New York State Teachers' Retirement System

Actuarial Valuation Report

as of June 30, 2025

OFFICE OF
THE ACTUARY

JULY 21, 2026

EXECUTIVE SUMMARY

The purpose of this report is to present to the New York State Teachers' Retirement System ("NYSTRS", "the Retirement System", or "the System") Retirement Board the results of the annual actuarial valuation of assets and liabilities of the NYSTRS' Plan ("the Plan") as of June 30, 2025. In accordance with Section 517 of the NYS Education Law, the Retirement Board has the authority to adopt the Employer Contribution Rate recommended by the Office of the Actuary.

The Retirement System is a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are made by participating employers in accordance with an actuarially determined employer contribution rate determined each June 30. Members of the System contribute in accordance with a fixed-rate schedule, as required by Article 15 of the NYS Retirement and Social Security Law. Tier 5 members are required to contribute 3.5% of salary. Tier 6 members are required to contribute between 3.0% and 6.0% of salary, according to a salary-based schedule.

The funding objective of NYSTRS is to ensure long-term stability and security of members' benefits by systematically funding the plan through actuarially calculated employer contributions, employee contributions and investment income. The funding method is set by New York State Education Law and provides for the gradual and complete funding of all benefits as they are earned, avoiding the accumulation of unfunded liabilities and promoting intergenerational equity among plan members.

This report summarizes the determination of the June 30, 2025 Employer Contribution Rate (ECR) which will be applied to member salaries earned during the July 1, 2026 to June 30, 2027 fiscal year and collected on September 15, October 15, and November 15 of 2027. This report also reviews the funded status of the Retirement System.

Key Results

	June 30, 2025	June 30, 2024
Membership		
Active Members	275,053	272,363
Service Retirees	175,254	173,014
Disabled Retirees	2,008	2,031
Beneficiaries	7,659	7,396
Total	459,974	454,804
Employer Contribution Rate		
Normal Rate	7.76 %	9.11 %
Administrative Rate	0.35 %	0.35 %
Group Life Insurance Rate (GLIF)	0.13 %	0.13 %
Excess Benefit Plan Rate	0.00 %	0.00 %
Total	8.24 %	9.59 %
Contribution Amount		
Employer Contributions	$ 1,997,403,593	$ 1,874,458,916
Member Contributions	$ 291,784,649	$ 258,471,825
Assets		
Market Value	$ 154,193,125,241	$ 145,821,434,780
Market Value Rate of Return (1-Year)	10.6 %	11.4 %
Actuarial Value	$ 149,492,982,505	$ 142,478,775,707
Funded Status		
Based on Market Value of Assets	103.3 %	101.5 %
Based on Actuarial Value of Assets	100.2 %	99.1 %

Employer Contribution Rate:

The employer contribution rate decreased by (14.1)% from 9.59% to 8.24% due to a decrease in the normal rate from 9.11% to 7.76%. The following table summarizes the Employer Contribution Rate for the last 10 years. Additional historical Employer Contribution rates are included in Table 12 of this report.

Fiscal Year End	Employer Contribution Rate (%)
6/30/2016	9.80 %
6/30/2017	10.62 %
6/30/2018	8.86 %
6/30/2019	9.53 %
6/30/2020	9.80 %
6/30/2021	10.29 %
6/30/2022	9.76 %
6/30/2023	10.11 %
6/30/2024	9.59 %
6/30/2025	8.24 %

Asset Information:

This report relies on asset information provided by the Retirement System's finance department. The investment and actuarial staff review the asset information for completeness. Asset information is reviewed by the Retirement System's independent auditors as part of the annual audit. We believe the asset information to be reasonable and appropriate for purposes of this valuation.

The rate of return on the System's market value of assets was 10.6%. The System's current five-year market value rate of return increased from 8.5% to 10.0%. The interest rate for valuation purposes, and the expected investment return, is 6.95%

The Retirement Board, in consultation with Retirement System staff and the System's external investment consultant annually reviews the asset allocation to determine if any changes are warranted. The target asset allocation has remained unchanged between June 30, 2025 and the time of this report and therefore the asset allocation target equity-fixed income split remains at 72%/28%. System asset values are frequently reviewed, and assets are periodically rebalanced in line with the asset allocation targets and ranges. Projected cash flow needs are regularly monitored so that sufficient cash is available to pay benefits. The Retirement System's asset allocation, including targets and ranges, can be found in Appendix 4. Historical rate of return information can be found in Table 2. Detailed investment information is available in the System's Annual Comprehensive Financial Report for Fiscal Years Ended June 30, 2025 and 2024.

Actuarial Gain / Loss:

The primary driver of the change in the normal rate was Investment Experience which decreased the normal rate by (2.69)%, offset by Salary Experience and the Assumption Change. A full summary of the gain / loss analysis of the Employer Contribution Rate is included in Table 10 of this report.

Funded Ratio:

The funded ratio on an Actuarial Value of Assets basis increased from 99.1% to 100.2%, due to Investment Experience offset by Salary Experience and the Assumption Change. Funding progress information can be found in Table 5.

Actuarial Assumptions:

Actuarial assumptions were developed based on Retirement System experience and public tables. New demographic and economic assumptions were adopted by the Retirement Board on October 30, 2025 and were effective with the actuarial valuation of the Retirement System's assets and liabilities as of June 30, 2025. In accordance with Sections 501, 508 and 517 of the Education Law, the Retirement Board has the authority to adopt the actuarial assumptions as recommended by the Office of the Actuary.

Each year the Office of the Actuary completes an experience study to regularly monitor the reasonableness and appropriateness of the actuarial assumptions used in the actuarial valuation. Changes are recommended when warranted. Assumptions are typically revised every five years. These assumptions are used to estimate the probability an active member will cease teaching due to retirement, withdrawal, disability, or death. In addition, the assumptions are used to estimate future salary increases, future investment earnings, future projected COLAs, and the probability of death for retired members and beneficiaries. A listing of the actuarial assumptions is provided in Appendix 2.

Member Data:

The System serves more than 275,000 active members as well as more than 184,000 retired members and beneficiaries. Appendix 3 of this report summarizes the participant data.

Legislation:

The following legislation affecting the Retirement System was signed into law during the first half of 2026. These plan changes will be included in the upcoming June 30, 2026 Valuation.

<u>Tier 6 Retirement Age and Employee Contribution Rate:</u>
Chapter 58 of the Laws of 2026 changed the age at which NYSTRS members who first joined the System on or after April 1, 2012 (i.e., Tier 6) may retire without reduction of their retirement benefit from age 63 to age 58 with the completion of 30 or more years of service credit. This legislation was deemed to have been in full force and effect on and after April 1, 2026.

This legislation also extends the period during which the calculation of the employee contribution rate for NYSTRS members with a date of membership on or after April 1, 2012, to be determined using only the member's annual base wages and would not include any other additional pensionable compensation for two additional school years (i.e., those years ending June 30, 2027 and June 30, 2028).

These changes will not impact the June 30, 2025 employer contribution rate. The cost due to these changes will first be reflected beginning with the June 30, 2026 employer contribution rate. The estimated annual cost of these changes is 0.46% of pay, or $94.9 million.

Risk Assessment

An assessment of risk is included in Table 13. The purpose of this exhibit is to identify primary risks to NYSTRS, review historic impact of these risks, and estimate how these risks may impact the Employer Contribution Rate in the future by illustrating hypothetical Employer Contribution Rates based on varying the actuarial assumptions. The exhibit also reviews plan maturity measures. Finally, the Low-Default-Risk

Obligation Measure (LDROM) is included, as required by Actuarial Standard of Practice (ASOP) No. 4. The LDROM assesses the use of a risk-free investment strategy.

Risk Measure	June 30, 2025	10-YR Average	Commentary
Asset Volatility Ratio	7.9	7.5	As the plan matures and assets grow relative to payroll, investment volatility has a greater impact on funded status. Adverse experience may require larger contributions to restore funding.
Retiree Accrued Liability Ratio	55.4%	58.0%	As the plan matures, benefit payments increasingly exceed contributions, requiring investment income and asset liquidation to fund benefit payments. While typical for mature plans, this increases reliance on investment performance and reduces flexibility during market downturns.
Cash Flow Ratio	(4.2)%	(4.4)%	As a mature, well funded plan NYSTRS has a negative cash flow as contributions collected are less than benefits paid. This is typical of a mature plan.

Future Expectations

The next employer contribution rate will be based upon the actuarial valuation as of June 30, 2026. The investment rate of return through June 30, 2026 is not yet available. Based on NYSTRS' asset allocation, the following indices are used as performance benchmarks.

Asset Allocation	Index	Index Rate of Return
Domestic Equity	S&P 1500	22.87%
International Equity	ACWI ex-US	27.66%
Fixed Income	Bloomberg Aggregate Float Adjusted Bond	3.71%

Based on the performance of these benchmarks, the System is expected to have a positive rate of return on investments for the fiscal year through June 30, 2026.

Actuarial Certification

This actuarial valuation relies on member data provided by the participating employers and by members to the Retirement System's administrative staff. The administrative and actuarial staff review this data for reasonability and completeness as well as reconcile it against prior data. In addition, the valuation relies on financial data provided by the Retirement System's Finance Department. Data is reviewed by the Retirement System's independent auditors as part of the annual audit. We believe the data to be reasonable and appropriate for purposes of this study and in compliance with ASOP No. 23 – Data Quality. Data distributions and statistics can be found in the System's Annual Comprehensive Financial Report.

The benefits recognized in this actuarial valuation are prescribed by New York State statute (Article 11 of the Education Law and Articles 11, 14, 15, 18, 19, and 20 of the Retirement and Social Security Law) and are summarized in Appendix 19. All benefits are included in the actuarial valuation.

Future actuarial measurements such as the funded ratio and employer contribution rate may differ significantly from the current measurements presented in this report due to such factors as: future experience that differs significantly from that predicted by the actuarial assumptions; changes in the actuarial assumptions or methods; and changes in plan provisions or applicable law. The potential range of future measurements was not assessed as it was outside the scope of this report.

The purpose of this report is to present to the NYSTRS Retirement Board the results of the annual actuarial valuation of assets and liabilities of the NYSTRS' Plan ("the Plan") as of June 30, 2025.The measurements in this report may not be applicable for other purposes. This report should not be relied upon for any other purpose.

