The 10-member NYSTRS Retirement Board has three new trustees, including a new public school teacher member, looking after your hard-earned pensions.

New York State Education Commissioner MaryEllen Elia appointed Elizabeth A. Chetney, a teacher in the Baldwinsville Central School District, to replace Paul J. Farfaglia, who retired from teaching at the end of the school year and therefore was no longer eligible to serve on the Board.

The other two trustees – Jennifer J. Longtin, an insurance executive from Ballston Lake, and Christopher Morin, a retired investment banking executive from Scarsdale – were recommended by the New York State School Boards Association (NYSSBA) and were elected to three-year terms on the Retirement Board by the state Board of Regents.

The Board of Regents also re-elected Daniel J. Hogarty Jr., a retired bank executive from Troy, to the NYSTRS Board.

Chetney is one of the three active teacher members on the Board. She will need to be elected by her peers at the November 2019 Delegates Meeting to fill the remainder of Farfaglia’s term.

The other active teacher members are Ron Gross of William Floyd Union Free Schools and Sheila Sullivan Buck of Rush-Henrietta Central Schools. Buck will be up for re-election in November. David P. Keefe of Hempstead currently holds the retired teacher position on the Board and serves as the Board’s president. Keefe is up for re-election this fall.
New COLA Begins with September Payment

Beginning with the September 30 payment, eligible retirees will receive an extra $15 monthly under New York’s legislated cost-of-living adjustment (COLA).

By law, the 1.0% COLA for 2019-20 is applied to the first $18,000 of the maximum retirement benefit. A retired member with an eligible annual benefit of $18,000 or more will receive an increase of $15 per month.

Eligible retirees receiving an annual benefit less than $18,000 will receive a smaller monthly increase. Retirees who become eligible for the COLA after September will receive their adjustment when first eligible.

To be eligible for a COLA, you must be one of the following:

- At least 62 and retired at least five years.
- At least 55 and retired at least 10 years.
- A retiree receiving a NYSTRS disability benefit for at least five years regardless of age.
- The surviving spouse of an eligible retiree receiving a lifetime benefit. (By law, the spouse receives an increase equal to one-half the COLA the retiree would have received.)

The cumulative maximum cost-of-living increase since New York’s COLA legislation was enacted in 2001 now totals $363 a month, or more than $4,300 annually. The permanent, automatic COLA is designed to help offset the adverse effects of inflation on the fixed retirement benefits of the state’s public retirees.

The COLA is calculated by taking 50% of the Consumer Price Index (CPI) increase from one March to the next and rounding up to the nearest tenth. By law, the COLA can be no less than 1% and no more than 3% annually and can be applied only to the first $18,000 of the retirement benefit.

NYSTRS Info Reps Available to Retiree Groups

If you want to know more about the strength of your Retirement System, the rules about working in retirement, the benefits of having a MyNYSTRS account, or other topics affecting retirees, NYSTRS representatives are available to offer presentations for local retired teachers’ groups.

A presentation was held in May for the Schoharie Retired Teachers Association and another one is scheduled in September for the Retired Teachers Association Northeastern Zone in the Plattsburgh area.

The presentations can be geared to your group’s interests. Additional topics may include how to protect yourself against identity theft, Cost-of-Living Adjustments (COLAs), and the importance of reviewing any correspondence you receive from NYSTRS. Audiences of 20 or more are preferred.

To arrange a presentation, your association should call NYSTRS at (800) 348-7298, Ext. 6150.
A never-ending stack of papers to grade. Students you couldn’t seem to reach. Phone calls from irate parents. You’ve all had weeks when you thought the stress must be subtracting years from your life.

Relax! Teachers – especially female teachers – have longer life expectancies than other public sector workers and the general population, according to a study by the Society of Actuaries.

Female teachers who reach age 65 can be expected to live to age 90.03, while male teachers who reach age 65 can be expected to live to age 87.7, the Society determined in an analysis of mortality rates.

NYSTRS members may even top that. Close to 4% of retired NYSTRS members – 6,218 retirees – are age 90 or older, as of June 30, 2018, the most recent official count. Of those, 4,452 are women and 1,766 are men. In addition, 170 of those senior retirees are age 100 or older. And, thanks to NYSTRS’ defined benefit plan, those retirees can count on their pensions for life.

In contrast, according to the Society of Actuaries, women who work elsewhere in the public sector and reach age 65 are expected to live to age 88.8. If they are public safety personnel, the average age is 87.68. Men who reach age 65 are expected to live to 85.49 if they are public sector employees and 85.27 if they are public safety personnel.

