Delegates attending NYSTRS’ 2020 Annual Delegates Meeting re-elected Baldwinsville teacher Elizabeth A. Chetney to a new three-year term on the NYSTRS Board of Trustees. More than 500 delegates from across the state participated in the Nov. 9th meeting, which was a one-day virtual event for the first time in the System’s history due to the ongoing pandemic.

Chetney, a teacher in the Baldwinsville Central School District since 1992, was first elected last year to complete the term of Paul J. Farfaglia, who retired. Chetney is one of three active teacher members on the 10-member Board, which also includes a retired teacher.

The other active teacher Board members are Sheila Sullivan Buck of the Rush-Henrietta Central School District and Ron Gross of William Floyd Union Free Schools. Board President David P. Keefe of Hempstead is the retired teacher representative.

After the vote, Chetney thanked the delegates for placing their confidence in her. “I will continue to proudly serve the members of our great System by committing to be a stalwart fiduciary, promising to perform my duties both ethically and legally when acting on your behalf,” she said.
Your 1099-R Tax Statement is Coming Soon

Be sure to check your mailbox and/or your MyNYSTRS account this month for your 1099-R tax statement, which you need to complete your 2020 income tax forms.

Your 1099-R tax statement shows your gross benefit amount, the taxable amount of your pension and any federal tax withheld.

Your 1099-R will be mailed to you in late January but will be available in MyNYSTRS earlier in the month on the My Retirement > 1099 Forms page. You must have a MyNYSTRS account in order to access your 1099-R online. We also encourage you to e-subscribe to receive a digital copy of your statement. Visit the My Account > E-Subscriptions page of your account to e-subscribe. Tax statements from previous years are also available through MyNYSTRS.

If you do not receive your tax statement by early February, call us at (800) 348-7298, Ext. 6120. Questions about individual tax liabilities, however, should be directed to a certified tax professional or the IRS, not NYSTRS staff.

Your NYSTRS pension is not subject to New York state tax but is subject to federal tax. If you live outside New York state, the tax laws of your state apply.

If you need to change your tax withholding, you may do so online through MyNYSTRS by selecting Tools (found near the top of the page) and then selecting W-4P Withholding Election. Or you may submit a completed W-4P Withholding Election and Certificate (FIN-149) form found on our website at NYSTRS.org under Forms > Retiree Forms. You can also request a form be mailed to you by calling our Hotline at (800) 782-0289.

Chetney Re-elected continued from page 1

Chetney, a graduate of SUNY Oswego with both a bachelor's and a master's degree in education, 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 since 2009. She is co-president of the Onondaga County Teachers’ Association and has served NYSUT in several capacities, including on the NYSUT Pension and Retirement Committee.

NYSTRS Board members serve without compensation and represent various constituents, including teachers, school administrators and school boards. They are responsible as fiduciaries to protect the long-term value of the System’s investment portfolio for its more than 430,000 active and retired members and beneficiaries.

The delegates, who are elected by their peers and serve as liaisons between NYSTRS and teachers, also attended several virtual informational sessions and participated in a question-and-answer session with Board members and NYSTRS staff.

Information from the Annual Meeting, including recordings of the informational presentations, can be found on the Delegates page of NYSTRS.org.
State Extends Waiver on Retirement Earnings During Pandemic

An executive order suspending the state cap on earnings after retirement for New York state public retirees was extended until at least Jan. 29, 2021.

To help cope with the COVID-19 pandemic, Gov. Andrew Cuomo first issued an executive order in March 2020 exempting pay earned during the pandemic from the earnings cap.

That order has been extended several times and now covers pay earned for state and local public sector work from March 27, 2020 until Jan. 29, 2021. Check the COVID-19 Update & FAQs headline at NYSTRS.org for any new information or additional extensions.

Normally, most retirees who return to New York state public employment before age 65 have a $35,000 earnings limit for each calendar year (Jan. 1 to Dec.31).

Under the state executive order, System retirees younger than 65 are still required to report to NYSTRS all earnings received from a state or local public employer. However, for calendar year 2020, the amount earned between March 27 through Dec. 31, 2020 will be subtracted from the annual total before determining whether a retiree has reached the earnings limit. Pay earned Jan. 1 through Jan. 29 will now be exempt from the earnings cap for 2021.