The economic and demographic assumptions were developed in accordance with ASOP No. 27 – Selection of Assumptions for Measuring Pension Obligations. Data credibility procedures were utilized as required by ASOP No. 25 –Credibility Procedures, to develop the mortality tables.

The valuation results were developed using models employing standard actuarial techniques. We have reviewed the models, including their inputs, calculations and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice including ASOP No. 56 – Modeling. ProVal, a widely used actuarial valuation software program leased from Winklevoss Technologies (WinTech), was used to review assumptions, calculate liabilities and project benefit payments. We have audited the results produced by this model to a limited degree consistent with ASOP No. 56 and believe the software to be appropriate for the purposes for which it has been used.

The actuarial methods, calculations, and actuarial assumptions are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures. The actuarial assumptions, as adopted by the Retirement Board and used in determining the liabilities and costs, are internally consistent and reasonably related to actual and anticipated future experience of the Retirement System and expected to have no significant bias.

The undersigned are members of the American Academy of Actuaries and the Society of Actuaries and meet the qualification standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. The undersigned are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries. We are not aware of any direct or material indirect conflict of interest that would impair the objectivity of this analysis.

Actuarial Certification (cont.)

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Chief Actuary

Heather Marks, FSA, EA, FCA, MAAA
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NYS TRS New York State Teachers' Retirement System

Office of the Actuary
July 21, 2026

ACTUARIAL TABLES

ACTUARIAL PRESENT VALUE OF FUTURE BENEFITS

Valuation Interest Rate 6.95%

	June 30, 2025	June 30, 2024
Actuarial Present Value of Future Benefits Payable to In-payment members		
Service Retirement Benefits	$ 73,837,788,772	$ 72,501,208,971
Disability Retirement Benefits	435,561,746	436,283,577
Death Benefits	3,766,468	3,483,286
Survivor Benefits	1,443,967,666	1,385,392,468
Cost-of-Living Allowance	6,096,314,775	5,930,451,822
Subtotal	$ 81,817,399,427	$ 80,256,820,124
Actuarial Present Value of Future Benefits Payable to Active members		
Service Retirement Benefits	$ 76,646,374,198	$ 73,546,508,000
Disability Retirement Benefits	439,108,093	703,638,740
Termination Benefits	2,626,425,269	1,946,028,409
Death and Survivor Benefits	531,976,687	559,764,057
Cost-of-Living Allowance	1,713,357,236	1,544,239,596
Subtotal	$ 81,957,241,483	$ 78,300,178,802
Actuarial Present Value of Future Benefits Payable to Inactive (Vested) members		
Retirement Benefits	$ 1,393,600,942	$ 1,324,588,162
Death Benefits	1,286,786	1,191,878
Cost-of-Living Allowance	111,669,076	98,491,202
Subtotal	$ 1,506,556,804	$ 1,424,271,242
Unclaimed Funds	$ 31,288,305	$ 29,045,724
Total Actuarial Present Value of Future Benefits	**$ 165,312,486,019**	**$ 160,010,315,892**

TABLE 2

MARKET VALUE OF ASSETS RECONCILIATION AND RATES OF RETURN

	June 30, 2025	June 30, 2024
Market Value of Assets at Beginning of Year	$145,821,434,780	$137,221,536,942
Contributions and Transfers		
Employer Contributions	1,997,403,593	1,874,458,916
Member Contributions	291,784,649	258,471,825
Net Transfers in/(out)	(3,751,686)	16,342,668
	2,285,436,556	2,149,273,409
Net Investment Income/(Loss)	14,893,495,056	14,984,822,975
Distributions		
Benefit Payments	(8,710,092,594)	(8,446,156,946)
Administrative Expenses	(97,148,557)	(88,041,600)
	(8,807,241,151)	(8,534,198,546)
Market Value of Assets as of Year Ending	**$154,193,125,241**	**$145,821,434,780**

Note: Totals may not sum due to rounding

Annualized Rates of Return (net of fees)		
1-Year	10.6 %	11.4 %
3-Year	10.3 %	4.1 %
5-Year	10.0 %	8.5 %
10-Year	8.4 %	7.8 %
15-Year	9.7 %	9.8 %
20-Year	7.8 %	7.8 %
25-Year	6.9 %	6.7 %
30-Year	8.4 %	8.7 %

TABLE 3

ASSET SMOOTHING ADJUSTMENT DEVELOPMENT

Fiscal Year End	Market Value	Contributions	Benefit Payments	Average Market Value[1]
June 30, 2020	118,887,899,173	1,920,343,091	7,575,286,123	118,190,112,628
June 30, 2021	146,431,272,296	1,653,676,471	7,787,392,208	116,165,557,236
June 30, 2022	130,102,288,446	1,788,335,695	8,039,853,405	143,678,083,377
June 30, 2023	135,168,430,281	1,934,792,667	8,314,209,434	127,315,661,868
June 30, 2024	143,722,774,333	2,131,878,210	8,534,198,546	132,411,411,407
June 30, 2025	151,937,680,180	2,149,273,409	8,807,241,151	140,841,555,756

Fiscal Year End	Actual Gain/(Loss)[2]	Expected Gain/ (Loss)[3]	Unexpected Gain/ (Loss)[4]	Smoothing Adjustment[5]
June 30, 2020	3,923,634,378			
June 30, 2021	33,668,008,496	8,247,754,564	25,420,253,932	
June 30, 2022	(10,078,814,518)	9,985,626,795	(20,064,441,313)	
June 30, 2023	11,439,286,059	8,848,438,500	2,590,847,559	
June 30, 2024	14,984,822,975	9,202,593,093	5,782,229,882	
June 30, 2025	14,893,495,056	9,788,488,125	5,105,006,931	4,576,794,235

[1]Average Market Value = Market Value$_{\text{(previous year)}}$ - (0.5 x Benefit Payments) + (8.5/12 x Contributions)

[2]Actual Gain/(Loss) = Net Investment Income/(Loss)

[3]Expected Gain/(Loss) = 7.10% x Average Market Value for FYE June 30, 2020 and June 30, 2021
[3]Expected Gain/(Loss) = 6.95% x Average Market Value for FYE June 30, 2022 and after

[4]Unexpected Gain/(Loss) = Actual Gain/(Loss) - Expected Gain/(Loss)

[5]Smoothing Adjustment =		0.20 x Unexpected Gain/(Loss) for	June 30, 2022
	+	0.40 x Unexpected Gain/(Loss) for	June 30, 2023
	+	0.60 x Unexpected Gain/(Loss) for	June 30, 2024
	+	0.80 x Unexpected Gain/(Loss) for	June 30, 2025

ASSETS AND RECEIVABLES FOR VALUATION

Assets for Valuation

Market Value of Assets		$	154,193,125,241
Less:	Employer Contributions Receivable		1,988,542,025
Less:	Member Contributions Receivable		266,903,036
Market Value of Assets excluding Contributions Receivable			151,937,680,180
Less:	Administrative Fund		79,577,832
Less:	Group Life Insurance Fund		541,679,855
Plus:	Employer Contributions Receivable as of June 30, 2025[1] x $(1.0695)^{-3.5/12}$ = \$1,988,542,025 x $(1.0695)^{-3.5/12}$		1,949,951,054
Plus:	Member Contributions Receivable as of June 30, 2025[1] x $(1.0695)^{-3.5/12}$ = \$266,903,036 x $(1.0695)^{-3.5/12}$		261,723,338
	Adjusted Market Value of Assets for Normal Rate	**$**	**153,528,096,885**
Less:	5 Year Smoothing Adjustment		4,576,794,235
	Actuarial Value of Assets for Normal Rate	**$**	**148,951,302,650**

Receivables

Employer Contributions Receivable from Normal Rate in 2026 - 2027 Fiscal Year[2] (2025 - 2026 Salaries) x (2024 Valuation Normal Rate) x $(1.0695)^{-15.5/12}$ = (\$18,985,947,582) x (0.0911) x $(1.0695)^{-15.5/12}$	$	1,585,837,934
Present Value of Future Member Contributions[3]		
(Tier 5 Present Value of Future Member Contributions) x $(1.0695)^{-3.5/12}$ = (\$307,041,420) x $(1.0695)^{-3.5/12}$		301,082,770
(Tier 6 Present Value of Future Member Contributions) x $(1.0695)^{-3.5/12}$ = (\$3,673,251,897) x $(1.0695)^{-3.5/12}$		3,601,966,324
(Adjustment due to Section 613 of RSS Law amendment for Tier 6 member contribution rates) x $(1.0695)^{-3.5/12}$ = (-\$7,600,000) x $(1.0695)^{-3.5/12}$		(7,452,509)
Total Receivables	**$**	**5,481,434,519**

[1]Employer and Member Contributions Receivables are based on the 2024 - 2025 Member Paybase and are collected in 3 installments on September 15, October 15 and November 15 of 2025. The contributions are discounted with the valuation interest rate by 3.5 months.

[2]Employer Contributions Receivable is estimated based on projected 2025 - 2026 Member Salaries for the closed group population used to value the plan's liabilities and is collected in 3 installments on September 15, October 15, and November 15 of 2026. The contributions are discounted with the valuation interest rate by 3.5 months.

[3]The Present Values of Future Member Contributions are estimated for the closed group population used to value the plan's liabilities. These member contributions are collected in the years 2026 - 2027 and beyond and have an additional discount factor applied to adjust for the timing of the actual payments on September 15, October 15, and November 15 of each prospective year.

FUNDING PROGRESS

(In Millions)

The Plan's funded status is measured using both the market value of assets (MVA) and the actuarial value of assets (AVA). The funded ratios presented reflect the relationship of these asset measures to the actuarially accrued liability for benefits earned as of the measurement date. These funded ratios are not intended to represent a settlement or termination basis. The Plan is ongoing and is expected to continue receiving contributions and accruing benefits for members.

Fiscal Year End	Market Value of Assets (MVA)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability	Percent Funded Based On MVA	Percent Funded Based On AVA
June 30, 2016	107,506.1	107,039.2	109,305.1	98.4%	97.9%
June 30, 2017	115,468.4	113,059.7	115,672.5	99.8%	97.7%
June 30, 2018	119,915.5	117,859.5	118,861.1	100.9%	99.2%
June 30, 2019	122,477.5	120,586.9	121,049.3	101.2%	99.6%
June 30, 2020	120,479.5	122,400.4	123,801.7	97.3%	98.9%
June 30, 2021	148,148.5	130,173.8	131,077.4	113.0%	99.3%
June 30, 2022	131,964.6	134,527.0	135,530.9	97.4%	99.3%
June 30, 2023	137,221.5	137,814.2	139,800.8	98.2%	98.6%
June 30, 2024	145,821.4	142,478.8	143,734.6	101.5%	99.1%
June 30, 2025	154,193.1	149,493.0	149,249.7	103.3%	100.2%

Reconciliation of the Funded Status

The yearly change in Funded Status is detailed below. Normal Progression of liabilities and assets reflects the Normal Cost, actual benefit payments, expenses, member and employer contributions, interest on liabilities and expected investment returns.