For the general population, the Social Security Administration’s mortality tables expect that women who reach age 65 can expect to live an average of 86.7 years while men can expect to live 84.3 years.

Women throughout the world tend to live longer than men, according to Alicia H. Munnell, director of the Center for Retirement Research at Boston College. While this has not always been the case, it has been true in the U.S. and the rest of the world since the late 19th century with women living an average of five years longer than men, Munnell found.

The Society of Actuaries found that overall life expectancy in the U.S. has dropped slightly – about a month total – from 2017 to 2018 due to higher mortality rates for three out of the 10 leading causes of death in the U.S. – unintentional injuries, Alzheimer’s disease and suicide.

NYSTRS updates its mortality tables about every five years based on mortality rates for our members plus the information gathered by the Society of Actuaries. The tables are used to calculate expected pension payments over the course of members’ lifetimes.

Research Finds Teachers Have Longer Life Expectancies

How to Increase Your Odds of a Long Retirement

After the almost non-stop pandemonium of a teaching career, you may be trying to figure out what to do with your days now. It’s a question worth pondering if you’re looking forward to a long retirement.

Numerous studies show that older adults with a sense of purpose tend to live longer and healthier lives than others who do not have this kind of motivation. Even simple acts, such as taking care of pets, gardening or helping neighbors, can provide meaning and help add years to your life.

Those who feel they have goals and something to live for are less likely to develop such illnesses as heart attacks, strokes and Alzheimer’s disease or other cognitive impairments, studies have found. Seniors who feel their lives have meaning may also be more motivated to stay physically active, take better care of their health and be less prone to stress.

A recent study by researchers at Harvard University’s School of Public Health found that older adults with a sense of purpose in life were less likely to develop a weak hand grip (an indicator of strength) or a slow walking speed (an indicator of mobility).

Experts suggest you can find a sense of purpose by engaging in activities you enjoy or using your work skills in new ways.
Longtin and Morin replace Michael J. Masse, a banking executive from Fayetteville who had been serving as Board vice president, and Stephen P. Feehan, a financial services executive from Windsor. Masse had been on the Board since 2009, while Feehan was first elected in 2016.

While welcoming the new board members at the July 31 meeting of the Retirement Board, NYSTRS Executive Director and CIO Thomas K. Lee also praised the three former trustees. “We thank Mr. Farfaglia, Mr. Feehan and Mr. Masse for their dedicated service and commitment to our mission,” Lee said.

Chetney, a graduate of SUNY Oswego with both a bachelor’s and a master’s degree in education, has taught in the Baldwinsville Central School District since 1992, serving as an English teacher in all but one of those years. She has permanent certifications in both elementary education and English 7-12.

A long-time NYSTRS delegate, Chetney has served as president of the Baldwinsville 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.

Longtin is currently a member of the Burnt Hills-Ballston Lake Board of Education, where she spent one year as board vice president and one year as board president. An insurance professional with extensive experience, she is the founder, owner and president of Lighthouse Insurance Agency in Ballston Lake. She also is owner and president of Longtin Properties, a real estate management firm.

Longtin began her career as an insurance agent with Metropolitan Property & Casualty Insurance Co., where she was honored nationally as one of the top agents in the country for auto, homeowners and life insurance sales. She is a graduate of Siena College with a bachelor’s degree in business administration, accounting and management.

Morin, who graduated from Harvard College with a bachelor’s degree in economics and later earned a master of business administration degree from Harvard Business School, is currently principal of Vanitas Capital Ventures, a private investment company.

Morin also worked for the New York Stock Exchange in London, managing operations in Europe, the Middle East and Africa, and for Thomson Financial, where he ran the investment banking, private equity and institutional research divisions.

The NYSTRS Board, as mandated by law, is comprised of three teacher members; one NYSTRS retiree; two school administrators; two present or former school board members, with at least one of these having experience as an insurance executive; one present or former bank executive; and the New York State Comptroller or a representative for the Comptroller.

Trustees serve without compensation and are responsible as fiduciaries to protect the long-term value of the System’s investment portfolio and provide benefit security for members.
A Power of Attorney Provides Protection and Peace of Mind

You know the importance of having an up-to-date will and it’s likely your doctor has recommended a living will and health care proxy. But there’s another legal tool you should seriously consider: a durable power of attorney (POA).

A POA is a legal document which allows another person to act as your agent in a broad range of personal, financial, legal and other affairs in the event you become incapacitated or are unable to handle such affairs yourself for any reason. This includes acting on your behalf regarding your NYSTRS benefits.

