



December 2023

YourSource

A newsletter for active members of the NYS Teachers' Retirement System



NYSTRS Retirement Board News

NYSTRS' Retirement Board sets policy and oversees operations for the System, which had total net assets of \$137.2 billion as of June 30, 2023. The 10 members of the Board serve without compensation and represent various constituents, including active and retired teachers, school administrators, school boards, and financial experts. They are responsible as fiduciaries to protect the long-term value of the System's investment portfolio and provide benefit security for its nearly 449,000 active members, retirees and beneficiaries. Learn more about the Board at NYSTRS.org.

Delegates Re-elect Chetney as Teacher Member

Delegates attending NYSTRS' 2023 Annual Delegates Meeting re-elected Baldwinsville teacher Elizabeth A. Chetney to NYSTRS' Board. More than 600 delegates from across the state participated in the Nov. 5-6 meeting held at the Saratoga Springs City Center.



Elizabeth A. Chetney

Chetney, who was re-elected to a new three-year term beginning Feb. 1, 2024, chairs the Board's Disability Review Committee and serves on the Ethics, Executive, Investment and Risk committees.

After the vote, Chetney thanked delegates for their support saying "Thank you so much for trusting me again to represent you on the NYSTRS Board that holds the responsibility of safeguarding your

pension. This privilege is not one I take lightly and I want to extend my heartfelt thanks for entrusting me with this vital role once again."

First elected to the Board in 2019, Chetney has taught in the Baldwinsville Central School District since 1992, serving as an

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Farfaglia Returns in New Role as School Boards Association Member

Paul J. Farfaglia has been elected by the New York State Board of Regents to NYSTRS' Board, marking a return to the Board he previously served for a decade until his retirement from teaching in 2019.



Paul J. Farfaglia

Farfaglia, who was recommended by the New York State School Boards Association as mandated by statute, was elected to fill the remainder of the three-year school board member term vacated by Christopher Morin. He serves on the Board's Disability Review Committee.

Farfaglia served as an active teacher member on NYSTRS' Board from January 2009 until his retirement in July 2019. In that role, he chaired the Disability Review Committee during most of his 10-year Board tenure and served at various times on nearly every Board committee.

Farfaglia has been a member of the North Syracuse Central School District Board of Education since 2015 and has served

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YOUR *Source*

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

Beneficiary Information	Ext. 6130
Benefits Consultations	Ext. 6100
Direct Deposit	Ext. 6230
Disability	Ext. 6010
Earnings After Retirement	Ext. 6150
General Information	Ext. 6250
In-Service Death Benefit Info.	Ext. 6110
Legislation	Ext. 6200
Loans	Ext. 6080
Member Service Credit	Ext. 6075
Membership Withdrawals	Ext. 6090
Military Service	Ext. 6060
MyNYSTRS	Ext. 6085
PREP Seminars	Ext. 6180
Prior Service	Ext. 6030
Reinst./Retro. Membership	Ext. 6070
Report Fraud	Ext. 2846
Retirement Estimates	Ext. 6020
Transfer-In	Ext. 6040
Transfer-Out	Ext. 6050

Automated Hotline
(800) 782-0289

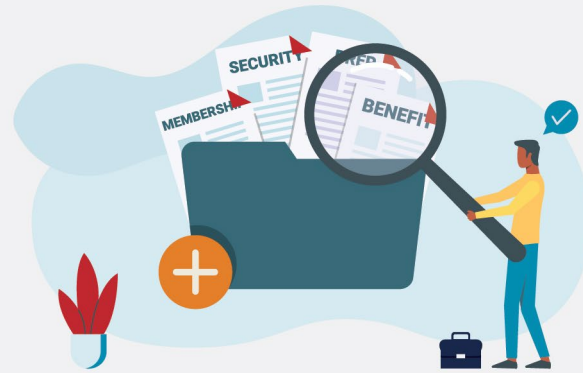
RETIREMENT BOARD

David P. Keefe, President
Dr. L. Oliver Robinson, Vice President
Juliet C. Benaquisto
Elizabeth A. Chetney
Paul J. Farfaglia
Dr. Phyllis S. Harrington
Eric J. Iberger
Jennifer J. Longtin
Ruth Mahoney
Nicholas Smirensky
Thomas K. Lee
Executive Director & Chief Investment Officer

Fraud Complaint?

Email investigations@nystrs.org or call the Report Fraud number listed above.

Four Fundamentals of Security



NYSTRS: The #1 Source for Your Pension Information

When you're planning for retirement, we encourage the use of a financial advisor to help you plan for income beyond your pension. But for information about your pension, you should go right to the source: NYSTRS. Find retirement planning materials on our website at NYSTRS.org, call us at (800) 348-7298, or send us a secure message from your MyNYSTRS account for specific questions about your pension.