	Market Value of Assets (MVA)	Actuarial Accrued Liability	Funded Status
Actual June 30, 2024	**$ 145,821.4**	**$ 143,734.6**	**101.5%**
Normal Progression	3,419.3	3,118.7	
Increase/(Decrease) due to Assumption Changes	n/a	1,418.8	
Increase/(Decrease) due to Plan Changes	n/a	—	
Increase/(Decrease) due to Investment Experience	4,952.4	n/a	
Increase/(Decrease) due to Demographic Experience	n/a	977.6	
Actual June 30, 2025	**$ 154,193.1**	**$ 149,249.7**	**103.3%**

Note: Totals may not sum due to rounding

GROUP LIFE INSURANCE FUND (GLIF)

The GLIF was established due to a legislative mandate contained in Chapter 581, Laws of 1970 effective July 8, 1980 which authorizes the System to take steps as are necessary to afford the guaranteed ordinary death benefit provided by the plan in the form of group life insurance. The death benefit paid from the GLIF is not to exceed $50,000.

The Group Life Insurance Fund is used to fund the first $50,000 of the death benefit of an active member and the first $50,000 of the Paragraph 2 post-retirement death benefit for Tier 2-6 retirees.

GLIF Balance as of June 30, 2024	**$**	**497,103,421**
Benefit Payments During 2024-2025		33,065,887
Contributions During 2024-2025		24,821,600
GLIF Net Investment Income During 2024-2025		52,820,721
(Based on 2024-2025 Market Value of Assets Rate of Return of 10.6%)		
GLIF Balance as of June 30, 2025	**$**	**541,679,855**
Benefit Payments During 2025-2026		33,000,000
Contributions During 2025-2026		25,525,501
GLIF Net Investment Income During 2025-2026		37,763,491
(Based on estimated 2025-2026 Market Value of Assets Rate of Return of 6.95%)		
Estimated GLIF Balance as of June 30, 2026	**$**	**571,968,847**
Expected Salaries for the 2025-2026 Fiscal Year	$	20,169,269,271
GLIF Rate		0.13 %
Expected Contributions for the 2026-2027 Fiscal Year	$	26,220,050

Note that the GLIF Rate is currently maintained at 0.13%. This contribution rate, along with investment income, is expected to cover the expected GLIF benefit payment for the current year. In future years, the expected GLIF benefit payments may be larger than the GLIF Rate of 0.13% and then the GLIF Balance will begin to be used.

EXCESS BENEFIT PLAN FUND

The Excess Benefit Plan and Fund was established in 2001 for benefits that exceed the dollar limit established in Internal Revenue Code Section 415(b). The IRC 415(b) dollar limit for 2024 is $275,000 and the limit is adjusted based on a member’s age. The portion of a member’s benefit that exceeds the dollar limit must be paid from the Excess Benefit Fund. Beginning in September 2025, the Excess Benefit Fund is invested in an interest-bearing savings account.

Excess Benefit Plan Balance as of June 30, 2024	**$**	**4,122,268**
Final Adjustment for the Fiscal Year Ending June 30, 2024		140,996
Benefit Payments During 2024-2025		300,000
Contributions During 2024-2025		—
Net Investment Income During 2024-2025		—
Excess Benefit Plan Balance as of June 30, 2025	**$**	**3,963,264**
Final Adjustment for the Fiscal Year Ending June 30, 2025		166,882
Benefit Payments During 2025-2026		150,000
Contributions During 2025-2026		—
Expected Net Investment Income During 2025-2026*		99,082
Estimated Excess Benefit Plan Balance as of June 30, 2026	**$**	**4,079,228**

Calculation of the Excess Benefit Plan Rate for the June 30, 2025 Actuarial Valuation:
The Excess Benefit Plan Rate is set at 0% to use up the balance that has built up in the fund.

*The fund has been in an interest-bearing checking account since September of 2025.

ADMINISTRATIVE FUND

The Administrative Rate is determined annually through the budget process lead by the Finance department. The System aims to maintain a steady Administrative Rate to minimize the impact of a fluctuating rate on participating employers. The budget process is designed to meet the service and operational needs of the System and includes the following key steps:

August - December:	Development of department staffing and business plans
January:	Development of System operating budget
February - April:	Board Executive Committee reviews and finalizes budget
May - June:	Administrative Rate calculated based on finalized budget
July:	Board approves Employer Contribution Rate including the Administrative Rate

As the Administrative Rate is collected, the amount is maintained in the Administrative Fund. The Administrative Fund is a budget and accounting entity with a self-balancing set of accounts recording financial resources, related liabilities and residual equity, segregated for the purpose of carrying on specific activities related to the operations of the System in accordance with Article 11 of the New York State Education Law. All operating expenses of the System are paid through the Administrative Fund.

A five year forecast analysis of expenses and the Administrative Fund balance is performed each year. Under Article 11, the Administrative Fund balance must be at or above 2.5 - 4.5 months of expenditures. With the assumption that the Administrative Rate is held steady at 0.35%, the Administrative Fund is projected to be at or above the minimum required balance through 2031.

As of June 30, 2025, the Board approved an Administrative Rate of 0.35%.

EMPLOYER CONTRIBUTION RATE CALCULATION

Present Value of Future Salaries (PVFS)

	Total PVFS[1]
Tier 1	$ 5,964,745
Tier 2	12,703,571
Tier 3	52,215,260
Tier 4	84,463,137,183
Tier 5	8,772,611,987
Tier 6	67,429,727,149
	160,736,359,895
2025-2026 Discounted Salary	17,752,171,652
Net PVFS	$ 142,984,188,243

Net PVFS: $ 142,984,188,243 $\times (1 + 0.0695)^{-3.5/12} =$ $ 140,209,341,842

Normal Rate

Actuarial Present Value of Future Benefits (PVFB)	165,312,486,019
Assets	148,951,302,650
Receivables	5,481,434,519
Present Value of Future Salaries	140,209,341,842

$$\text{Normal Cost} = \frac{\text{PVFB - (Assets + Receivables)}}{\text{Present Value of Future Salaries}}$$

$$= 7.76\ \%$$

Employer Contribution Rate

Normal Rate	7.76 %
Group Life Insurance Rate	0.13 %
Excess Benefit Plan Rate	0.00 %
Administrative Rate	0.35 %
Employer Contribution Rate	8.24 %

[1]The Present Value of Future Salaries includes billable salaries starting with the 2026 - 2027 salary year. The billable salaries for the years 2024 - 2025 and 2025 - 2026 are excluded from the PVFS because a Normal Rate applicable to the 2024 - 2025 and 2025 - 2026 billable salary years has already been determined. The expected contributions thereon are included in the assets as receivables. Contributions are expected to be received on September 15, October 15, and November 15 of 2025 and 2026, respectively. Therefore, the total PVFS is discounted with the valuation interest rate by 3.5 months to the measurement date.

GAIN / LOSS IN THE EMPLOYER CONTRIBUTION RATE

Normal Rate:

Salary Experience	
Salary increases higher than expected.	0.27%
Investment Experience	
The recognition of prior investment gains and losses over a five-year period in accordance with the asset valuation method resulted in a net investment gain on the actuarial value of assets.	(2.69)%
New Entrants	
New entrants join the Retirement System as Tier 6 members with a long-term expected normal rate of 5% which results in downward pressure on the normal rate.	(0.09)%
Withdrawal Experience	
Withdrawal experience produced a loss.	0.01%
Mortality Experience	
Members are living longer than expected and receiving benefits for a longer period.	0.06%
Retirement Experience	
Retirement experience produced a loss.	0.01%
Cost of Living Adjustment	
The actual COLA increase of 1.2% was lower than the expected increase of 1.3%	0.00%
Plan Change	
None	0.00%
Assumption Change	
Revised actuarial assumptions for the June 30, 2025 valuation were adopted by the Retirement Board on October 29, 2025. The impact of the revised assumptions is an increase in the ECR. Further details regarding the revision of assumptions of 2025 can be found in the "Recommended Actuarial Assumptions and Methods 2025 Report".	0.97%
Miscellaneous	
Net increase due to miscellaneous sources (e.g. data updates, tier reinstatements, return to active service, transfers in/out, finalized contribution)	0.11%
Total Change in the Normal Rate:	**(1.35)%**

Other Components:

As of June 30, 2025 the administrative rate remains at 0.35%, as set by the Board through the annual budget process.

The Group Life Insurance Fund Rate is unchanged from the previous year.

The Excess Benefit Plan Rate remains at 0.00%, as additional contributions are not currently needed.

NEW ENTRANT NORMAL RATE

The normal rate for the Plan is calculated using all member data. Hypothetical new entrant normal rates by tier are separately determined. These rates are calculated to provide a consistent measure of the long-term cost of pension benefits for new employees entering under each tier. By holding member characteristics constant, this calculation isolates the effect of changes in benefit structure. The resulting 'new entrant normal rate' serves as a benchmark for evaluating the sustainability and long-term trends of the Plan's benefit costs. Note that the rates exclude the Administrative, GLIF and Excess Benefit Fund rates and thus are best compared to the Plan's normal rate of 7.76% calculated at 6.95% interest.

