



Building Bridges to Retirement Security Theme of 2016 Annual Report

NYSTRS' return on investments was in the black for the fiscal year ended June 30, 2016, the seventh consecutive year of posting a positive return. The System remains among the best-funded public retirement systems in the nation.

The System's five-year rate of return was 8.3%, exceeding its annual assumed rate of return of 7.5%. NYSTRS' total fund return of 2.3% net of fees for the 2015-16 fiscal year was one of the best among peer retirement systems.

These are among the many facts and figures found in NYSTRS' recently released Comprehensive Annual Financial Report (CAFR). The report can be found in the Library at NYSTRS.org (Library > Publications > Annual Reports). You may also request a copy by calling our Hotline at (800) 782-0289.

[See 2016 Annual Report, page 6](#)



Questions About Your Benefits? The Handbook Has Answers

If you have questions about your NYSTRS benefits, our *Retired Members' Handbook* has the answers. From COLAs to death benefits to taxes, the *Handbook* is intended to guide you in retirement.

We reformatted the *Handbook* last year so it's easier to read online and better suited for printing. You'll find it in the Library at NYSTRS.org (Library > Publications > Retirees). You'll also find a link to it under the heading "Related Items" on any page in the Retiree section of our website.

If you would like a copy mailed to you, call our Hotline at (800) 782-0289.

Resource

NYS Teachers' Retirement System

10 Corporate Woods Drive
Albany, NY 12211-2395

NYSTRS.org

Office Hours

Monday - Friday: 8:30 a.m. - 4:15 p.m.

Summer Hours:

Monday - Thursday: 8 a.m. - 4:15 p.m.

Friday: 8 a.m. - 12:30 p.m.

Telephone

(800) 348-7298

Albany-Area Calls: (518) 447-2900

Direct Deposit Information	Ext. 6230
Disability	Ext. 6010
Earnings After Retirement	Ext. 6150
General Retiree Information	Ext. 6150
Legislation	Ext. 6200
Lost Checks	Ext. 6160
MyNYSTRS	Ext. 6085
Report a Retiree's Death	Ext. 6140
Tax & Withholding Information	Ext. 6120

HOTLINE

(800) 782-0289

Form and Publication Requests
Latest News 24/7

Note to Members: We are legally obligated to ensure members and beneficiaries are informed about their NYSTRS benefits. *Resource* is used for this purpose. Therefore, we are unable to honor requests to be removed from our distribution list. You may subscribe to receive *Resource* electronically through MyNYSTRS.

RETIREMENT BOARD

David P. Keefe, *President*

Michael J. Masse, *Vice President*

Jolene T. DiBrango

Paul J. Farfaglia

Stephen P. Feehan

Dr. Phyllis S. Harrington

Daniel J. Hogarty Jr.

Dr. L. Oliver Robinson

Nicholas Smirensky

Timothy M. Southerton

Thomas K. Lee,

Executive Director & Chief Investment Officer

2

1099 Tax Statement Available

Approximately 178,000 1099-R tax statements were sent by U.S. Mail in January to retired members and beneficiaries receiving a NYSTRS benefit in 2016. The form, necessary for tax filing, shows gross benefit amount, the taxable amount and any federal tax withheld.

The statements were postmarked January 18, but those with a MyNYSTRS account had access to them a week earlier. With a MyNYSTRS account, you can view and print the statement online. Statements from years past can also be accessed through this secure, members-only area of NYSTRS.org.

Access to these tax documents is another reason to create a MyNYSTRS account. To do so, simply click on the MyNYSTRS Login tab found on any page at NYSTRS.org and follow the step-by-step instructions.

If in the future you want to change your tax withholding, you'd also be able to do that online with a MyNYSTRS account. (See article below.)

If you have questions about taxes related to your NYSTRS benefit, call (800) 348-7298, Ext. 6120.

BOX 1
Box 1 shows what NYSTRS paid you in 2016.

BOX 2a
This is the 2016 amount that is taxable to you.

BOX 4
This shows the amount that was withheld for federal taxes.

BOX 5
Employee contributions are not considered taxable.