If you already have a POA on file with NYSTRS, it is important that you make sure it is up to date. If you’ve made changes to it recently, such as naming a different agent, the new POA should be forwarded to the System’s Retired Member Services Unit immediately at 10 Corporate Woods Dr., Albany, NY 12211.

In addition, if your POA was executed more than 10 years ago, your agent may be asked to submit an affidavit stating the POA is still in full force and effect.

A POA is a powerful document that gives a high degree of control to your designated agent and should only be executed after you have consulted with an attorney. There are different types of POAs and an attorney can help you determine which is best for you and how much authority to give your agent.

A durable POA allows you to select a trusted person or persons who are granted the authority to take charge of your affairs and property even if you become disabled or incompetent. A durable POA ends upon death unless revoked earlier. Without a POA, your family may have to go through the expense and formality of seeking a court-appointed guardian, and it’s possible the guardian appointed may not be the person you would have chosen to handle your affairs.

If you wish to grant another person the authority to make decisions regarding your NYSTRS benefits, you may use one of the following options:

- Complete and submit a New York State Short Form POA to allow your designated agent to handle certain retirement benefit transactions, as well as a range of other financial and legal matters for you. (POA forms from other states are also acceptable.)
- Complete and submit NYSTRS’ Special Durable Power of Attorney Form, which allows your agent to handle matters related to state retirement benefit transactions only. The form can be found by going to NYSTRS.org and clicking on Forms and then Legal Forms.

If you have questions, call NYSTRS at (800) 348-7298, Ext. 6200.

“Missing Trust Fund” at Root of Social Security’s Issues

A new study debunks the myth that Baby Boomers are to blame for the financial shortfall facing Social Security and points out that the root of the problem was created in the late 1930s when policy makers decided to pay the first retirees benefits that far exceeded the contributions they made to the system.

Failing to build up a trust fund – like NYSTRS and other well-funded defined benefit pension plans have done – that could be invested to pay future benefits created a “pay-as-you-go” approach for Social Security, according to the June 2019 study by the Center for Retirement Research at Boston College.

While some say the large numbers of Baby Boomers retiring over the coming years are the major cause of pressure on Social Security, the Boston College researchers said this “much-maligned” group will have paid more into the system than they will receive in benefits and actually “the beneficiaries of the trust fund giveaway were early generations.”

“This Missing Trust Fund makes the program more costly than it otherwise would be, as current participants are forced to contribute toward both benefits and the missing interest,” the researchers said in their report, titled “The Implications of Social Security’s ‘Missing Trust Fund.’”

If lawmakers had stuck to the original vision of Social Security as it was first approved in 1935 and built up a trust fund, the current Social Security tax rate of 10.4% would generate enough revenue to make the system fully funded, the researchers said.
Defined Benefit Plans Remain Popular in Public Sector

Although almost every state enacted changes to their public pension systems in recent years in an effort to protect the long-term health of the plans, most public employers retained their traditional defined benefit plans, a recent report by the National Association of State Retirement Administrators (NASRA) found.

Some plans, however, also shifted more financial risk to employees by instituting variable employee contribution rates, limiting cost-of-living adjustments, or creating cash balance hybrid plans or defined benefit/defined contribution hybrid plans, according to the report, “In-depth: Risk Sharing in Public Retirement Systems,” released in January.

In New York, those joining NYSTRS on or after April 1, 2012 were placed in a new tier of membership, Tier 6, which includes variable member contribution rates and generally requires members to work longer to receive a full pension.

According to the report, individual defined contribution plans place all the investment risk on the employee and may result in assets that will run out during the individual’s lifetime. In contrast, NYSTRS administers a defined benefit plan, which ensures retired members will receive a pension for as long as they live.

The report detailed the key features that NASRA believes are vital for a successful plan:

- Mandatory participation in an employer-sponsored retirement plan.
- Cost-sharing of the plan between employers and employees.
- Retirement assets that are pooled and professionally invested.
- A plan that is designed to replace a targeted level of income.
- Lifetime benefits that cannot be outlived.
- Survivor and disability benefits in addition to the retirement benefit.
- Access to a supplemental, voluntary retirement savings plan.

NYSTRS includes the first six features promoted by NASRA. In addition, NYSTRS’ members are encouraged to supplement their retirement through personal savings and contributions to IRA, 457, or 403(b) accounts when eligible.
Here’s what you can do with MyNYSTRS:

- See benefit payments and beneficiary information.
- View and print your Retired Member Profile.
- Print tax documents and change your withholdings.
- Track the processing of your retirement application (for those newly retired).
- Manage/update your contact information, including your address and direct deposit information.
- E-subscribe to NYSTRS publications.
- Send a secure message to NYSTRS.
- Report New York State public employment earnings after retirement.