The new entrant population of 13,276 Tier 6 members is defined as follows:

(a) date of membership between July 1, 2024 and June 30, 2025

(b) active as of June 30, 2025

(c) no more than 1 year of NYS service as of June 30, 2025

	6.95% Interest Rate	Valued in Tier 4 Benefit Structure	Valued in Tier 5 Benefit Structure	Valued in Tier 6 Benefit Structure
(a)	Present Value of Future Benefits	$ 575,842,860	$ 511,880,442	$ 439,522,448
(b)	Present Value of Future Member Contributions	76,288,155	156,679,313	213,845,916
(c)	Present Value of Future Salaries	4,476,551,802	4,476,551,802	4,476,551,802
(d)	Normal Cost	12.9 %	11.4 %	9.8 %
(e)	Member’s Share of Normal Cost (Member Contributions)	1.7 %	3.5 %	4.8 %
(f)	Employer’s Share of Normal Cost (Employer Contributions)	11.2 %	7.9 %	5.0 %

	5.95% Interest Rate	Valued in Tier 4 Benefit Structure	Valued in Tier 5 Benefit Structure	Valued in Tier 6 Benefit Structure
(a)	Present Value of Future Benefits	$ 725,382,370	$ 642,588,112	$ 551,214,075
(b)	Present Value of Future Member Contributions	77,949,535	164,736,649	223,563,864
(c)	Present Value of Future Salaries	4,706,761,394	4,706,761,394	4,706,761,394
(d)	Normal Cost	15.4 %	13.7 %	11.7 %
(e)	Member’s Share of Normal Cost (Member Contributions)	1.7 %	3.5 %	4.7 %
(f)	Employer’s Share of Normal Cost (Employer Contributions)	13.8 %	10.2 %	7.0 %

New Entrant Normal Rates were determined using the valuation interest rate and an interest rate that is 1.0% below the actuarial assumed rate of return with the valuation salary scale arithmetically reduced by 0.5%.

HISTORIC EMPLOYER CONTRIBUTION RATE

The Plan was created in 1921. Since Plan inception the ECR (%) statistics are as follows:

Average: 10.84
Median: 8.83
Minimum: 0.36
Maximum: 23.49

The ECRs from the last 25 years are as follows:

Fiscal Year	ECR (%)
6/30/2001	0.36
6/30/2002	2.52
6/30/2003	5.63
6/30/2004	7.97
6/30/2005	8.60
6/30/2006	8.73
6/30/2007	7.63
6/30/2008	6.19
6/30/2009	8.62
6/30/2010	11.11
6/30/2011	11.84
6/30/2012	16.25
6/30/2013	17.53
6/30/2014	13.26
6/30/2015	11.72
6/30/2016	9.80
6/30/2017	10.62
6/30/2018	8.86
6/30/2019	9.53
6/30/2020	9.80
6/30/2021	10.29
6/30/2022	9.76
6/30/2023	10.11
6/30/2024	9.59
6/30/2025	8.24

RISK MEASURES

Actuarial Standard of Practice No. 51 - Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions provides guidance on assessing and disclosing the risk that future measurements may differ significantly from expected measurements in a pension plan. NYSTRS is exposed to risks that can impact the Plan's future financial condition, including the Plan's funded status and employer contribution rates. This section identifies significant risks that impact the NYSTRS Plan and assesses those risks.

Identification of Risks

The primary risks to the Plan are:

1. **Investment Risk** - the potential that investment results will be different than expected. When actual investment returns are lower than the investment assumption used in the actuarial valuation, employer contributions will increase over a period of time.

2. **Interest & Inflation Rate Risk** - the potential that interest and inflation rates will be different than expected. For example, a period of high inflation could increase salaries and the Cost-of-Living Adjustment (COLA) benefit. These risks are mitigated by plan design. There are limitations on salary increases in determination of the final average salary and COLA is based on a capped inflation to a maximum of 3% on only the first $18,000 of annual benefit.

3. **Longevity and Other Demographic Risks** - the potential that mortality or other demographic experience will be different than expected. For example, retirees living longer than expected. Generally, longevity and other demographic risks emerge slowly over time and assumptions are reviewed and revised periodically to reflect changes.

4. **Contribution Risk** - the potential of actual future contributions differ from expected contributions, including the risk that contributions are lower than expected or not made in accordance with the Plan's funding policy. In accordance with statute and case law, employers are required to contribute the actuarially determined employer contribution rate as adopted by the Board.

5. **Assumption Change Risk** - the potential that assumptions could change in a manner that is not expected due to environment changes. For example, declines in interest rates over time may result in a decrease in the assumed rate of return used in the valuation which would increase the employer contribution rate.

6. **Benefit Change Risk** - the potential that the provisions of the plan or member contributions could change legislatively. The System produces Fiscal Notes for all potential benefit changes which include cost impacts to the Plan.

Historical Impact

In understanding the magnitude of some of these risks, the following is the cumulative annual actuarial gain/loss by the identified risk categories for the five-year period ending June 30, 2025. Note that the Longevity and Other Demographic Risk includes the experience from salary, new entrant profiles, withdrawal, mortality and retirement.

TABLE 13

Risk	Cumulative ECR Increase / (Decrease)
Investment Risk	(9.26)%
Salary & Inflation Rate Risk	1.64%
Longevity and Other Demographic Risk	(0.31)%
Contribution Risk	0.00%
Assumption Change	5.54%
Benefit Change Risk	0.17%

Assessment of Risks - Sensitivity Analysis

The Employer Contribution Rate is highly dependent on the assumptions used to project future events. If actual experience emerges differently from the assumptions used in the valuation process, actuarial gains or losses will results, and future Employer Contribution Rates will be higher or lower. The analysis calculates the impact of each assumption change individually, without accounting for possible correlations between assumptions.

Assumption	Adjustment	Adjusted Employer Contribution Rate
Baseline		8.24%
Investment Risk (Actual Asset Return 10.60%)[1]		
Asset Return	Assumed Asset Return (6.95%)	8.96%
Asset Return	Assumed Return less 1 standard deviation[1]	11.71%
Asset Return	Assumed Return less 2 standard deviations[1]	14.44%
Interest & Inflation Rate Risk		
Salary Scale	Increase of 10%	9.19%
Longevity and Other Demographic Risk		
Service Retirement Rate	Decrease of 10%	7.66%
Service Retirement Rate	Increase of 10%	8.71%
Healthy Annuitant Mortality	Decrease of 10%	10.02%
Healthy Annuitant Mortality	Increase of 10%	6.61%
Active Mortality	Decrease of 10%	8.26%
Active Mortality	Increase of 10%	8.22%
Contribution Risk		
Salary Scale	Decrease of 10%	7.27%
Assumption Change Risk[2]		
Valuation Interest Rate	Decrease of 25 basis points	11.43%
Valuation Interest Rate	Decrease of 50 basis points	14.71%
Valuation Interest Rate	Decrease of 100 basis points	21.57%

[1]The standard deviation of expected returns for the target allocation (using a 30-year risk assumption) is 13.27% as of June 30, 2025. A return that is 1 standard deviation less than assumed would be a return of 6.95% - 13.27%.

[2] The sensitivity analysis assumes that the salary assumption would decrease by one-half of the reduction in the valuation interest rate assumption. For example, the salary scale is reduced by 0.125% when the assumed valuation rate of interest is reduced by 0.25%.

Low-Default-Risk Obligation Measure

The Low-Default-Risk Obligation Measure (LDROM) as required by ASOP 4 - Measuring Pension Obligations And Determining Pension Plan Costs or Contributions, represents what the System's accrued liability would be if the plan invested its assets solely in a portfolio of high-quality bonds whose cash flows approximately matched future benefit payments. NYSTRS invests in a diversified portfolio of stocks, bonds, real estate, and private equity with the objective of maximizing investment returns at a reasonable level of risk.

Reducing the plan's investment risk by investing solely in bonds would likely reduce the plan's long-term investment returns thereby increasing the amount of contributions needed. The difference between the plan's Actuarial Accrued Liability and the LDROM represents the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high-quality bonds. The difference can also be viewed as the cost of mitigating investment risk. Benefit security for members of the plan relies on a combination of the assets in the plan, the investment results generated on those assets, and the promise of future contributions from plan members and sponsors.

The interest rate used in the LDROM calculation to represent the all-bond portfolio is the FTSE Pension Liability Index published by the Society of Actuaries. As of June 30, 2025 the rate was 5.58%. All other assumptions used for the LDROM are the same as those used for the actuarial valuation. The Actuarial Accrued Liability used the valuation interest rate of 6.95%. The Actuarial Accrued Liability and the LDROM are calculated in accordance with the Entry Age Cost Method with level percentage of pay as required by Governmental Accounting Standards Board (GASB) Statement No. 67. The Retirement System is funded in accordance with the Aggregate Cost Method as required by New York State Education Law Section 517.

Plan Measure	Value
Low-Default-Risk Obligation Measure (LDROM)	$174,055,246,006
Actuarial Accrued Liability	$149,249,686,973
Expected taxpayer savings from the plan's investment in a diversified portfolio	**$ 24,805,559,033**
Market Value of Assets	$154,193,125,241
Asset to Low-Default-Risk Obligation ratio	88.6 %

Minor discrepancies in tables are due to rounding.

Plan Maturity Measures

Asset Volatility Ratio

The asset volatility ratio is the market value of assets divided by the active member payroll. As a plan matures, its assets typically increase. The greater a plan's assets are relative to payroll, the more vulnerable the Plan is to investment volatility. This can result in higher volatility of contribution rates, when measured as a percentage of payroll. For example, an asset volatility ratio of 7.0 would mean that for each 1.0% asset loss, there will need to be an increase in contributions equivalent to 7.0% of one-year's payroll. This increase in cost would be spread over the present value of future members' salaries. Over the last ten years, the plan's asset volatility ratio has ranged from 7.0 to 8.7 with an average of 7.5. The June 30, 2025 asset volatility ratio is 7.9.

Retiree Accrued Liability Ratio

The Retiree Accrued Liability Ratio is the ratio of the retired member Actuarial Accrued Liability to the total Actuarial Accrued Liability. Retirees generate immediate cash outflows in the form of benefit payments. As the plan matures, benefit payments increasingly exceed contributions, requiring investment income and asset liquidation to fund benefit payments. While typical for mature plans, this increases reliance on investment performance and reduces flexibility during market downturns. Plans with high retiree proportions have less time to recover from adverse experience. Over the last ten years, the plan's retiree accrued liability ratio has ranged from 55.4% to 60.3% with an average of 58.0%. The June 30, 2025 retired accrued liability ratio is 55.4%.

Cash Flow Ratio

The cash flow ratio is equal to the ratio of the net cash flows in and out of the plan divided by the market value of plan assets. Net cash flow for purposes of this ratio is defined as contributions in minus benefit payments and expense out; it does not include investment income or appreciation. The Plan is in a negative cash flow position indicating the Plan is paying out more in benefits than it is receiving in contributions. This is common in a mature plan. It means that the Plan relies on investment income to cover the shortfall. The risks of negative cash flow are as follows:

1. **Liquidity risk:** assets may need to be liquidated to pay benefits and thus the plan may need to hold liquid assets.
2. **Market Risk:** In a downturn, the plan may be forced to sell assets at depressed values to meet cash flow needs. This accelerates depletion and reduces the chance of recovery when markets rebound.
3. **Contribution Volatility:** Poor investment returns could lead to an increase in required contributions.
4. **Reduced Risk Tolerance:** Volatility may shift the asset allocation more conservatively which can increase the long-term cost of the plan.