Beware of NYSTRS Imposters

Financial planners often contact NYSTRS members offering retirement preparation services and claim to be experts on NYSTRS benefits. Their strategies include ads and videos found online, publications and direct mailings. These marketing tools can be carefully crafted so they appear as if the person is an actual NYSTRS representative – they are not!

How to Spot an Imposter

If there is a fee associated with a seminar, consultation or publication, you can be sure it did not come from NYSTRS. There is never a cost to talk to a NYSTRS representative about your public pension benefits. And all NYSTRS publications are free and available in our online Library.

Protect Your Assets

We urge you to remain vigilant in protecting your personally identifiable information (PII), which can be used to steal your identity. If you think your PII has been compromised, contact us immediately at (800) 348-7298, Ext. 6190 to discuss options for adding a theft of ID flag to your System account.

Check out the Beware of NYSTRS Imposters page at NYSTRS.org and rely on our website and publications for accurate information.

NYSTRS' Year-End Financial Reports Confirm Fund Remains Strong and Secure

NYSTRS' strength and status as one of the largest and best-funded public pension funds in the country is reaffirmed by two recently released financial reports.

The System's net assets totaled \$137.2 billion and the total portfolio returned 9.0% net of fees as of the fiscal year ended June 30, 2023, according to NYSTRS' 2023 Annual Comprehensive Financial Report (ACFR). The System also published a 2023 *Popular Annual Financial Report* (PAFR), which is a graphical summary of the longer ACFR.

Benefits paid to the System's retirees and beneficiaries totaled about \$8.2 billion for the fiscal year – up from \$8 billion for the previous fiscal year.

Leading indicators of pension plan strength are found in a plan's long-term returns and funded status. NYSTRS' 10-year and 30-year annualized net rates of return were 8.5% and 8.3%, respectively. The System's funded ratio is 99.3% based on

the actuarial value of assets as of June 30, 2022, the most-recent calculation available. (A funded ratio is a comparison of the actuarial value of assets to the accrued pension benefit liability.)

NYSTRS Executive Director and CIO Thomas K. Lee said, "As this annual financial report demonstrates, NYSTRS' Board and staff are committed to fulfilling our mission of providing our members with a secure pension. Our retirement plan is solidly built to endure the up and down cycles of the economy."

Lee continued, "Required member and employer contributions are consistently collected in full and without fail. Those contributions are then prudently invested in a diversified and risk-controlled portfolio with a focus on long-term returns.

The result of this proven investment philosophy has enabled the System to provide retirement security to New York's public educators since 1921."

View both financial reports at NYSTRS.org on the Library/Publications/Annual Reports page. And visit the About Us/Press Room/Infographics page to peruse a host of graphics displaying NYSTRS' facts and figures.

Highlights From the June 30, 2023 Financial Reports

NYSTRS paid out approximately
\$8.2 billion
in benefits to members and beneficiaries.

Nearly
80%
of benefits are paid to New York state residents.

Over the past **30 years**, investment income has made up **85%** of NYSTRS' funding. Employer and member contributions make up **13%** and **2%**, respectively.

The System serves nearly
449,000
people:
268,058
active members
180,727
retired members and beneficiaries.

NYSTRS' net position has increased nearly **five fold** over the past 30 years despite paying out almost **four times** as much in benefits as contributions collected from employers and members over the same period.

The System is
99.3% funded
based on the actuarial value of assets as of June 30, 2022, the most-recent calculation available.

NYSTRS' investments are broadly diversified among
11 primary asset classes
to minimize investment risk and promote stability.

About
57%
of System assets are managed internally, which keeps administrative costs low and leaves more money for paying benefits and future investments.

Beware of Imposters!

While we encourage the use of a financial advisor to aid you in your retirement planning, we want you to get your pension information from the source: NYSTRS.

- Visit our website at NYSTRS.org.
- Call us at (800) 348-7298.
- Send us a secure message from your MyNYSTRS account.



NYSTRS Board Meeting Summary of Actions

October 26, 2023

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, 2024.

Renewed the agreement with Marathon Asset Management Limited, as successor in interest to 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, 2024.

Renewed agreements with the following firms to manage a portion of the System's assets as passive MSCI ACWI Ex-U.S. international equity managers, for one year each:

- BlackRock Institutional Trust Co. N.A. (effective Dec. 12, 2023)
- State Street Global Advisors Trust Co., as successor in interest by assignment from State Street Bank and Trust Co. (effective Feb. 18, 2024)

Renewed the agreement with Harding Loevner LP to manage a portion of the System's assets as an active global equity manager benchmarked to the MSCI ACWI Index, for one year, effective Feb. 27, 2024.

Renewed the agreement with Dimensional Fund Advisors to manage a portion of the System's assets as an active emerging markets manager

benchmarking to the MSCI Emerging Markets Index, for one year, effective Feb. 19, 2024.