The limits do not apply to retirees older than 65 or retirees of any age who are working for a private employer or a federal employer.

Retirees with a MyNYSTRS account are urged to report non-pension earnings to us on a monthly basis through this secure, online portal.

If you don’t have a MyNYSTRS account, we urge you to create one now or use the form Reporting Your New York State Public Employment Earnings (RMS-64.1) to report your earnings to us as soon as you reach the legislated limit for the calendar year. The form is available at NYSTRS.org under Forms > Retiree Forms. All 2020 earnings should be reported no later than March 31, 2021.

Reporting is required even if your employer obtained a waiver on your behalf allowing you to exceed the $35,000 calendar year limit. Also report earnings if your employer contracted with a private, third-party firm for your services.

You can find more information about post-retirement earnings, including the rules governing work as a consultant and the conditions in which you can have unlimited earnings, in the pamphlet Working in Retirement and in the Retired Members’ Handbook.

Protect Yourself Against Fraud

During these uncertain and anxiety-filled times, security experts have continued to see a surge in identity theft and fraud cases. NYSTRS urges you to remain vigilant in protecting your personally identifiable information (PII) and offers the following security tips:

- Protect your PII by using strong passwords on your financial accounts, shred sensitive documents, do not share your Social Security number with any person or company unless necessary, limit what personal information you post on social media, and store your Social Security card in a safe place (NOT in your wallet).
- Your MyNYSTRS account and our secure messaging feature is a safe way to interact with the System, but you should protect your account information. Do not share your MyNYSTRS password with anyone, including banks, financial advisers, family members or friends. Consider changing your password frequently.
- Don’t save passwords in your internet browser as this increases the risk the password could become compromised. It is better to log in every time. You can use the “forgot password” process if you need to create a new password.
- Beware of phishing attempts, a cybercrime in which a target is contacted by email, telephone or text message by someone posing as a legitimate institution to lure individuals into providing PII. Please remember that NYSTRS will NOT email you to ask for any personally identifiable information.
- Clues that an email is a phishing scheme include: the email is from someone you don’t know, contains bad grammar or spelling mistakes, looks like an internal email but was sent at an unusual time, contains an offer that is too good to be true, or tells you to update personal information immediately or an offer will expire or your account will close.
- Phishing emails often contain hyperlinks or attachments that appear suspicious. Do not open them as these attachments often contain malware, ransomware or other viruses that may damage your computer or mobile device.
NYSTRS Executive Director and Chief Investment Officer Thomas K. Lee said: “NYSTRS is also consistently among the top-performing and best-funded public pension plans.” The retirement fund is one of the 10 largest public funds in the U.S. based on portfolio size.

Lee noted that NYSTRS’ stability is due to consistent receipt of required employee and employer contributions; a disciplined, risk-controlled investment policy; and partnerships with top-performing fund managers.

Another indicator of pension plan strength is its funded ratio. NYSTRS’ funded ratio, as of the last official actuarial valuation, is 101.2% funded based on a market value of assets and 99.6% funded based on an actuarial value of assets. Being fully funded means NYSTRS has the assets necessary to pay all accrued benefits to our nearly 434,000 active and retired members and beneficiaries.

More details about the System’s finances and investments can be found in the CAFR for the fiscal years ended June 30, 2020 and 2019. The report is available in the Library at NYSTRS.org.

The NYSTRS Retiree*

As of June 30, 2020, there were 163,904 retirees receiving a service retirement benefit from NYSTRS. Another 2,104 were receiving a disability benefit.

$43,316

Average Maximum annual benefit

79%

Percent of benefits paid to New York State residents

28 years

Average years of service at retirement

70%

Female

*As of 6/30/20. Retirees receiving a service retirement benefit.

If you don’t have time to peruse the more than 130-page Comprehensive Annual Financial Report (CAFR), check out another NYSTRS publication that offers a summary of key financial and membership facts about your Retirement System.