Over the last ten years, the plan's cash flow ratio has ranged from (4.9)% to (4.0)% with an average of (4.4)%. The June 30, 2025 cash flow ratio is (4.2)%.

Over the last ten years, the ratio of benefit payments to contributions has ranged from 3.1 to 4.6 with an average of 4.0. The June 30, 2025 benefit payment to contribution ratio is 3.9.

The risk assessments presented are not intended to be a comprehensive evaluation of all risks to the plan. The assessment focuses on selected key risks that are expected to have a material impact on plan outcomes. It reflects the actuary's professional judgment. Other risks have not been explicitly modeled but could also be significant.

TABLE 13

Plan Maturity Measures Table

Asset, Liability and Paybase figures in the table are shown in $ billions.

Fiscal Year End	Market Value of Assets	Active Member Paybase	Asset Volatility Ratio	Retiree Accrued Liability	Total Accrued Liability	Retiree Accrued Liability Ratio	Employer & Member Contrib.	Benefit Payments	Cash Flow Ratio	Benefit Payment to Contrib. Ratio
6/30/2016	107.5	15.4	7.0	65.9	109.3	60.3%	2,175.2	6,780.3	(4.3)%	3.1
6/30/2017	115.5	15.8	7.3	68.7	115.7	59.4%	1,995.0	6,984.6	(4.3)%	3.5
6/30/2018	119.9	16.3	7.4	70.1	118.9	59.0%	1,688.8	7,169.6	(4.6)%	4.2
6/30/2019	122.5	16.7	7.3	71.0	121.0	58.6%	1,920.3	7,381.6	(4.5)%	3.8
6/30/2020	120.5	17.0	7.1	72.8	123.8	58.8%	1,653.7	7,575.3	(4.9)%	4.6
6/30/2021	148.1	17.0	8.7	75.9	131.1	57.9%	1,788.3	7,787.4	(4.0)%	4.4
6/30/2022	132.0	17.7	7.4	78.0	135.5	57.5%	1,934.8	8,039.9	(4.6)%	4.2
6/30/2023	137.2	18.5	7.4	79.7	139.8	57.0%	2,131.9	8,314.2	(4.5)%	3.9
6/30/2024	145.8	19.1	7.6	81.0	143.7	56.4%	2,149.3	8,534.2	(4.4)%	4.0
6/30/2025	154.2	19.6	7.9	82.6	149.2	55.4%	2,285.4	8,807.2	(4.2)%	3.9

APPENDICES

SUMMARY OF PLAN PROVISIONS

Membership

With certain very limited exceptions, membership is mandatory for all full-time New York State public school teachers and administrators, outside New York City. Membership is optional for certain teachers or administrators eligible for the Optional Retirement Program, teachers employed on other than a full-time basis and for certain employees of the State University of New York, community colleges, and the State Education Department. Generally, the membership of any non-vested person will terminate when seven years have elapsed since the member last rendered at least 20 days of credited service in a school year.

Tier is determined by a member's most recent date of membership (DOM) in the Retirement System as follows:

Tier 1: Membership prior to 7/1/1973;
Tier 2: Membership 7/1/1973 - 7/26/1976*;
Tier 3: Membership 7/27/1976* - 8/31/1983;
Tier 4: Membership 9/1/1983 - 12/31/2009;
Tier 5: Membership 1/1/2010 - 3/31/2012;
Tier 6: Membership on or after 4/1/2012.

* The end date for Tier 2 and the start date for Tier 3 differs from what is in law due to a court case known as the Oliver decision, making the start date of the new tier the date that it was signed into law.

Tier 3 members are entitled to receive the benefits of either Tier 3 or Tier 4, however, they may not mix the provisions of the two tiers. For valuation purposes, Tier 3 members are assumed to receive the Tier 4 benefit at retirement, as that is generally always the larger benefit.

Final Average Salary (FAS)

For all tiers, FAS is generally the average of the three highest consecutive full school years of regular salary, whenever they occurred in the salary history, for duties involving the supervision and instruction of students. For Tier 6 members, pensionable earnings can be no more than the Governor's salary which is $250,000 as of 6/30/2025.

Restrictions apply to what types of earnings are included in pensionable earnings. Excluded from the FAS calculation are yearly increases in regular salary exceeding the following limits:

- Tier 1: 20% of the previous year's salary.
- Tier 2: 20% of the average of the previous two years' salaries.
- Tiers 3-6: 10% of the average of the previous two years' salaries.

Service Retirement

The service retirement benefits are payable for life in accordance with the following benefit formulas:

<u>Tier 1: Non-Contributory Plan (DOM Prior to July 1, 1970)</u>

Service Credit	Service Benefit
NYS service before July 1, 1959 AND Out-of-state service	1/100th of FAS per year for each of the first 25 years of service + 1/120th of FAS per year for each of the next 10 years of service + 1/140th of FAS per year for each year of NYS service in excess of 35 years
NYS service on or after July 1, 1959	1/50th of FAS per year for each of the first 25 years of NYS service + 1/60th of FAS per year for each of the next 10 years of NYS service + 1/70th of FAS per year for each year of NYS service in excess of 35 years

Non-Contributory Plan members generally may retire at:
- Age 55 with 20 years of total service or
- Any age with 35 years of total service.

Tier 1: Career Plan (effective July 1, 1970)

Service Credit	Service Benefit
NYS service before July 1, 1959	1.8% of FAS per year of NYS service
NYS service on or after July 1, 1959	2.0% of FAS per year of NYS service
Out-of-state service	1.0% of FAS per year of out-of-state service up to 10 years of credit, but only until total service equals 35 years

The maximum pension permitted is 75% of FAS, or 79% of FAS including the two years of Article 19 service credit. If less than 20 years of NYS service, the above formula is used except the benefit is reduced by 5% for each year of service less than 20, subject to a maximum reduction of 50%.

Career Plan members generally may retire at:
- Age 55 with 2 years of NYS service or
- Any age with 35 years of total service.

The provisions of Article 19 of the Retirement and Social Security Law, effective July 11, 2000, grants eligible Tier 1 and 2 members additional service credit of one-twelfth of a year of service for each year of retirement credit as of the date of retirement or death, up to a maximum of two additional years.

Tier 2: Career Plan
Computed under the Tier 1 Career Plan formula, but may be reduced for early retirement, as noted below.

Tier 2 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6% for each of the first 2 years under age 62 and 3% for each of the next 5 years.

Tier 3: Article 14

Service Credit	Service Benefit
Less than 20 years	$1\frac{2}{3}$% of FAS per year of NYS service
20 to 30 years	2% of FAS per year of NYS service
30 or more years	60% of FAS

At age 62 the benefit is reduced by 50% of the primary Social Security benefit accrued while in NYS public employment. A member may be eligible for automatic cost-of-living adjustments.

Tier 3 members generally may retire at:
- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 1/15th for each of the first 2 years under age 62 and 1/30th for each of the next 5 years.

Article 15 of the New York State's Retirement and Social Security Law allows all Tier 3 members to receive the better of the Tier 3 and Tier 4 benefit. As of the 2025 assumption study, less than 1% of retirees retired under the Tier 3 benefits with the remaining retiring under the Tier 4 benefits. The last retirement under Tier 3 benefits was in 2011. Thus, it is assumed for the valuation that all Tier 3 members retire under Tier 4 benefits.

Tier 4: Article 15

Service Credit	Service Benefit
Less than 20 years	1⅔% of FAS per year of NYS service
20 to 30 years	2% of FAS per year of NYS service for all service
30 or more years	60% of FAS + 1½% of FAS per year of NYS service in excess of 30 years

Tier 4 members generally may retire at:

- Age 62 with 5 years of service, or
- Age 55 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6% for each of the first 2 years under age 62 and 3% for each of the next 5 years.

Tier 5: Article 15

Service Credit	Service Benefit
Less than 25 years	1⅔% of FAS per year of NYS service
25 to 30 years	2% of FAS per year of NYS service for all service
30 or more years	60% + 1½% of FAS per year of NYS service in excess of 30 years

Tier 5 members generally may retire at:

- Age 62 with 5 years of service, or
- Age 57 with 30 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6⅔% for each of the first 2 years under age 62 and 5% for each of the next 5 years.

Tier 6: Article 15

Service Credit	Service Benefit
Less than 20 years	1⅔% of FAS per year of NYS service
20 years	1.75% of FAS per year of NYS service for all service
More than 20 years	35% + 2% of FAS per year of NYS service in excess of 20 years

Tier 6 members generally may retire at:

- Age 63 with 5 years of service, or
- Age 55 with 5 years of service, with benefit reduced by 6.5% for each year under age 63.

Disability Retirement

Generally, a member with at least 10 years of service may qualify for a disability retirement benefit of the smaller of 1) 1⅔% of FAS per year of projected service to age 60 or 2) ⅓ of FAS; but the benefit shall not be less than 1⅔% of FAS per year of completed service. For disabilities in the line of duty, the 10 year service requirement is waived.

Death Benefits

Active Service

Active members are eligible for the in-service death benefit.
The Tier 1 death benefit is generally equal to the greater of 1) 3 times annual salary after 36 years of service (proportionately reduced for less than 36 years), or 2) for members who are at least age 55 with 20 years of service, the pension reserve calculated under a prior, lower service retirement formula.

Under legislation enacted in 2000, all Tier 2-6 members will be covered by the Paragraph 2 Death Benefit, unless they selected Paragraph 1 (see Tier 1 Calculation above) and it is greater than Paragraph 2. All members joining on or after January 1, 2001, will be covered by the Paragraph 2 Death Benefit. The benefit is one year's salary after a year of service, increasing to a maximum of three years' salary after three years or more of service. Beginning at age 62 for Tier 2-5 members, and age 63 for Tier 6 members, the benefit is reduced by 4% per year, up to a maximum reduction of 40% (age is not rounded, and the reduction is not prorated). As of the 2025 assumption study, more than 99% of active and inactive (vested) member deaths were under Paragraph 2 and thus, it is assumed for the valuation that all active and inactive (vested) members deaths receive Paragraph 2 benefits.

