

# In-service news

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



## TRS Is Open for Business

Happy summer! We're publishing our Spring 2021 issue in June so that we may include updates on some pending legislative issues; please see page 3.

TRS' biggest news is that we continue to move toward resuming regular operations as the COVID-19 pandemic recedes. On May 3, we reopened our Member Services Center to visitors by appointment only. Face coverings are currently required for all visitors, and other health protocols will be enforced, consistent with the latest guidance from health officials.

Until further notice, unscheduled visitors are not permitted, except to use the drop box in the entrance. To schedule an in-person appointment or a video meeting with a Member Services Representative, please use the simple [online form](#) available through the homepage of our website.

As we close out the school year, we find that our membership adapted well to interacting with TRS remotely since March 2020. While our call volume has been consistently high throughout the pandemic, members have embraced the alternative contact methods that we introduced, such as email and video conference. Similarly, we shifted our educational programs to be exclusively online over the past year, and member participation skyrocketed. The online platform has allowed us to reach more members than we could in the classroom setting, so we plan to continue online offerings even after we can resume onsite programs.

As July approaches, we are also closing out our second straight spring of online retirement filing. For 2021, we enhanced the retirement "e-form" that we debuted last year, and we also improved the follow-up process where our representatives review filings and contact prospective retirees. Like online educational programs, online retirement filing is an option that we will continue to offer members, even when we are back to full pre-pandemic operations at 55 Water Street.

Undoubtedly, the pandemic has brought about tremendous challenges—and far too many personal tragedies. But we appreciate the patience and support of our membership who weathered these challenges with us, and we look forward to the future.

Please monitor our website over the summer and follow us on social media for additional updates on services.

## Spring 2021

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# Semiannual Investment Results: 12/31/2020

## 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	18.20%	11.96%	13.36%	11.77%
Balanced Fund**	8.67%	5.62%	N/A	N/A
International Equity Fund	14.53%	6.83%	10.13%	6.71%
Sustainable Equity Fund	38.67%	17.78%	16.37%	13.42%
U.S. Equity Index Fund***	20.78%	N/A	N/A	N/A
International Equity Index Fund***	11.07%	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.

\*\*5- and 10-year investment returns are not available for the Balanced Fund, which began on 1/1/2018.

\*\*\*3-, 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. The 1-year returns shown above represent the returns of the underlying mutual funds that the U.S. Equity Index Fund and the International Equity Index Fund are invested in. **Members were credited with the actual returns of these funds, which were 41.28% and 29.91%, respectively, for the 1-year period.** The differential between the returns of the Funds and those of the underlying mutual funds is due to the size and timing of the cash flows into/out of the Funds relative to the Funds' size. Note that the returns of the underlying mutual funds (cited in the chart) do not include the 0.18% administrative expenses that apply to all of the funds except the Fixed Return Fund.

### Five-Year Performance vs. Benchmarks

#### Diversified Equity Fund:



#### Balanced Fund<sup>1</sup>:



#### International Equity Fund:



#### Sustainable Equity Fund:



<sup>1</sup> As of 1/1/2018, the Bond Fund became the Balanced Fund, so no 5-year comparison is available. A 3-year comparison is shown 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. The TDA Program is funded by member contributions.

**QPP Total Investments**  
**\$69.28 Billion\***

**TDA Total Investments**  
**\$43.33 Billion\***

\* As of 12/31/2020 (unaudited)

## Legislative Update

As we went to press, two bills related to TRS were awaiting the Governor's signature to make them law.

One bill would make TRS membership mandatory for paraprofessionals in educational titles.

A separate bill would close TRS' TDA Beneficiary (TDAB) program to new participants. The TDAB program currently allows beneficiaries of deceased members to maintain an account in TRS' Tax-Deferred Annuity Program. It was established to give beneficiaries an alternative to receiving a payout of TDA benefits.

However, with competitive alternatives such as Inherited IRAs now available in the marketplace, there is no need to continue to offer the TDAB program. Existing TDAB accounts are not affected by this legislation.

We will publish updates about both of these items on our website and social media.

### Early Retirement Incentive

There will be no early retirement incentive for TRS members in 2021. A law enacted earlier this year authorized but did not require the City to offer a retirement incentive to certain employees, including some Department of Education (DOE) employees who are TRS members. May 31 was the deadline for establishing a DOE retirement incentive. However, the DOE elected not to participate, so the matter is closed.

## Attend a TRS Educational Program—Virtually

While the pandemic forced us to suspend our educational programs at 55 Water Street, our transition to online-only sessions has been an overwhelming success. With live classes via Zoom, we're able to accommodate more attendees than we ever could in person.

We've also been able to cover some new topics over the past year, such as service buyback, death benefits, final average salary, and the Age 55 Retirement Program. Since June is peak season for retirement filing, we dedicated that month to programs related to retirement. In July and August, we have a broader range of offerings.

Advance registration is required for all sessions. To learn more and register, visit our website's [Educational Programs](#) page or our [Facebook](#) page.

## Need to File a Power of Attorney with TRS?

Power of Attorney (POA) documents executed in New York State on or after June 13, 2021 must comply with a new state law that simplifies the statutory form and the approval process.

If you currently have a POA document on file with TRS, no action is needed; the new law does not affect existing POA arrangements.

However, if you need to establish a new POA arrangement relating to your retirement account—or modify an existing POA—please consult your attorney or refer to the updated "[TRS Special Durable Power of Attorney](#)" (code BK75) on our website.



Teachers' Retirement System of the City of New York  
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## IN-SERVICE NEWS

Volume XXVI, Number 2

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## Publications

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

• [QPP Loans](#)

• [TDA Loans](#)

## Calendar

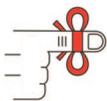
**July 1, 2021:** Effective date of investment election changes that members filed by May 31, 2021.

**August 2021:** Posting of Quarterly Account Statements for the second quarter of 2021.

**September 2021:** Expected availability of 2021 Annual Benefits Statements.

**October 2021:** Effective date of investment election changes that members file by August 31, 2021.

Please remember that TRS offices will be closed on the official New York City holidays occurring **July 5, September 6,** and **October 11, 2021.** On Fridays from **July 9** through **September 10,** we will close at 1:00 p.m.



### Invest in TDA!

Whenever your pay increases, put a little more into your Tax-Deferred Annuity Program account. Save for retirement one paycheck at a time.

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