The eight-page Popular Annual Financial Report (PAFR) uses colorful graphics and brief narratives to paint a financial picture of the System.

Some interesting highlights you will find in the PAFR include:

- The average Maximum annual benefit for all service retirees is $43,316, representing about 54% of a member’s final average salary at retirement.
- The System serves 261,232 active members, 166,008 retired members, and 6,561 beneficiaries.
- Over the past 30 years, investment income has made up 84% of NYSTRS’ funding while 16% comes from employer and member contributions.
- About 60% of System investment assets are managed internally, which keeps administrative costs low and leaves more money for paying benefits and future investments.
- System assets are broadly diversified among 11 primary asset classes to minimize investment risk and promote stability.

The PAFR has been recognized for the past several years by the Government Finance Officers Association (GFOA) with the Award for Outstanding Achievement in Popular Annual Financial Reporting.

You can find the PAFR at NYSTRS.org (see the Pension Education Toolkit and the Library > Annual Reports page). To request a printed copy, email us at news@nystrs.org.
**Clip and Save Guide: Keep NYSTRS Informed So We Can Keep You Informed!**

The combination of New Year’s resolutions to get yourself organized and annual sales on storage totes and filing systems make January a great time to take stock of your own personal files and important financial statements.

One key step to stay organized is to make sure you keep your personal information up to date with NYSTRS – including your mailing address, email address and direct deposit information. Also let us know if you have added a Domestic Relations Order or Power of Attorney or had any life changes such as a move to a nursing home.

Keeping us informed lets us know how to reach you to keep you informed of critical information regarding your NYSTRS pension. For example, an updated address ensures you will receive your Retired Member Profile, 1099-R tax form and Resource newsletter, if you opted for print copies. Updated beneficiary information ensures benefits go to the correct recipient.

How’s how to handle the following situations:

**Address change**: You can change your address online through your MyNYSTRS account, by filing a Member Name/Address Change (GRE-50) form, or by sending NYSTRS a signed letter that states your new address and your Employee ID or Social Security number. Mail the completed form or letter to NYSTRS at 10 Corporate Woods Drive, Albany, NY 12211, or fax it to (518) 447-4749.

If your address changes seasonally, complete and mail us a Seasonal Address Change (RET-2) form. NYSTRS will automate where your mail is delivered based on your specifications.

**Name change**: Complete a Member Name/Address Change (GRE-50) form and either mail it to NYSTRS at 10 Corporate Woods Drive, Albany, NY 12211, or fax it to (518) 447-4749. The following documentation must be included with this form to change your name: a photocopy of your marriage certificate, court order or divorce decree stating legal change of name; and a photocopy of your valid driver’s license, passport, military ID or Social Security card issued under your new name.

**Direct deposit change**: When switching banks or accounts, notify NYSTRS of the new account before closing out the existing account. This will help avoid the possible rejection of your benefit payment.

You can change your account information online with your secure MyNYSTRS account or by submitting a new Direct Deposit Authorization Agreement (GRE-54), available on the Retiree Forms page of our website or by calling (800) 348-7298, Ext. 6230.

**Beneficiary change for pension benefits**: Whether you can change your beneficiary(ies) depends on what benefit payment option you selected at retirement. If you selected an option with beneficiary coverage, the beneficiaries you selected are listed on the Retired Member Profile you receive each fall.

You may NOT change your beneficiary if you selected the Maximum at retirement (this option has no payment to a beneficiary) or a survivor or pop-up option. However, DO notify us if you selected a pop-up and your beneficiary predeceases you so we can adjust your monthly benefit to the Maximum. If you selected a lump sum or guarantee period option, you can change your beneficiary(ies) if the coverage is still in effect.

To change your beneficiary, if eligible, you must file a properly completed and notarized beneficiary designation form with NYSTRS. If you selected a guarantee period option, file a Designation of Beneficiary for Retirees Who Elected a Guarantee Period Option (RMS-5.3). If you selected a lump sum option, use the form Designation of Beneficiary for Retirees Who Elected a Lump Sum Option (RMS-5). These forms are found on the Retiree Forms page at NYSTRS.org or by calling the NYSTRS Hotline at (800) 782-0289.