The law limits the amount of salary that can be used in the calculation of the Paragraph 2 Death Benefit.

Under Paragraph 2, if the in-service death benefit is in effect when a member retires, coverage may continue after retirement. To be eligible for the continued coverage in retirement, the member must retire within one year of leaving the payroll and not be employed (other than NYSTRS service) between the member's cease-teaching date and retirement date. The benefit would be:

- 1st Year: 50% of the death benefit in effect at retirement;
- 2nd Year: 25% of the benefit at retirement; and,
- 3rd & Ensuing Years: 10% of the benefit in effect at retirement (or at age 60, if the member retires after age 59).

For in-service deaths occurring in the line of duty, certain surviving family members may be entitled to an annuity of 50% of regular salary earned during the last year of service. It is assumed for the valuation that 0% of deaths are in the line of duty.

Not-in-Active Service

Members not actively working are eligible for the the not-in-active service death benefit. The death benefit for members of all tiers with at least ten years of service credit who die when not in active service is equal to one-half the active member death benefit.

Deferred Retirement/Vesting

Tiers 1-4:
A member with at least 5 years of credited service who ceases teaching has a vested right to receive a deferred service retirement benefit. A member with at least 5, but less than 10 years of service credit, has the choice of receiving a refund of their member contributions with interest or a deferred service retirement benefit. A member with ten or more years of service credit will receive the deferred service retirement benefit.

Tiers 5 and 6:
A member with at least 5 years of credited service who ceases teaching has a vested right to receive a deferred service retirement benefit. Members with less than 5 years of credited service who cease teaching may receive a refund of their member contributions with interest.

Member Contributions

Certain Tier 1 and 2 members may elect to contribute to receive an additional benefit upon retirement. Tier 3 and 4 members are required to contribute 3% of pay to fund a portion of their benefit. Effective October 1, 2000, such contributions cease upon the attainment of the earlier of 10 years of service credit or 10 years of membership. Tier 5 members are required to contribute 3.5% of their salary throughout their active membership.

Tier 6 members are required to contribute throughout their active membership. From 4/1/2012 through 3/31/2013, all Tier 6 members were required to contribute 3.5%. Beginning 4/1/2013 members are required to contribute in accordance with the following schedule:

Salary	Contribution Rate
$45,000 and less	3.00%
More than $45,000 to $55,000	3.50%
More than $55,000 to $75,000	4.50%
More than $75,000 to $100,000	5.75%
More than $100,000 to $250,000 (the limit currently equal to the NYS governor’s salary)	6.00%

For purposes of administration, a Tier 6 member's contribution rate in any given year is based on regular compensation earned two years prior. During the member's first three years of membership, he/she will contribute a percentage based on a salary projection provided by the employer. A temporary change for Tier 6 member’s during the fiscal years ending June 30, 2023 through June 30, 2028: the employee contribution rate will be determined using only a member’s annual base wages. Compensation earned for extracurricular programs, or any other pensionable earnings paid in addition to the annual base wages will not be included in the employee contribution rate determination, as it ordinarily would.

Members who withdraw their membership receive their Annuity Savings Fund (Tier 1 or 2) or Required Contributions Fund (Tiers 3 - 6) plus interest of 5%. NYSTRS membership automatically ceases for members if they: a) have less than five years of service credit, and b) have not received the equivalent of 20 full-time days of credit in a school year for seven consecutive school years.

Cost-of-Living Adjustment (COLA)

A permanent, annually adjusted cost-of-living benefit is provided to both current and future retired members. This benefit was first paid commencing September 2001, and is increased every September thereafter, to retired members who meet one of the following eligibility criteria:

- Age 62 and retired for 5 years, or
- Age 55 and retired for 10 years, or
- Retired for 5 years under a disability retirement.

The annual COLA percentage is equal to 50% of the increase in the annual CPI rounded up to the nearest tenth of a percent; not to exceed 3% nor be lower than 1%. It is applied to the first $18,000 of annual benefit. Additionally, commencing September 2000, members retired before 1997 are eligible for a “Catch-Up” supplemental benefit upon satisfaction of the above eligibility criteria.

Change in Plan Provisions

The following legislation affecting the Retirement System was signed into law during the first half of 2026. This plan change will be included in the upcoming June 30, 2026 Valuation.

Tier 6 Retirement Age and Employee Contribution Rate:
Chapter 58 of the Laws of 2026 changed the age at which NYSTRS members who first joined the System on or after April 1, 2012 (i.e., Tier 6) may retire without reduction of their retirement benefit from age 63 to age 58 with the completion of 30 or more years of service credit. This legislation was deemed to have been in full force and effect on and after April 1, 2026.

This legislation also extends the period during which the calculation of the employee contribution rate for NYSTRS members with a date of membership on or after April 1, 2012, to be determined using only the member's annual base wages and would not include any other additional pensionable compensation for two additional school years (i.e., those years ending June 30, 2027 and June 30, 2028).

ACTUARIAL ASSUMPTIONS AND METHODS

Actuarial Funding Method

The funding method used for the valuation is the Aggregate Cost Method. This funding method is required by Section 517 of the New York State Education Law.

The normal rate percentage is developed as a level percentage of total member compensation. This percentage equals the portion of the actuarial present value of projected benefits which exceeds the actuarial value of assets divided by the present value of future compensation of the active members, as of the valuation date.

The cost of the first $50,000 of member death benefits, Retirement System administrative expenses, and benefits in excess of the IRC Section 415 limits are each determined using the pay-as-you-go method.

All actuarial gains and losses are automatically amortized as part of the normal rate calculation, over the expected future working lifetime of active members. The average expected future working lifetime for the active population determined by the actuarial valuation as of June 30, 2025 is 11.77 years.

The following calculations were completed to verify that the Aggregate Method is a reasonable and appropriate actuarial funding method that provides sufficient assets to pay current benefits as well as accrued assets that will be needed to pay future benefits. Contribution volatility is monitored within the actuarial risk review. Risk Measures can be found in Table 13 of this report.

	June 30, 2025
Entry Age Unfunded Actuarial Accrued Liability	(243,295,534)
Entry Age Normal Cost	1,603,404,031
Entry Age Normal Funded Status	100.2 %

There is no unfunded Actuarial Accrued Liability as of June 30, 2025 therefore a single amortization period equivalent to the Aggregate Method cannot be computed.

Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a 5-year recognition of each year's net investment income/loss more than (or less than) 6.95% at a rate of 20% per year. Expected investment income is determined using the 6.95% assumed investment return.

The actuarial value of assets for the administrative, group life insurance, and excess benefit plan funds is equal to the fair market value of assets, excluding contributions receivable.

Actuarial Models

The NYSTRS Office of the Actuary utilizes ProVal, a widely used actuarial valuation software program leased from Winklevoss Technologies (WinTech), to calculate liabilities and projected benefit payments. We have audited the results produced by this model to a limited degree consistent with Actuarial Standards of Practice (ASOP) No. 56 and believe the software to be appropriate for the purposes for which it has been used.

Valuation Rate of Interest Assumption

The interest rate for valuation purposes is a level 6.95%. This valuation rate of interest is made up of a 2.5% annual rate of inflation and a 4.45% real rate of return. The valuation rate of interest assumption represents our best estimate of the anticipated annual rate of return on plan assets over a long-term horizon.

The valuation rate of interest assumption is developed based upon the Retirement System's specific asset allocation, and capital market forecasted long-term return assumptions, as provided by Callan, the System's investment consultant, and other available investment consultant forecasts. Using expected returns and standard deviations for each asset class, and including anticipated correlation between the classes, a long-term anticipated rate of return is developed. Callan's capital market expectations, reflecting the System's target asset allocation and asset class correlations, are as follows.

Horizon	Single-Period Arithmetic Return Expectation	Geometric Return Expectation	Inflation
10-year	8.12%	7.33%	2.49%
20-year	8.30%	7.50%	2.43%
30-year	8.44%	7.64%	2.37%

For a complete explanation of the rationale behind the System's valuation rate of interest assumption, please refer to the "Recommended Actuarial Assumptions 2025 Report".

Inflation Assumption

The inflation assumption is 2.5%.

Projected COLA Assumption

The COLA percentage is one-half of the increase in the Consumer Price Index, all urban consumers 1982-84=100 base year (CPI-U), not seasonally adjusted, as reported by the Bureau of Labor Statistics from March to March, rounded up to the nearest tenth of a percent, with a floor of 1.0% and a cap of 3.0%. Therefore, the estimate of inflation for the COLA benefit is the result of analyzing available CPI-U data with percentages bounded between 2.0% and 6.0% and reduced by 50%. The annual percentage for estimating future COLA benefit payments is 1.4%.

IRC Section 415(b) and 401(a)(17)

For purposes of the normal rate, the limitations under IRC Section 415(b) were not reflected due to immateriality.

The IRC Section 401(a)(17) limit was reflected for members with a membership date on or after July 1, 1996.

Terminated Vested Retirement Rate

Retirement Rates for terminated vested members (no earnings in the fiscal year and entitled to a vested benefit, not yet retired):

Tiers 1 - 5: 100% at the age of 55 or current age if later.
Tier 6: 100% at the age of 63 or current age if later.

Marriage and Form of Payment Assumption

The marriage assumption is not applicable.

All members are assumed to elect the single life annuity, named the Maximum benefit, as all forms of payments are actuarially equivalent.

Tier 6 Pensionable Salary Limit

Tier 6 pensionable earnings are limited to the Governor’s salary, currently $250,000 as of June 30, 2025 and is assumed to increase annually by the assumed rate of inflation.

Maximum Salary for Tier 2-6 Death Benefits

The Tier 2 to Tier 6 maximum salary allowable for purposes of the death benefit calculation under Section 130 of the Civil Service Law is $213,995 as of June 30, 2025. It is assumed to increase annually by the assumed annual rate of inflation.

Decrement Timing

All decrements are assumed to occur beginning of year.

Credibility Analysis

A full description of the credibility procedures and Z statistical credibility factors can be found in the report ‘Recommended Actuarial Assumptions and Methods 2025 Report’ dated October 21, 2025. For the mortality assumption, limited fluctuation credibility theory was used to adjust the published mortality tables for NYSTRS’ experience. The published tables used were the Society of Actuaries PubT-2016 Public Retirement Plans Mortality Tables for teachers and the Society of Actuaries PubG-2016 Public Retirement Plans Mortality Tables General for the general public.