New York State Teachers' Retirement System 10 Corporate Woods Drive Albany, New York 12211-2395 (800) 356-3128, Ext. 6120 NYSTRS.org		You may change your federal tax withholding amount online with a MyNYSTRS account. Or submit a W-4P form, available at NYSTRS.org.	
		Contact your former employer or union with questions about deductions other than tax withholdings.	
		NYSUT: (800) 626-8101 NYSHIP: (800) 833-4344	
PAYER'S name, street address, city, state, and ZIP code New York State Teachers' Retirement System 10 Corporate Woods Drive Albany, New York 12211-2395		1 Gross distribution 1	OMB No. 1545-0119
PAYER'S federal identification number 14-6000735		2a Taxable amount 2a	Form 1099-R
RECIPIENT'S identification number 14-6000735	2b Taxable amount not determined	Total distribution	Distributions From Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc.
RECIPIENT'S name, street address (including apt. no.), city, state, and ZIP code	3 Capital gain (included in box 2a)	4 Federal income tax withheld 4	
		5 Employee contributions 5	7 Distribution code(s)
NYSTRS EmpID number (see instructions)			

Department of the Treasury - Internal Revenue Service

Two Easy Ways to Change Withholding

NYSTRS provides two convenient ways to change your current tax withholding:

1. If you have a MyNYSTRS account, change your election online. Log into your account through NYSTRS.org, click My Tools, select W-4P Withholding Election and follow the instructions. (This page also shows your current withholding.)

OR

2. Complete and submit the NYSTRS form *W-4P Withholding Election and Certificate* (FIN-149). Get the form from the Retiree Forms page at NYSTRS.org or request one by calling our Hotline at (800) 782-0289.

In most cases, if we receive the form by mid-month the change will occur that month. Otherwise the change will take effect for the following month's payment. Remember, any election you make remains in effect until you change it.

Benefit Payments Drive NY's Economy

NYSTRS distributes more than \$6.6 billion in benefits annually, with 80% of that total paid to New York State residents. The more than \$5 billion paid to New Yorkers has a significant impact on state and local economies.

As benefit recipients spend their money in local communities, one person's spending becomes another person's income. This has a multiplier effect that stimulates economies.

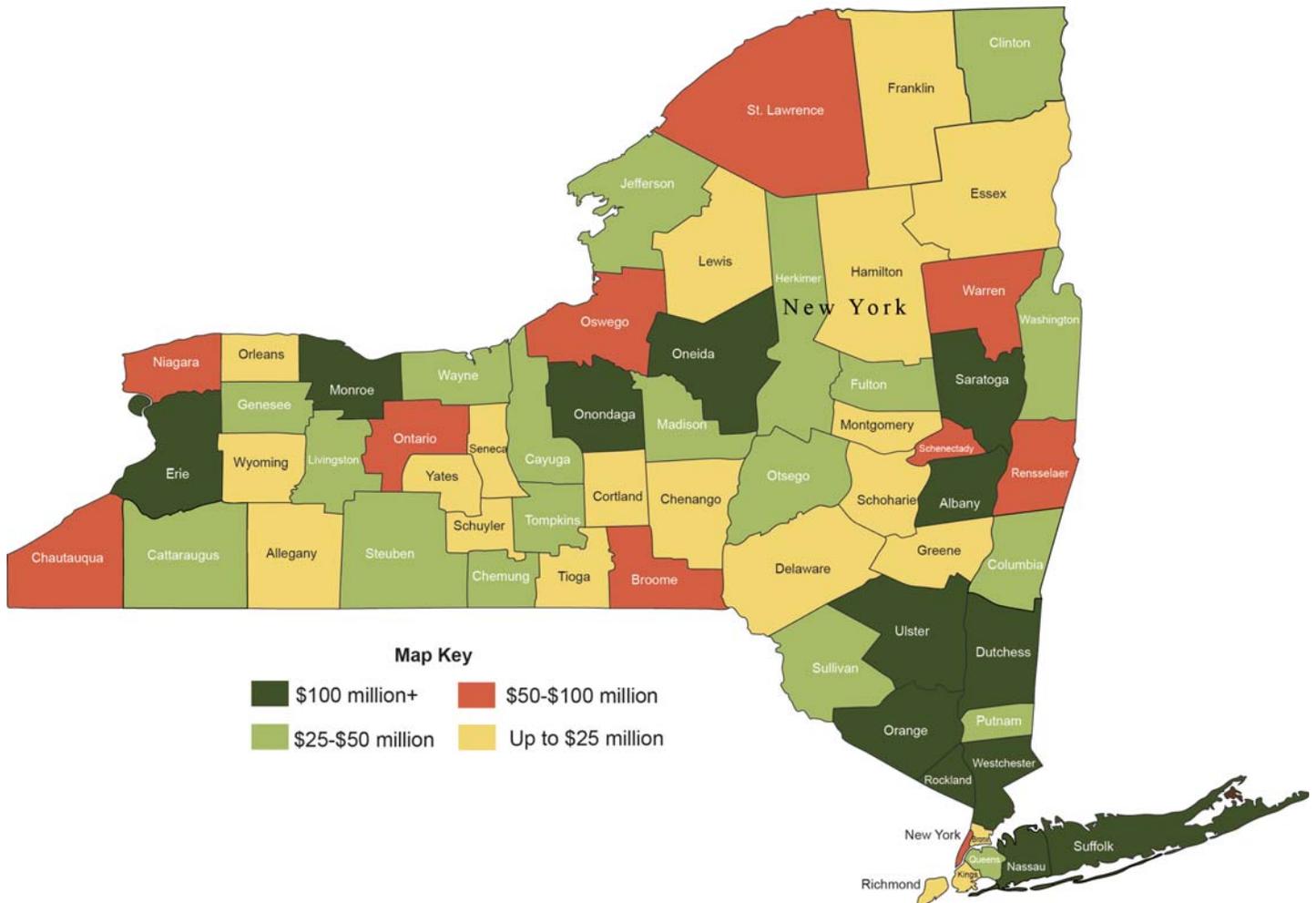
The map below shows how NYSTRS benefit payments were distributed across New York last year. For the exact amount paid and number of benefit recipients per county, visit the Facts & Research page of the Pension Education Toolkit at NYSTRS.org and select "Benefits Paid by County." Hover your mouse pointer over a county to see the details.