**Beneficiary change for death benefits**: No matter what benefit payment option you selected, if you qualify for a death benefit in retirement, you can change the beneficiary named to receive this separate benefit. Generally, members who retired under Tiers 2-6 are eligible for a post-retirement Paragraph 2 death benefit, payable to a designated surviving beneficiary.

You may change your death benefit beneficiary at any time by filing a properly completed Designation of Beneficiary for In-Service or Post-Retirement Paragraph 2 Death Benefit (NET-11.4) form with NYSTRS.

**Domestic Relations Order**: When a NYSTRS member divorces, a court may determine the member’s former spouse is entitled to share in the member’s benefits. Any division of NYSTRS benefits must be contained in a Domestic Relations Order (DRO), which must be submitted to NYSTRS and must specify how benefits will be divided between parties.

NYSTRS offers an online Domestic Relations Order Form, available in the Library at NYSTRS.org, designed to assist with drafting a DRO. For more information about DROs, read our publication Domestic Relations Orders and a Member’s Retirement Benefit — A Guide to DROs and NYSTRS Benefits, available in the Library at NYSTRS.org.

**Power of Attorney**: A power of attorney is a legal document naming a person to act as your agent. An original or certified copy of your power of attorney with your signature must be on file at the System if you want your agent to act on your behalf concerning your NYSTRS benefit. The Special Durable Power of Attorney Form is available in the Library at NYSTRS.org. You may also request a copy by calling our Hotline at (800) 782-0289. For more information, see Power of Attorney FAQs in the Library at NYSTRS.org.

Still have questions? Call us at (800) 348-7298.
New Report Cites Value of NYS Public Pension Reserve Funds

While investment markets have been resilient despite the ongoing pandemic, public pension plans may want to explore innovative ways to help maintain stability, according to a new report by the National Institute on Retirement Security (NIRS).

New York is one of multiple states identified by NIRS as having an innovative funding strategy that helps support and stabilize funding for public pensions.

NIRS credited New York state for legislation passed in 2019 that allows eligible school districts and BOCES as well as other public employers to create retirement contribution reserve funds that may be used to help employers stabilize their pension costs over time.

The reserve funds allow public employers to put aside additional money, up to certain limits, in one year that can then be used to cover future contributions in another year to the state’s retirement systems, including NYSTRS.

“IT is our hope that these pension funding case studies are a useful reference guide for policymakers interested in ensuring a well-functioning public pension system while delivering retirement benefits that have been earned by state and local government employees,” said Dan Doonan, NIRS executive director.

Doonan added: “The good news is that unlike the recent Great Recession, investment markets have been resilient during the COVID-19 recession. As a result, public pension plans have not experienced significant losses in the financial markets, and the overall funded status of public pension plans has held steady.”

The December 2020 NIRS report, “Beyond the ARC (Annual Required Contributions): Innovative Funding Strategies from the Public Sector,” said New York’s reserve funds “seem to enable employers to have more control over retirement costs and allow them to develop strategies to keep costs more stable over time.”

Under the law, there are limits on how much can be put into a reserve fund annually and limits on total account size. Employers can contribute up to 2% of members’ total salary into the reserve fund in any given year, and the total amount in the fund cannot exceed 10% of payroll.

NYSTRS is a defined benefit pension plan that is funded by contributions from both employers and members plus investment income generated by those contributions. Over the past 30 years, 84% of the System’s funding has come from investment income with 16% coming from employer and member contributions.

The Employer Contribution Rate (ECR) for the 2019-2020 school year was 8.86% of payroll and was collected during fall 2020. The ECR for the 2020-21 school year is 9.53% and will be collected in the fall of 2021. These contributions have been collected without fail throughout the System’s history, keeping NYSTRS among the most secure plans in the country.

To read the entire NIRS report, go to www.nirsonline.org/.

Retirees Give NYSTRS High Marks in Survey

Recent retirees gave NYSTRS high marks for quality staff and a smooth retirement process in a recent survey measuring retiree satisfaction.