Change in Assumptions

As a result of the 2025 Assumption study, there were changes to many assumptions. Please see the 2025 Assumptions Report for complete details. Assumption changes included updated mortality, retirement, withdrawal, COLA and salary scale assumptions.

Active and Inactive (Vested) Member Mortality Rates

Based on a blend of in-service member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 0.590 for females and 0.411 for males, Salary-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate
20	0.000221	0.000082
21	0.000230	0.000082
22	0.000239	0.000082
23	0.000239	0.000082
24	0.000239	0.000082
25	0.000239	0.000082
26	0.000258	0.000091
27	0.000267	0.000100
28	0.000285	0.000118
29	0.000285	0.000127
30	0.000304	0.000137
31	0.000322	0.000155
32	0.000340	0.000173
33	0.000359	0.000182
34	0.000377	0.000209
35	0.000405	0.000219
36	0.000414	0.000237
37	0.000442	0.000255
38	0.000469	0.000282
39	0.000506	0.000300
40	0.000534	0.000328
41	0.000561	0.000337
42	0.000589	0.000364
43	0.000635	0.000392
44	0.000672	0.000410
45	0.000718	0.000437
46	0.000754	0.000464
47	0.000810	0.000501
48	0.000865	0.000537
49	0.000920	0.000583
50	0.000994	0.000628
51	0.001086	0.000674
52	0.001168	0.000728
53	0.001279	0.000792

Age	Male Rate	Female Rate
54	0.001398	0.000856
55	0.001546	0.000929
56	0.001693	0.001011
57	0.001867	0.001111
58	0.002061	0.001220
59	0.002263	0.001329
60	0.002493	0.001466
61	0.002714	0.001612
62	0.002971	0.001766
63	0.003238	0.001949
64	0.003514	0.002122
65	0.003818	0.002322
66	0.004131	0.002540
67	0.004480	0.002786
68	0.004839	0.003041
69	0.005225	0.003342
70	0.005648	0.003670
71	0.006118	0.004043
72	0.006624	0.004471
73	0.007194	0.004935
74	0.007820	0.005472
75	0.008519	0.006083
76	0.009816	0.007075
77	0.011334	0.008231
78	0.013091	0.009579
79	0.015133	0.011163

Healthy Annuitant Mortality Rates

Based on a blend of member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 1.000 for females and 1.000 for males, Benefits-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate
55	0.002064	0.001655
56	0.002287	0.001793
57	0.002547	0.001939
58	0.002835	0.002094
59	0.003151	0.002268
60	0.003495	0.002442
61	0.003886	0.002625
62	0.004304	0.002826
63	0.004760	0.003036
64	0.005252	0.003274
65	0.005792	0.003558
66	0.006377	0.003887
67	0.007028	0.004289
68	0.007744	0.004765
69	0.008553	0.005341
70	0.009492	0.006027
71	0.010561	0.006850
72	0.011806	0.007810
73	0.013247	0.008935
74	0.014948	0.010225
75	0.016929	0.011725
76	0.019234	0.013481
77	0.021911	0.015538
78	0.025026	0.017971
79	0.033499	0.022835
80	0.038374	0.026532
81	0.044020	0.030821
82	0.050537	0.035791
83	0.058055	0.041492
84	0.066683	0.047935
85	0.076486	0.055199
86	0.087529	0.063285
87	0.099834	0.072193
88	0.113478	0.081992
89	0.128536	0.092803
90	0.144975	0.104787
91	0.163080	0.118073
92	0.182827	0.132612
93	0.204032	0.148393
94	0.226510	0.165207
95	0.249815	0.182942
96	0.274338	0.201879
97	0.299297	0.221588
98	0.324353	0.241878
99	0.349279	0.262589
100	0.373857	0.283701
101	0.397978	0.305023
102	0.421511	0.326475
103	0.444305	0.347828
104	0.466315	0.368939
105	0.487063	0.389650
106	0.506766	0.409660
107	0.525230	0.428988
108	0.538046	0.447385
109	0.538851	0.464809
110	0.539602	0.481191
111	0.540309	0.496462
112	0.541125	0.499087
113	0.541876	0.499638
114	0.542692	0.500089
115	0.543399	0.500590
116	0.543671	0.500790
117	0.543834	0.500890
118	0.543998	0.500991
119	0.543998	0.500991
120	1.000000	1.000000

Disabled Annuitant Mortality Rates

Based on a blend of member experience and the SOA PubT-2016 Teachers tables using Z statistical credibility factors of 0.445 for females and 0.288 for males, Benefits-weighted. Rates are projected on a fully generational basis using the SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate
30	0.004030	0.001979
31	0.004041	0.002191
32	0.004053	0.002403
33	0.004123	0.002627
34	0.004204	0.002839
35	0.004332	0.003074
36	0.004495	0.003310
37	0.004693	0.003533
38	0.004926	0.003769
39	0.005194	0.004005
40	0.005497	0.004228
41	0.005823	0.004464
42	0.006173	0.004723
43	0.006557	0.004994
44	0.006953	0.005300
45	0.007384	0.005654
46	0.007826	0.006042
47	0.008292	0.006490
48	0.008793	0.006973
49	0.009375	0.007526
50	0.010027	0.008127
51	0.010761	0.008798
52	0.011588	0.009564
53	0.012555	0.010447
54	0.013626	0.011437
55	0.014861	0.012567
56	0.016223	0.013828
57	0.017772	0.015217
58	0.019484	0.016760
59	0.021383	0.018433
60	0.023444	0.020211
61	0.024772	0.020718
62	0.025925	0.021118
63	0.026891	0.021460
64	0.027706	0.021731
65	0.028382	0.021978
66	0.028999	0.022272
67	0.029581	0.022649
68	0.030257	0.023203
69	0.031130	0.023980
70	0.032295	0.025099
71	0.033891	0.026642
72	0.035952	0.028644
73	0.038514	0.031141
74	0.041589	0.034192
75	0.045257	0.037855
76	0.049473	0.042154
77	0.054260	0.047089
78	0.059617	0.052554
79	0.065429	0.058467
80	0.071613	0.064615
81	0.078100	0.070834
82	0.084971	0.077170
83	0.092413	0.083907
84	0.100717	0.091339
85	0.110243	0.099937
86	0.122472	0.109383
87	0.136506	0.119513
88	0.151937	0.130195
89	0.168777	0.141420
90	0.186922	0.153222
91	0.205778	0.165754
92	0.224971	0.179134
93	0.244280	0.193538
94	0.263846	0.208979
95	0.283679	0.225681
96	0.304829	0.244255
97	0.326992	0.264419
98	0.350308	0.286103
99	0.374776	0.309164

Disabled Annuitant Mortality Rates (cont.)

Age	Male Rate	Female Rate
100	0.400188	0.333486
101	0.426008	0.358550
102	0.451199	0.383767
103	0.475598	0.408866
104	0.499158	0.433683
105	0.521368	0.458028
106	0.542459	0.481549
107	0.562223	0.504269
108	0.575942	0.525894
109	0.576804	0.546376

Age	Male Rate	Female Rate
110	0.577607	0.565633
111	0.578364	0.583583
112	0.579238	0.586669
113	0.580041	0.587316
114	0.580915	0.587846
115	0.581672	0.588435
116	0.581963	0.588671
117	0.582138	0.588789
118	0.582313	0.588907
119	0.582313	0.588907
120	1.000000	1.000000

Survivor and Beneficiary Mortality Rates

Rates are used when the primary annuitant has died. Based on a blend of member experience and the SOA PubG-2016 General tables using Z statistical credibility factors of 0.914 for females and 0.595 for males, Benefits-weighted, above-median. Rates are projected on a fully generational basis using SOA scale MP-2021. The base tables rates use 2022 as the base year.

Age	Male Rate	Female Rate	Age	Male Rate	Female Rate
0	0.000000	0.000000	34	0.000546	0.000272
1	0.000244	0.000094	35	0.000581	0.000303
2	0.000244	0.000094	36	0.000627	0.000324
3	0.000244	0.000094	37	0.000673	0.000355
4	0.000244	0.000094	38	0.000708	0.000376
5	0.000244	0.000094	39	0.000766	0.000407
6	0.000244	0.000094	40	0.000813	0.000439
7	0.000244	0.000094	41	0.000871	0.000470
8	0.000244	0.000094	42	0.000929	0.000491
9	0.000244	0.000094	43	0.000975	0.000522
10	0.000244	0.000094	44	0.001033	0.000564
11	0.000244	0.000094	45	0.001091	0.000585
12	0.000244	0.000094	46	0.001161	0.000627
13	0.000244	0.000094	47	0.001219	0.000668
14	0.000244	0.000094	48	0.001300	0.000721
15	0.000244	0.000094	49	0.001370	0.000762
16	0.000244	0.000094	50	0.002624	0.002235
17	0.000244	0.000094	51	0.002821	0.002423
18	0.000244	0.000094	52	0.003065	0.002569
19	0.000279	0.000094	53	0.003332	0.002663
20	0.000325	0.000094	54	0.003622	0.002778
21	0.000348	0.000094	55	0.003982	0.002903
22	0.000360	0.000094	56	0.004354	0.003050
23	0.000372	0.000094	57	0.004795	0.003196
24	0.000383	0.000094	58	0.005248	0.003394
25	0.000395	0.000104	59	0.005736	0.003634
26	0.000406	0.000115	60	0.006246	0.003896
27	0.000418	0.000125	61	0.006769	0.004157
28	0.000430	0.000146	62	0.007280	0.004439
29	0.000441	0.000157	63	0.007837	0.004742
30	0.000453	0.000188	64	0.008406	0.005086
31	0.000476	0.000198	65	0.009045	0.005483
32	0.000499	0.000219	66	0.009776	0.005963
33	0.000511	0.000251	67	0.010589	0.006548

Survivor and Beneficiary Mortality Rates (cont.)

