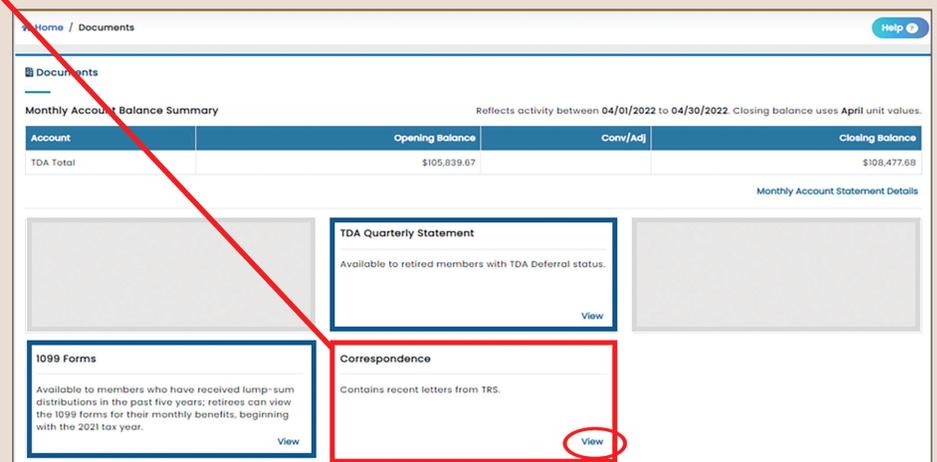
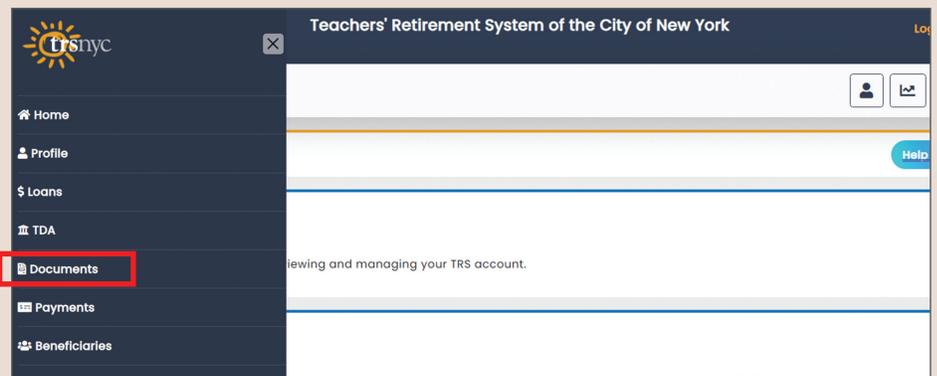
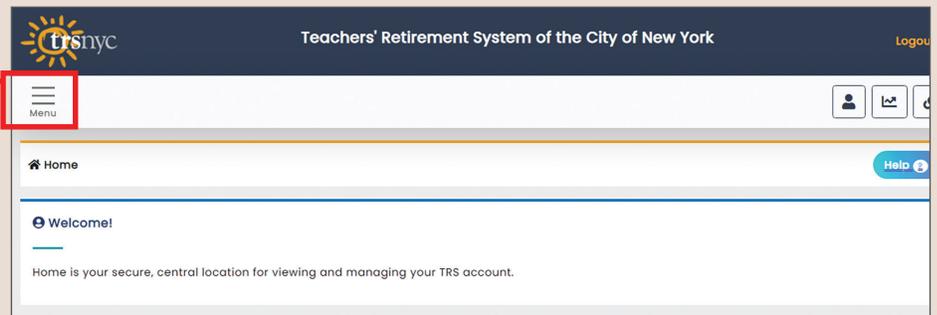
1. Go to www.trsnyc.org and click the orange "Login/Register" button. Enter your Username and Password to sign in, or choose "Register Now" if you have never signed in before.

2. Upon login, you will see your **Home Screen**. Find the **Menu** at the top left of your screen.

3. Click on the **Menu** to display a dropdown list of features, and click on **Documents**.

4. On your **Documents** page, click View on the **Correspondence** panel.

5. You'll see a list of TRS letters. Open your mail and read, print, or copy to your own device.



Reviewing your TRS correspondence online is the way to go!

Get Smarter About Your TRS Benefits

Whether you're just starting out, mid-career, or nearing retirement, TRS has classes for you. All are virtual—delivered on Zoom—so no travel is required. Even better, most classes begin at 3:00 p.m. and end within two hours.

The January schedule is shown below. For your convenience, the online version of this newsletter includes registration links for each class. For more details on these classes and a full schedule of offerings, visit

www.trsnyc.org ► [Resources](#) ► [Educational Programs](#)

Tuesday, January 9, 2024

Tier IV—Your TRS Benefits and Services

3:00 p.m. to 5:00 p.m.