According to the National Institute on Retirement Security (NIRS), expenditures stemming from New York's state and local pensions support:

- More than 215,000 jobs that pay some \$12.5 billion in wages and salaries;
- \$8.1 billion in federal, state and local tax revenues; and,
- \$35.2 billion in total economic output.

NIRS estimates that in New York each dollar paid in pension benefits generates about \$1.30 in total economic activity.

You'll find additional NIRS papers and other industry research on pensions in NYSTRS' Pension Education Toolkit. You'll also find a plethora of interesting NYSTRS-specific information. Learn more today.



Did You Receive Your Retired Member Profile?

Retired Member Profiles were distributed in fall 2016 to retired NYSTRS members and eligible beneficiaries whose retirement processing was complete on or before June 30, 2016.

If eligible, you would have received your personalized *Profile* in the mail in October. Or, if you are one of the 15,000 who opted not to receive a paper copy, you were notified by email that the *Profile* was available online through your MyNYSTRS account.

The *Profile* summarizes your NYSTRS retirement benefit, including your gross monthly payment, beneficiary (if applicable) and other helpful information.

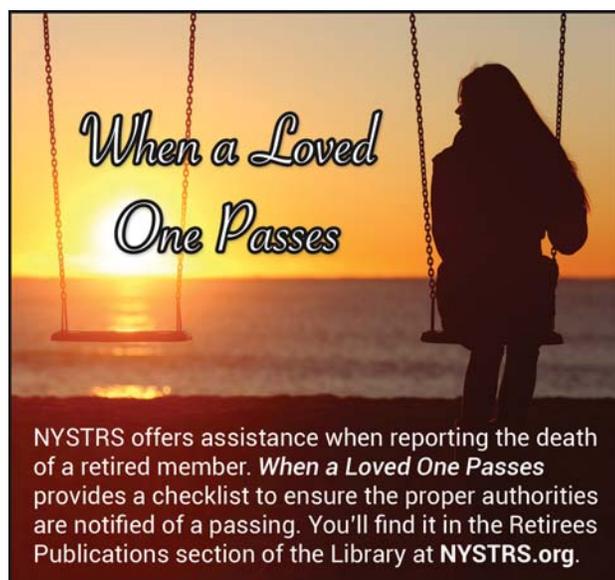
Can't find or don't remember receiving a *Profile*? If you have a MyNYSTRS account, you can access a copy any time at NYSTRS.org. If you need to update any of the information on the *Profile*, or if you have other questions, please call our Retired Member Information Line at (800) 348-7298, Ext. 6150.

