“20 Year Pension Class Settlement” Payments Made

Payments under the “20 Year Pension Class Settlement” have been distributed to approximately 48,000 eligible individuals.

Non-retired TRS members who are part of the settlement class received a credit to their Increased-Take-Home-Pay (ITHP) accounts as of the end of January. Qualifying retirees and other class members received one-time payments (by check and/or rollover) on or about February 5.

During the week of February 7, Gilardi & Co., the claims administrator, sent letters to settlement class members concerning the distribution of their benefits.

This class action suit challenged the calculation of a specific portion of the TRS retirement benefit for Tier I/Plan A and Tier II/Plan C members. All inquiries about the settlement should be directed to Gilardi & Co. at 1 (800) 295-4716.

A Reminder about Enrolling in TRS

We would like to take this opportunity to remind our readers from CUNY that all employees wishing to join TRS must submit a “Tiers III/IV Enrollment Application” (code EN10), a “Designation of QPP Beneficiary Form” (code EN6), and proof of their date of birth. (Acceptable date-of-birth documentation is indicated on the enrollment application.)

These are essential steps for all CUNY employees—including those whose membership in TRS is mandatory. Filing an enrollment application, beneficiary-designation form, and date-of-birth documentation means that:

- Members can select a beneficiary for their death benefit coverage as an in-service member;
- TRS can determine members’ eligibility for certain plan benefits; and
- TRS can provide members with accurate account statements.

If TRS membership is mandatory, TRS would automatically send the employee an enrollment application and beneficiary-designation form once we are notified by a CUNY Benefits Officer.

If TRS membership is optional, the employee may obtain these forms by accessing our website or by calling our Member Services Center.

As a reminder, CUNY Benefits Officers may request enrollment applications—and other TRS forms—by emailing their request to ssantos@trs.nyc.ny.us.

Update on “Per Session Class Action” Settlement Approved

After extensive negotiations, a revised settlement has been reached in the “Per Session Class Action.” This agreement, approved by the court in February, is a modification of an earlier settlement reached in 2007.

This class action challenged the calculation of retirement benefits for certain TRS members who received pay for per session work during their applicable Final Average Salary (FAS) periods. TRS and the Office of the Actuary have begun working to implement the settlement, which will result in increased benefits for some of the class members.

Members do not need to contact TRS or take any action at this time. Inside TRS will provide more information about the implementation of the settlement as it becomes available. (Note: This settlement is not related to the “20 Year Pension Class Settlement” mentioned above.)
Members Urged to File Beneficiary Information

TRS wants to make sure our members keep their beneficiary designations on file and up to date. Doing so helps TRS to disburse death benefits as the member truly intended, and without unnecessary delays.

Posters Will Be Mailed in March

In mid-March, we will begin distributing posters featuring the theme “Don’t gamble with your loved ones’ future” to member work locations. The posters are intended to be displayed in high-traffic areas such as teachers’ lounges. We appreciate the assistance of our stakeholders at the schools, colleges, unions, and other citywide work locations in displaying these posters.

Our mailing will include a postcard for our stakeholders to return if they want to participate in a survey about TRS mailings. If you receive the poster mailing, please look for the postage-paid postcard and consider providing your feedback to us.

Redesigned Designation Forms Available

To help make it easier for our in-service members to file beneficiary designations, we have redesigned our “Designation of QPP Beneficiary Form” (code EN6) and “Designation of TDA Beneficiary Form” (code EN8). The forms are now shorter and simpler to complete. The new forms are available on our website; members can also view their current beneficiary designations online.

Chapter 504 Does Not Establish a New Tier for TRS

We understand that some of our members have asked if Chapter 504 of the Laws of 2009 established a new tier of TRS membership. While this pension reform law changes aspects of membership for most new TRS members, it does not create a “Tier V” for TRS. Please note that the law does appear to establish a Tier V for some New York State retirement systems, but all new members of our system are still considered to be Tier IV members.

As a reminder, Chapter 504 took effect as of December 11, 2009. Individuals joining TRS on or after that date will be affected as follows:

- Members who are represented by the United Federation of Teachers (UFT) will become vested after they have ten years of service credit.
- Members who participate in the Age 55 Retirement Program (“55/27” provisions) will make pension contributions of 4.85% of salary until they have 27 years of service credit, and contributions of 1.85% of salary after reaching 27 years of service credit.

In addition, for all participants in TRS’ Tax-Deferred Annuity (TDA) Program who are represented by the UFT, the annual interest rate paid by the Fixed Return Fund will be 7%.

Health Insurance Deductions Start Earlier for New Retirees

Members who retire in 2010 should benefit from a change to TRS’ retirement payroll process. TRS is now able to take health insurance deductions from new retirees’ payments—even before they start receiving their regular retirement allowance. In fact, health insurance deductions should begin as early as the second advance payment from TRS.

Once those deductions begin, the City generally deducts an amount from each monthly payment to recover the cost of all health insurance premiums that weren’t deducted initially. Under the new process, there should only be one month’s worth of premiums to recover—and retirees should receive their full monthly benefit amount more quickly.