Wednesday, January 10, 2024

Tier VI—Planning for Tomorrow

3:00 p.m. to 5:00 p.m.

Thursday, January 11, 2024

Introduction to the TDA Program

3:00 p.m. to 5:00 p.m.

Tuesday, January 16, 2024

What is Service Buyback?

3:00 p.m. to 5:00 p.m.

Wednesday, January 17, 2024

Understanding the Age 55

Retirement Program

3:00 p.m. to 5:00 p.m.

Thursday, January 18, 2024

Tier III/IV Service Retirement Plans

3:00 p.m. to 5:00 p.m.

Tuesday, January 23, 2024

Getting Ready for Retirement—Tier IV Part 1

3:00 p.m. to 5:30 p.m.

Wednesday, January 24, 2024

Getting Ready for Retirement—Tier IV Part 2

3:00 p.m. to 5:30 p.m.

Thursday, January 25, 2024

TDA Options at Retirement

3:00 p.m. to 5:00 p.m.

Tuesday, January 30, 2024

Filing for Retirement Online—Tier IV

3:00 p.m. to 5:00 p.m.

Wednesday, January 31, 2024

TDA Annuitization at Retirement

3:00 p.m. to 5:00 p.m.



Semiannual Investment Results: 6/30/2023

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	18.16%	11.88%	8.97%	10.11%
Balanced Fund**	5.08%	2.32%	3.28%	N/A
International Equity Fund	16.43%	8.27%	4.75%	5.96%
Sustainable Equity Fund	21.49%	11.24%	11.92%	11.97%
U.S. Equity Index Fund***	18.81%	14.98%	N/A	N/A
International Equity Index Fund***	12.01%	7.72%	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.

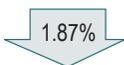
*** 5- and 10-year investment returns are not available for the U.S. Equity Index and International Equity Index funds, which began on 1/1/2020.

Five-Year Performance vs. Benchmarks

Diversified Equity Fund:

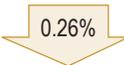


Hybrid Benchmark



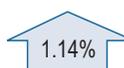
Global Market Composite Benchmark

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 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

\$67.86 Billion*

TDA Total Investments

\$45.49 Billion*

* As of 6/30/2023 (unaudited)

Keep Your Online Information Safe

Cyber threats increase by the day. Whether it's phishing emails or social media hacks, cyber criminals constantly invent schemes to access your personal information. That's why it's important to be vigilant every time you read your emails and text messages, do online shopping, or use your electronic devices. This time of year is a particularly vulnerable time, so brush up on these key reminders:



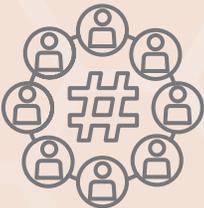
Passwords

- Use different passwords for different accounts, and don't reuse old passwords—choose a new one each time.
- Make each password at least 8 characters long. Use upper- and lowercase letters, a numeral, and special character.
- Consider using a passphrase to make your passwords unique and easy to remember. For example: **MOuntainHiking@Sunri\$e!2023**



Phishing and Social Engineering

- Pay attention to every email. Hackers send emails pretending to be from a legitimate third party— a bank, vendor such as PayPal or Venmo, and online retail store. The messages may be friendly but they might also be threatening. They may say your account is in jeopardy, then ask for your account number, address, phone number, etc. Many include a link or an attachment. Don't click on it!
- If you're not sure an email is legitimate, call the vendor or provider directly.
- Never click on a link or attachment that you're uncertain about. When in doubt, delete questionable emails.



Social Media

- So many of us enjoy connecting with others on social media. While it's fun to post and share information to our networks, don't post confidential information.
- Avoid taking online quizzes. These are often a clever technique to get you to disclose personal information.



Up-to-Date Software

- Keep your anti-virus and anti-malware software current.
- Ensure that all your devices and applications have the latest security patches and updates installed.



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

IN-SERVICE NEWS

Volume XXIX, Number 1

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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

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

- *Benefits in Brief*
- *Investment Portfolios*
- *Fund Profiles*
- *TRS Membership for CUNY Employees*

Calendar

January 1, 2024: Effective date of investment election changes received by December 1, 2023.

January 2024: Expected distribution of 1099 forms for any distributions made from members' TRS accounts in 2023.

February 2024: Posting of Quarterly Account Statements for the fourth quarter of 2023.

April 1, 2024: Effective date of investment election changes received by March 1, 2024.

TRS offices will be closed to observe official New York City holidays on the following dates: **December 25, 2023** and **January 1, 15, and February 19, 2024.**



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.