Renewed agreements with the following firms to manage a portion of the System's assets as active global bond managers benchmarked to the Bloomberg Global Aggregate Float Adjusted Ex-CNY Bond Index (hedged to the U.S. dollar), for one year each:

- Loomis Sayles & Co. LP (effective Nov. 8, 2023)
- Goldman Sachs Asset Management LP (effective Nov. 12, 2023)

Renewed the agreement with Nomura Corporate Research and Asset Management Inc. to manage a portion of the System's assets as an active U.S. high-yield manager in two separate accounts, for one year each, effective Nov. 27, 2023):

- A portfolio benchmarked to the ICE BofAML BB-B U.S. High Yield Constrained Index (HUC4)
- A portfolio benchmarked to the ICE BofAML U.S. High Yield Constrained Index (HUC0)

Renewed the agreement with StepStone Group LP to serve as a private equity and private debt consultant, for one year, effective Feb. 1, 2024.

Authorized the Executive Director and Chief Investment Officer to contract with StepStone Group Real Estate LP to serve as a real estate consultant, for one year,

subject to the satisfactory completion of legal due diligence.

Authorized the Executive Director and Chief Investment Officer to contract with Meketa Investment Group Inc. to serve as a secondary real estate consultant, for one year, subject to the satisfactory completion of legal due diligence.

Accepted the report of Plante Moran on the financial statements of the Retirement System as of June 30, 2023 and for the plan year then ended.

Accepted changes to the System's Investment Policy Manual.

Approved the System's 2024 Legislative Program.

Reappointed Howard Bicker and Daniel Bukowski to three-year terms on the Investment Advisory Committee, effective Jan. 1, 2024.

Reappointed Paul Dolinoy, Jill Hatton, Daniel Hogarty and Laura Huntington to three-year terms on the Real Estate Advisory Committee, effective Jan. 1, 2024.

Adopted a resolution acknowledging Christopher Morin for his service as a NYSTRS Trustee.

Delegates Re-elect Chetney as Teacher Member

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English teacher in all but one of those years. She has permanent certifications in both elementary education and English grades 7-12. A long-time NYSTRS delegate prior to being elected to the Board, Chetney has also served as president of the Baldwinsville Teachers' Association since 2009. Previously, she

Farfaglia Returns in New Role as School Boards Association Member

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as president of the Board since 2019.

Additionally, he serves as an associate member of the Board of the Teachers' Federal Credit Union. He chairs the Pension Board for the credit union and serves on the Financial Management Review Committee.

A graduate of LeMoyne College and SUNY Oswego, he taught in the Jordan-Elbridge School District for more than 35 years where he served as the local union president for 25 years. He served New York State United Teachers (NYSUT) in a number of capacities, including chair of the NYSUT Pension and Retirement Committee, as well as an at-large director and member of the Executive Committee.

"On behalf of our staff, I welcome Paul back to the Board he served with distinction as an active teacher member," said NYSTRS Executive Director and Chief Investment Officer Thomas K. Lee. "He has long been committed to ensuring retirement security for New York's educators."

Lee continued, "We thank Chris for sharing his investment and risk management expertise. His service to NYSTRS is very much appreciated."

Morin, a retired investment banker, served on the Board for four years. He chaired the Risk Committee and served on the Executive and Investment committees.

served as her local union's vice president and secretary.

Chetney is also co-president of the Onondaga County Teachers' Association. In addition, she has served New York State United Teachers (NYSUT) in several capacities, including working as a member of the NYSUT Pension and Retirement Committee, the NYSUT Policy Committee and the Committee of 100. Chetney is a graduate of SUNY Oswego with both a bachelor's and a master's degree in education.

The other active teacher members on the Board are Juliet C. Benaquisto of

the Schenectady City School District and Eric J. Iberger of the Bayport-Blue Point Union Free School District. Board President David P. Keefe of Hempstead is the retired teacher representative.

The Delegates Meeting featured informational sessions and a Delegate-Board/Staff Discussion. Presentation recordings are available on the [Delegates/Annual Delegates Meeting](#) page at NYSTRS.org. Delegates, who are elected by their peers, serve as liaisons between NYSTRS and teachers in their district. They are also responsible for electing an active teacher member to the System's Board.

2023 Annual Delegates Meeting

More than 600 NYSTRS delegates from across the state participated in the Annual Delegates Meeting held Nov. 5-6 at the Saratoga Springs City Center. Delegates attended pension-related educational seminars, a Delegate-Board/Staff Discussion, and voted in the election of a teacher Board member (see related article on page 1). Visit [NYSTRS.org/Delegates/Annual-Delegates-Meeting](#) to watch videos of each session.

Elected by their peers at their district, delegates serve two important functions: elect a teacher member to the Retirement Board at the Delegates Meeting, and serve as a liaison between NYSTRS and System members in their district.