How to Join the MyNYSTRS Family

Ready to create your MyNYSTRS account? You’ll need both your seven-digit NYSTRS EmplID (found on your Benefit Profile or Retired Member Profile and all official correspondence you receive from NYSTRS) and the last four digits of your Social Security number to get started.

Then, visit our website at NYSTRS.org and click on the MyNYSTRS Login tab near the top of any page. Here’s what that first MyNYSTRS page will look like:

Now click on the Register button and follow the step-by-step instructions given. The instructions will walk you through the process of creating a username, password, and an identity verification phrase – all designed to provide multiple layers of security for your account.

When it is time to create a password, we’ll help you ensure it’s a strong one! A checklist will let you know if your password meets the minimum criteria. It also will tell you how secure your password is based on industry best practices.

Please note you will need the ability to receive a security PIN – personal identification number – by phone call or text, whichever you choose, to log in to your account for the first time.

As part of the registration process, you’ll have the opportunity to request email notification when new issues of Resource are available online. Retirees have a choice of selecting email notification and electronic delivery or a printed copy of the newsletter delivered via U.S. Mail.

The E-Subscription page will also give you the option of receiving your Retired Member Profile, the one-page statement of your NYSTRS benefit provided annually, electronically or by U.S. Mail.

Create and start using your account today!

Board Meeting Highlights continued from back page
July 31, 2019 (Cont.)

- **Renewed** the agreement with Prima Capital Advisors LLC to actively manage a portion of the System’s portfolio within a separate account structure in Commercial Mortgage Backed Securities (CMBS), investment grade REIT bonds, first mortgage loans, and mezzanine loans and/or B-Notes, for one year, effective Nov. 1, 2019.

- **Renewed** the agreement with William Blair & Company, LLC to manage a portion of the System’s assets as an active ACWI Ex-U.S. international equity manager, for one year, effective Sept. 22, 2019.

- **Renewed** the agreement with T. Rowe Price Associates Inc. to manage a portion of the System’s assets as a domestic equity enhanced index manager, for one year, effective Oct. 30, 2019.

- **Adopted** a required employer contribution rate applicable to 2019-20 payroll of 8.86%.

- **Adopted** resolutions honoring outgoing Board members Stephen P. Feehan and Michael J. Masse for their years of service.
NYSTRS takes seriously its responsibility to safeguard member information. While no cybersecurity program can guard against all threats, NYSTRS has numerous defenses in place designed to monitor and protect the confidentiality, integrity and availability of member data.

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NYSTRS Board Meeting Highlights

April 25, 2019

- **Authorized** an investment of up to $200 million in a NYSTRS/StepStone private debt separately managed account, subject to the satisfactory completion of due diligence.
- **Authorized** the Executive Director and Chief Investment Officer to contract with The Bank of New York Mellon to act as an agency securities lender for a portion of the System’s public securities assets, subject to the satisfactory completion of due diligence.
- **Renewed** the agreement with JPMorgan Chase Bank N.A. to act as an agency securities lender for a portion of the System’s public securities assets, for one year, effective July 1, 2019.
- **Renewed** the agreement with Wellington Management Company LLP to manage a portion of the System’s fixed income portfolio in a global aggregate fixed income mandate, for one year, effective June 20, 2019.
- **Renewed** the agreement with Arrowstreet Capital LP to manage a portion of the System’s assets by actively investing in U.S. securities of real estate investment trusts (REITs) and real estate operating companies (REOCs), for one year, effective July 1, 2019.
- **Renewed** the agreement with LSV Asset Management to manage a portion of the System’s assets as an active ACWI Ex-U.S. international equity manager, for one year, effective July 18, 2019.
- **Renewed** the agreement with LSV Asset Management to manage a portion of the System’s assets as an active ACWI Ex-U.S. international equity manager, for one year, effective Sept. 15, 2019.

July 31, 2019

- **Elected** Dr. L. Oliver Robinson as vice president of the Board.
- **Renewed** agreements with Heitman LLC, Brookfield Investment Management Inc., AEW Capital Management and Dimensional Fund Advisors to manage a portion of the System’s assets as global real estate public securities managers benchmarked to the FTSE EPRA/NAREIT Developed Unhedged Index, for one year.
- **Renewed** the agreement with Baillie Gifford Overseas Limited to manage a portion of the System’s assets as an active ACWI Ex-U.S. international equity manager, for one year, effective Sept. 15, 2019.

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