Why MyNYSTRS is for Y-O-U

MyNYSTRS is a secure online portal with access to all the retirement information you want and need. If you have yet to create your account, here's why your fellow retired members think you should:

- "There is so much valuable information at my fingertips. I wish I had looked into it sooner!"
- "I am so pleased to do simple things like change my address or phone number via MyNYSTRS."
- "[It's] superb and gives me my vital information at any time of the day."
- "It's the fast and easy way to receive *Resource* without waiting for the printed copy."

To create your account, visit NYSTRS.org and click the "MyNYSTRS Login" icon near the top of the page. When the Login page opens, select "Register Now!" at the bottom left and follow the step-by-step registration instructions. Be sure to have your NYSTRS EmplID (found on the *Retired Member Profile* you receive each October and all official correspondence you receive from NYSTRS) and the last four digits of your Social Security Number handy.



Board Highlights

continued from back page

Oct. 27, 2016, Cont.

- **Renewed** the agreement with State Street Global Advisors to manage a portion of the System's assets as a passive MSCI ACWI ex-U.S. international equity manager, for one year, effective Feb. 18, 2017.
- **Renewed** the agreement with Dimensional Fund Advisors to manage a portion of the System's assets as an active emerging markets manager benchmarked to the MSCI Emerging Markets Index, for one year, effective Feb. 19, 2017.
- **Renewed** the agreement with Aon Hewitt Investment Consulting Inc., an Aon Company, to act as a general investment consultant, for one year, effective Feb. 1, 2017.
- **Renewed** the agreement with Callan Associates Inc. to act as a real estate consultant, for one year, effective Feb. 1, 2017.
- **Accepted** the report of KPMG LLP on the financial statements of the Retirement System as of June 30, 2016 and for the 2015-16 plan year ended on that date.
- **Accepted** changes to the Investment Policy Manual.
- **Reappointed** Herman E. Bulls and Eileen Byrne to three-year terms on the Real Estate Advisory Committee, effective Jan. 1, 2017.
- **Reappointed** David L. Brigham and Johanna Fink to three-year terms on the Investment Advisory Committee, effective Jan. 1, 2017.
- **Appointed** Daniel J. Bukowski to fill the remaining portion of Geoffrey Gerber's term, which ends Dec. 31, 2017, on the Investment Advisory Committee.
- **Adopted** resolutions honoring Robert G. Wade (20 years) and Geoffrey Gerber (four years) for their service on the NYSTRS Investment Advisory Committee.

Other highlights from the report:

- NYSTRS' 25-year rate of return was 8.7% and its 30-year rate was 8.9%.
- The plan's funded ratio was 94.2% using the Actuarial Value of Assets and 104.1% using the Market Value of Assets.
- Benefit payments for the year totaled \$6.6 billion, 80% of which was distributed to New York State residents. More than 161,000 members and beneficiaries received benefit payments.

"For nearly a century, NYSTRS has remained steadfast in its commitment to our primary mission: To provide members with a secure pension," Thomas K. Lee, executive director and chief investment officer, said in his Letter of Transmittal. "Once again this year, System Board and staff have worked diligently to honor the work of the generations of members and stewards who have guided the System to excellence since its founding in 1921."

NYSTRS administers the retirement plan cost effectively. Investment fees average 24¢ per \$100 managed, compared to 60¢ or more in fees associated with defined contribution plans like 401(k)s.

"As responsible fiduciaries, we remain committed to our mission for the benefit of our active members, retirees and stakeholders throughout New York," Lee said.

PAFR Summarizes Annual Report

If the idea of wading through a 138-page CAFR doesn't appeal to you, read an eight-page summary instead!



In addition to a CAFR, NYSTRS produces a Popular Annual Financial Report (PAFR). The PAFR simplifies complex financial information for those without a background in public finance.