Want to reach out to a delegate that represents your school? Check our [Delegates: 2023-2025](#) Term list to find out who your delegates are.



Your Benefit Profile is Key to Planning Your Financial Future

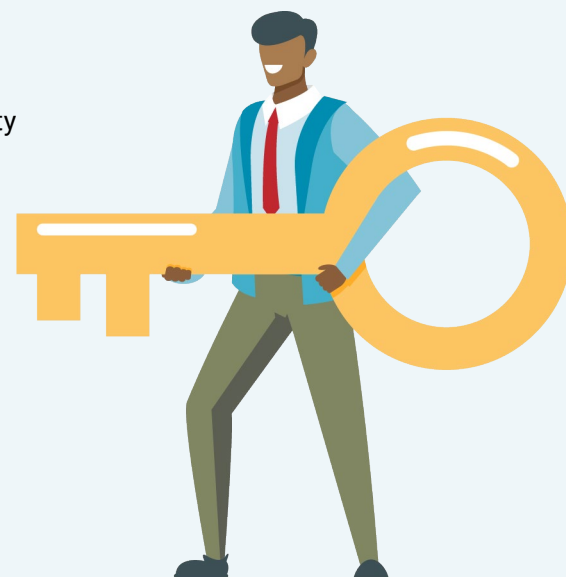
NYSTRS recently sent you your *Benefit Profile* for the 2022-23 school year. Be sure to review this important summary of your service credit and earnings information, which are key factors of your retirement benefit calculation.

You may access your annual *Profile* online in your MyNYSTRS account. Don't have a secure account? Register at NYSTRS.org; just look for the [MyNYSTRS Login](#) link at the top of the page.

While reviewing your *Profile*, also check your beneficiary designation to be sure NYSTRS' records are current. Should you need to update your beneficiaries, you may do so in MyNYSTRS.

Depending on your membership status and eligibility, your *Profile* may also include projections of service retirement benefits, disability and death benefit projections, a summary of your member contributions, and loan information (if applicable).

If you notice errors in the service or salary information reported to NYSTRS by your employer(s), contact that employer to request corrections be submitted to the System.



Calendar of Events



December 2023:

- Dec. 25 – System Holiday

January 2024:

- Jan. 1 – System Holiday
- Jan. 15 – System Holiday

February 2024:

- Feb. 19 – System Holiday

May 2023:

- May 27 – System Holiday

Winter/Spring PREP Seminar for Mid- and Late-Career Members

Many retirees wish they began focusing on financial and retirement planning much earlier in their lives. Don't let that happen to you! No matter how far along you are in your career, careful financial and retirement planning are critical. That's why our Pension & Retirement Education Program (PREP) seminar is so valuable.

The PREP seminar will help you understand your NYSTRS benefits while also providing essential retirement-planning tips. This information will help you develop a plan to achieve your retirement goals and dreams. Make your reservation via your online [MyNYSTRS](#) account at NYSTRS.org or by calling (800) 348-7298, Ext. 6180 weekdays from 8:30 a.m. to 4:15 p.m. Seminars fill quickly so book early!

Visit the [Retirement-Planning/Pension-Retirement-Education-Program](#) page at NYSTRS.org for more information. Video recordings of the PREP modules are also available online.

- Jan. 24 – Syracuse
- Feb. 2 – Albany
- Feb. 6 – Fishkill
- Feb. 7 – Binghamton
- Feb. 21 – Buffalo
- Feb. 21 – Plainview
- Feb. 22 – Mount Kisco
- Feb. 22 – Rochester
- March 5 – Buffalo
- March 6 – Rochester
- March 12 – Plainview
- March 14 – Fishkill
- March 15 – Albany
- March 20 – Syracuse
- April 2 – Buffalo
- April 3 – Rochester
- April 5 – Albany
- April 23 – Plainview
- April 24 – Plainview

Can't attend one of these seminars? Check our website in mid-May for the summer schedule.

Why the Timing of Buying Your Prior Service Credit Matters

Did you know it is less expensive to purchase prior New York state service credit earlier in your career? The cost of prior service includes interest, which means the total cost increases over time. It is also dependent on tier. But no matter what tier you are in, pursuing prior service credit early in your career is almost always beneficial – even if eligibility for credit is uncertain or purchasing verified credit doesn't seem manageable right now.

Why does prior service matter?

Although prior service cannot change your date of membership, more service credited to your membership enables you to reach service milestones more quickly.

Pursuing the credit well before retirement is highly recommended. It can take many months for the full process and it will cost you less to purchase it sooner. For more information on prior

service or other eligible credit (military service; reinstatement; transfer) watch "[PSI: Prior Service Investigation](#)" or read [You Deserve the Credit](#) at NYSTRS.org.

To discuss your particular situation, please send us a secure message through your [MyNYSTRS](#) account or call us at (800) 348-7298.