“This year’s scores matched our best ever,” said Ed Rezny, NYSTRS Chief Customer Officer. “We rated at least 9 out of 10 in every category measured.”

More than 2,000 new retirees participated in the survey, which was conducted for the System by Cobalt Community Research. The annual survey measures satisfaction in such categories as staff knowledge and responsiveness, the retirement process, written information provided, PREP seminars, benefit consultations, and MyNYSTRS accounts.

NYSTRS’ overall American Customer Satisfaction Index (ACSI) score was 94, significantly higher than the 74 average nationwide score for customer satisfaction of all products and services based on ACSI’s survey of half a million customers annually.

“Although this is a time of uncertainty, you have made the process clear, easy and informative but with kindness and calmness. It is much appreciated!”

~ A NYSTRS Retiree
## NYSTRS 2021 Calendar

### Monthly Benefit Payment Dates and System Holidays

<table>
<thead>
<tr>
<th>Month</th>
<th>Payment Date (Direct deposits made; date of check.)</th>
<th>Holiday (NYSTRS closed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td></td>
<td></td>
</tr>
<tr>
<td>March</td>
<td></td>
<td></td>
</tr>
<tr>
<td>April</td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td></td>
<td></td>
</tr>
<tr>
<td>June</td>
<td></td>
<td></td>
</tr>
<tr>
<td>July</td>
<td></td>
<td></td>
</tr>
<tr>
<td>August</td>
<td></td>
<td></td>
</tr>
<tr>
<td>September</td>
<td></td>
<td></td>
</tr>
<tr>
<td>October</td>
<td></td>
<td></td>
</tr>
<tr>
<td>November</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Facts to Share

Stay connected with us through MyNYSTRS! A secure account allows you to keep tabs on your benefit, update your contact information and file certain forms. New features are coming soon! Create your account today at NYSTRS.org.

INSIDE THIS ISSUE:

- Annual Report Shows NYSTRS Remains A Safe, Secure Pension Plan
- Delegates Re-elect Chetney as Teacher Trustee on NYSTRS Board
- State Extends Waiver on Retirement Earnings During Pandemic
- New Report Cites Value of NYS Public Pension Reserve Funds
- NYSTRS 2021 Benefit Payment Calendar

NYSTRS Board Meeting Highlights October 29, 2020

- 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.
- Renewed the agreement with Marathon Asset Management LLP to manage a portion of the System's assets as an active EAFE international equity manager.
- Renewed the agreement with Dimensional Fund Advisors to manage a portion of the System's assets as an active emerging markets manager.
- Renewed agreements with the following firms to manage a portion of the System's assets as passive international equity managers:
  - State Street Global Advisors
  - BlackRock Institutional Trust Co. N.A.
- Renewed the agreement with Harding Loevner LP to manage a portion of the System's assets as an active global equity manager.
- Renewed agreements with the following firms to manage a portion of the System's assets as active global bond managers:
  - Loomis Sayles & Co.
  - Goldman Sachs Asset Management LP
- 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.
- Renewed the agreement with StepStone Group LP to act as a private equity and private debt consultant.
- Accepted a recommendation by the System's Actuary of a new mortality improvement scale and authorized the System's Actuary to use the new assumption beginning with the June 30, 2020 actuarial valuation, which shall become effective for the fiscal year beginning July 1, 2021.
- Accepted the report of KPMG LLP on the financial statements of the Retirement System as of June 30, 2020 and for the 2019-20 plan year ended on that date.
- Approved the System's 2021 Legislative Program.
- Accepted changes to the Investment Policy Manual.
- Reappointed Paul Dolinoy and Jill Hatton to three-year terms on the Real Estate Advisory Committee, effective Jan. 1, 2021. Also appointed Laura Huntington to her first three-year term on the committee, effective the same date.

NYSTRS Board Meeting Highlights October 29, 2020

- State Extends Waiver on Retirement Earnings During Pandemic
- New Report Cites Value of NYS Public Pension Reserve Funds
- NYSTRS 2021 Benefit Payment Calendar

NYS Teachers' Retirement System

10 Corporate Woods Drive
Albany, NY 12211-2395