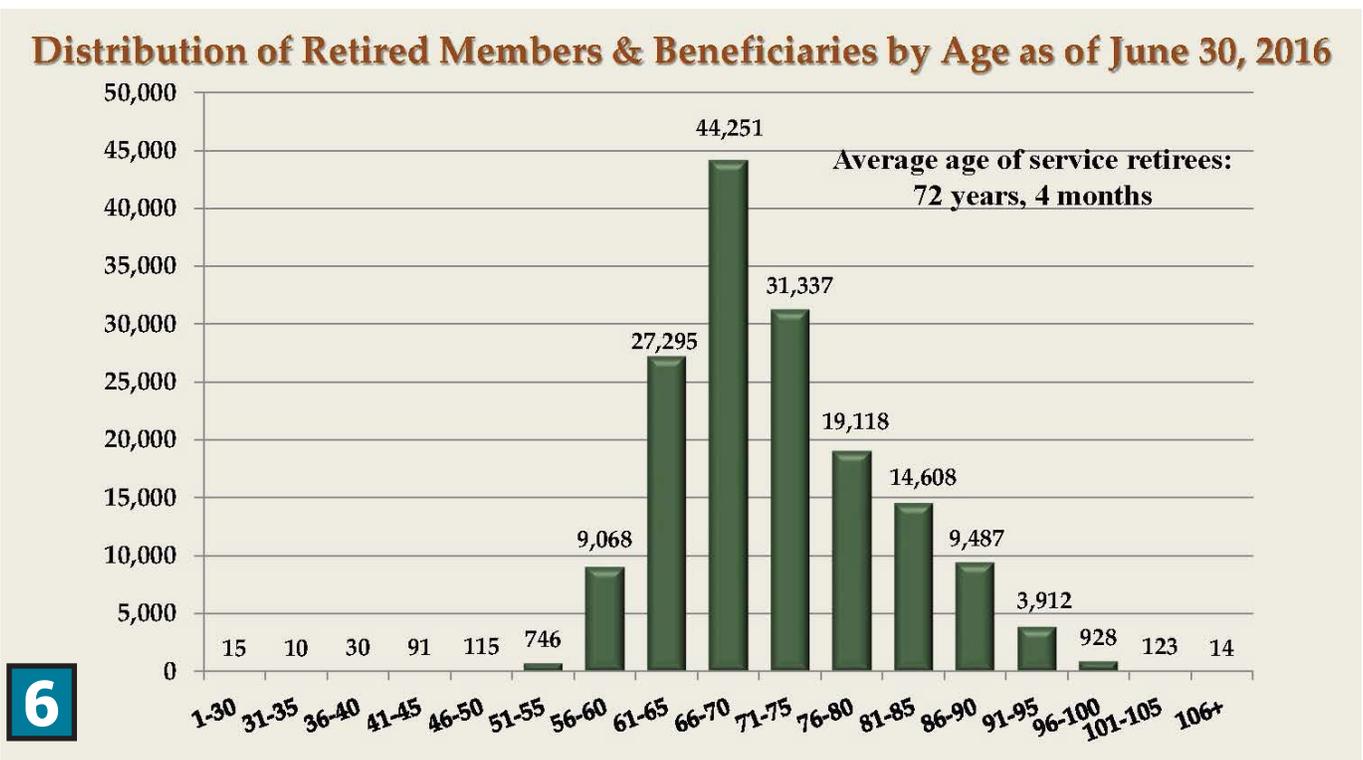
You'll find the online version of the PAFR in the same location as the CAFR at NYSTRS.org. Navigate there by selecting Library > Publications > Annual Reports.

Can't get enough of the numbers? While you're online, look through our Pension Education Toolkit, the first item under the "I'm looking for..." dropdown menu. In addition to NYSTRS-specific information, you'll also find a wealth of research on the retirement industry.

Just Because...

There's really no story that accompanies the chart below. We just thought you'd find it interesting!

The x-axis shows age ranges. The y-axis represents number of retired members and beneficiaries. The figure at the top of each bar is the total number of retired members and beneficiaries within that particular age range.





NYSTRS 2017 Calendar

Monthly Benefit Payment Dates and System Holidays

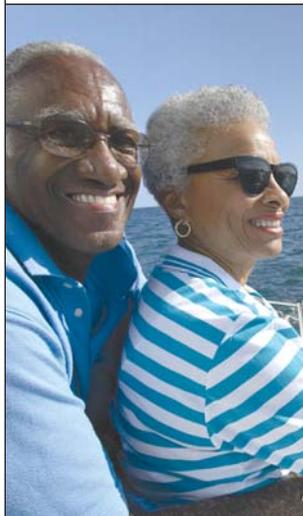
January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14	8	9	10	11	12	13	14
15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21	15	16	17	18	19	20	21
22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25	16	17	18	19	20	21	22
29	30	31					26	27	28					26	27	28	29	30	31	23	24	25	26	27	28	29	
																					30						
May							June							July							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6		1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
7	8	9	10	11	12	13	7	8	9	10	11	12	13	7	8	9	10	11	12	13	7	8	9	10	11	12	13
14	15	16	17	18	19	20	14	15	16	17	18	19	20	14	15	16	17	18	19	20	14	15	16	17	18	19	20
21	22	23	24	25	26	27	18	19	20	21	22	23	24	18	19	20	21	22	23	24	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30	31		
														30	31												
September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2	1	2	3	4	5	6	7	1	2	3	4	5	6	7	1	2	3	4	5	6	7
					8	9	8	9	10	11	12	13	14	8	9	10	11	12	13	14	3	4	5	6	7	8	9
					10	11	15	16	17	18	19	20	21	15	16	17	18	19	20	21	10	11	12	13	14	15	16
					17	18	22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23
					24	25	29	30	31					26	27	28	29	30		24	25	26	27	28	29	30	
																					31						

■ Payment Date (Direct deposits made; date of check.)
■ Holiday (NYSTRS closed)



NYS Teachers' Retirement System

10 Corporate Woods Drive
Albany, NY 12211-2395



PRESRT STD
U.S. POSTAGE
PAID
PERMIT NO. 702
ALBANY, N.Y.

Facts to Share

If you're a snowbird, NYSTRS can store a seasonal address for you and automate where your mail is delivered. Just complete and submit the *Seasonal Address Change* (RET-2) form found on the Retiree Forms page at NYSTRS.org if you wish to participate. Call our Retired Member Information Line at (800) 348-7298, Ext. 6150 if you have any questions.

INSIDE THIS ISSUE:

Building Bridges Theme of 2016 Annual Report	1
1099 Tax Statement Available	2
Do You Need to Report Your Earnings?	3
Benefit Payments Drive NY's Economy	4
2017 Calendar of Benefit Payments	7

NYSTRS Board Meeting Highlights October 27, 2016

- **Authorized** a commitment of up to \$600 million in Arrowstreet Capital LP to manage a portion of the System's assets as an international equity manager benchmarked to the MSCI ACWI ex-U.S. index, for one year, subject to the satisfactory completion of due diligence.
- **Authorized** a commitment of up to \$250 million in Ariel Investments LLC to manage a portion of the System's assets as an international equity manager benchmarked to the MSCI ACWI ex-U.S. index, for one year, subject to the satisfactory completion of due diligence.
- **Renewed** the agreement with Loomis Sayles & Co. to manage a portion of the System's assets as an active global bond manager benchmarked to the Bloomberg Barclays Global Aggregate Float Adjusted Bond Index, for one year, effective Nov. 8, 2016.
- **Renewed** the agreement with Goldman Sachs Asset Management LP to manage a portion of the System's assets as an active global bond manager benchmarked to the Bloomberg Barclays Global Aggregate Float Adjusted Bond Index, for one year, effective Nov. 12, 2016.
- **Renewed** the agreement with LaSalle Investment Management (Securities) LP to manage a portion of the System's assets in an active international ex-U.S. real estate securities investment strategy, for one year, effective Dec. 1, 2016.
- **Renewed** the agreement with RREEF America LLC to manage a portion of the System's assets in an active international ex-U.S. real estate securities investment strategy, for one year, effective Dec. 1, 2016.
- **Renewed** the agreement with BlackRock Institutional Trust Co. N.A. to manage a portion of the System's assets as a passive MSCI ACWI ex-U.S. international equity manager, for one year, effective Dec. 12, 2016.
- **Renewed** the agreement with Aberdeen Asset Management to manage a portion of the System's assets as an active MSCI ACWI ex-U.S. international equity manager, for one year, effective Dec. 15, 2016.
- **Renewed** the agreement with AQR Capital Management LLC to manage a portion of the System's assets as an active MSCI ACWI ex-U.S. international equity manager, for one year, effective Jan. 6, 2017.
- **Renewed** the agreement with Marathon Asset Management LLP to manage a portion of the System's assets as an active MSCI EAFE international equity manager, for one year, effective Jan. 24, 2017.

Continued on page 5