Age	Male Rate	Female Rate
68	0.011529	0.007227
69	0.012609	0.008042
70	0.013863	0.008992
71	0.015326	0.010110
72	0.017044	0.011394
73	0.019041	0.012877
74	0.021363	0.014601
75	0.024080	0.016606
76	0.027203	0.018883
77	0.030791	0.021514
78	0.034924	0.024543
79	0.039661	0.028021
80	0.045060	0.032052
81	0.051202	0.036742
82	0.058191	0.042120
83	0.066145	0.048272
84	0.075224	0.055217
85	0.085592	0.062956
86	0.097435	0.071499
87	0.110914	0.080909
88	0.126171	0.091248
89	0.143389	0.102642
90	0.162581	0.115185
91	0.183259	0.128888
92	0.204982	0.143635
93	0.227390	0.159436
94	0.250309	0.176105
95	0.273519	0.193661
96	0.297749	0.212449
97	0.322456	0.232167
98	0.347616	0.252669
99	0.373171	0.273870
100	0.398958	0.295708
101	0.424698	0.317932
102	0.449811	0.340293

Age	Male Rate	Female Rate
103	0.474135	0.362549
104	0.497623	0.384554
105	0.519764	0.406141
106	0.540791	0.426998
107	0.560494	0.447144
108	0.574171	0.466319
109	0.575030	0.484481
110	0.575831	0.501556
111	0.576586	0.517473
112	0.577456	0.520209
113	0.578257	0.520784
114	0.579128	0.521254
115	0.579883	0.521776
116	0.580173	0.521985
117	0.580347	0.522089
118	0.580522	0.522194
119	0.580522	0.522194
120	1.000000	1.000000

Service Retirement Rates

Developed using member experience.

	Service: at least 5; less than 20		Service: at least 20; less than 30		Service: at least 30	
Age	**Male Rate**	**Female Rate**	**Male Rate**	**Female Rate**	**Male Rate**	**Female Rate**
55	0.019166	0.025557	0.046212	0.055256	0.367020	0.391610
56	0.018678	0.024732	0.047932	0.056897	0.333159	0.347754
57	0.019064	0.025008	0.051300	0.060249	0.304031	0.306464
58	0.022054	0.028332	0.058123	0.065882	0.301400	0.301503
59	0.026169	0.033154	0.069431	0.075722	0.315623	0.318754
60	0.034723	0.042513	0.092594	0.102809	0.330707	0.350883
61	0.060127	0.066721	0.170277	0.192886	0.352851	0.383246
62	0.104443	0.104299	0.309268	0.349640	0.372204	0.394013
63	0.105453	0.113000	0.263990	0.306593	0.350139	0.370694
64	0.111322	0.128861	0.251824	0.291683	0.332700	0.345360
65	0.140192	0.154457	0.283203	0.319195	0.352289	0.356395
66	0.167092	0.172981	0.306412	0.343771	0.373006	0.373880
67	0.173295	0.173225	0.304244	0.338061	0.365385	0.363230
68	0.169189	0.164568	0.316215	0.312577	0.331771	0.343864
69	0.180671	0.168203	0.325934	0.300902	0.316989	0.332577
70	0.196710	0.174499	0.289291	0.304520	0.322897	0.308491
71	0.172914	0.166585	0.257363	0.300387	0.274741	0.279975
72	0.152101	0.138184	0.262551	0.287994	0.209810	0.275341
73	0.174560	0.097129	0.278795	0.249286	0.189112	0.286138
74	0.184066	0.101845	0.280908	0.219630	0.187123	0.270875
75	0.160861	0.136325	0.242297	0.236136	0.182676	0.208324
76	0.134534	0.158349	0.265266	0.233023	0.127679	0.163018
77	0.104749	0.157217	0.358824	0.166492	0.088352	0.183502
78	0.108512	0.097702	0.383333	0.109769	0.101705	0.226378
79	0.157456	0.079980	0.285897	0.118743	0.180465	0.257022
80+	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000

Disability Retirement Rates

Developed using member experience. The same rate applies to both females and males. It is assumed that no disabilities are in the line of duty.

Age	Rate	Age	Rate
30	0.000010	65	0.000093
31	0.000011	66	0.000104
32	0.000012	67	0.000111
33	0.000014	68	0.000103
34	0.000028	69	0.000085
35	0.000043	70	0.000059
36	0.000059	71	0.000035
37	0.000082	72	0.000010
38	0.000123	73	0.000009
39	0.000177	74	0.000008
40	0.000234	75	0.000008
41	0.000284	76	0.000007
42	0.000311	77	0.000006
43	0.000320	78	0.000006
44	0.000321	79	0.000005
45	0.000326		
46	0.000366		
47	0.000473		
48	0.000623		
49	0.000790		
50	0.000943		
51	0.001042		
52	0.001069		
53	0.001027		
54	0.000944		
55	0.000849		
56	0.000743		
57	0.000624		
58	0.000506		
59	0.000401		
60	0.000289		
61	0.000185		
62	0.000120		
63	0.000096		
64	0.000090		

Withdrawal Rates

Developed based on member experience.

Service	Male Rate	Female Rate
0	0.255651	0.260990
1	0.137919	0.118187
2	0.096340	0.091396
3	0.091200	0.077296
4	0.067940	0.064034
5	0.049070	0.051316
6	0.044076	0.047038
7	0.039082	0.042761
8	0.034088	0.038484
9	0.029093	0.034207
10	0.024099	0.029929
11	0.021337	0.026459
12	0.018574	0.022989
13	0.015812	0.019520
14	0.013049	0.016050
15	0.010287	0.012580
16	0.010078	0.011576
17	0.009869	0.010572
18	0.009661	0.009568
19	0.009452	0.008564
20	0.009244	0.007560
21	0.008389	0.006626
22	0.007534	0.005691
23	0.006679	0.004757
24	0.005824	0.003822
25	0.004969	0.002888
26	0.004755	0.002654
27	0.004541	0.002420
28	0.004328	0.002187
29	0.004114	0.001953
30	0.003900	0.001719
31	0.003686	0.001486
32+	0.003473	0.001252

Salary Scale

Developed using member experience. The same rate applies to both females and males. Teachers in the State of New York follow a salary grading with steps based on longevity and professional level. Teachers nearing the end of their career may have slower salary progression due to reaching the maximum salary based on the salary grading system.

Rates below apply for years starting with the June 30, 2028 valuation. For the June 30, 2025, 2026 and 2027 valuations, all rates are increased by 0.30% to account for recent inflation.

Duration	Rate	Duration	Rate
0	1.1044	30	1.0233
1	1.0902	31	1.0227
2	1.0763	32	1.0221
3	1.0682	33	1.0215
4	1.0625	34	1.0209
5	1.0580	35	1.0204
6	1.0545	36	1.0198
7	1.0514	37	1.0193
8	1.0488	38	1.0188
9	1.0465	39	1.0183
10	1.0445	40	1.0178
11	1.0426		
12	1.0409		
13	1.0394		
14	1.0379		
15	1.0366		
16	1.0354		
17	1.0342		
18	1.0331		
19	1.0321		
20	1.0311		
21	1.0301		
22	1.0292		
23	1.0284		
24	1.0276		
25	1.0268		
26	1.0260		
27	1.0253		
28	1.0246		
29	1.0240		

DATA EXHIBITS

Member Status Reconciliation

Active Members	Male	Female	X*	Total
June 30, 2024	63,012	209,321	30	**272,363**
Changes During Year:				
Added	3,400	10,599	19	**14,018**
Withdrawn	1,103	3,104	9	**4,216**
Retired	1,652	5,263	0	**6,915**
Died	80	117	0	**197**
June 30, 2025	63,577	211,436	40	**275,053**

Retired Members	Service**			Disability				Total		
	Male	Female	Total	Male	Female	Total		Male	Female	Total
June 30, 2024	47,911	125,103	**173,014**	393	1,638	**2,031**		48,304	126,741	**175,045**
Changes During Year:										
Retired	1,629	5,191	**6,820**	23	72	**95**		1,652	5,263	**6,915**
Died	1,762	2,745	**4,507**	34	82	**116**		1,796	2,827	**4,623**
Lump Sum	15	58	**73**	0	0	**0**		15	58	**73**
Restored to Active Membership	0	0	**0**	0	2	**2**		0	2	**2**
June 30, 2025	47,763	127,491	**175,254**	382	1,626	**2,008**	***	48,145	129,117	**177,262**

Beneficiaries of Deceased Members	Service Annuitants			Disability Annuitants			Active Members			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
June 30, 2024	1,821	5,223	**7,044**	110	147	**257**	24	71	**95**	1,955	5,441	**7,396**
Changes During Year:												
Added	237	453	**690**	7	5	**12**	1	1	**2**	245	459	**704**
Died	128	293	**421**	4	9	**13**	2	5	**7**	134	307	**441**
June 30, 2025	1,930	5,383	**7,313**	113	143	**256**	23	67	**90**	2,066	5,593	**7,659**

Total	Male	Female	X*	Total
Active Members	63,577	211,436	40	**275,053**
Retired Members	48,145	129,117	0	**177,262**
Beneficiaries	2,066	5,593	0	**7,659**
Total	113,788	346,146	40	**459,974**

*As of January 1, 2023, Section 79-Q of the New York Civil Rights Law requires the collection of gender or sex data provide a separate field with the option of marking gender or sex as “X.” NYSTRS updated its physical and online forms to provide an additional write-in option. Members may modify their gender or sex during different reporting periods. If so, these changes will be reflected in the “Withdrawn” or “Added” reporting lines in the Active Members table.
**Also includes vested retirees.
*** includes 11 males and 28 females retired for disability who receive a service benefit.

Active Members Age and Service Distribution

Age		Years of Credited Service 0-5	6-10	11-15	16-20	21-25	26-30
20-24	**Count of Members**	11,734	1	0	0	0	0
	Average Salary	*$47,944*	*$37,671*	*$0*	*$0*	*$0*	*$0*
25-29	**Count of Members**	24,695	1,677	0	0	0	0
	Average Salary	*$60,963*	*$72,183*	*$0*	*$0*	*$0*	*$0*
30-34	**Count of Members**	15,606	10,861	1,290	0	0	0
	Average Salary	*$65,824*	*$77,963*	*$87,136*	*$0*	*$0*	*$0*
35-39	**Count of Members**	10,823	8,813	9,720	1,554	0	0
	Average Salary	*$66,089*	*$79,560*	*$90,125*	*$102,230*	*$0*	*$0*
40-44	**Count of Members**	9,018	6,495	6,717	13,497	2,463	2
	Average Salary	*$63,443*	*$76,920*	*$90,933*	*$105,372*	*$118,202*	*$112,564*
45-49	**Count of Members**	7,162	5,482	4,107	7,795	16,292	2,164
	Average Salary	*$60,776*	*$73,575*	*$88,563*	*$107,330*	*$120,588*	*$127,608*
50-54	**Count of Members**	5,551	4,797	3,238	4,487	9,915	12,829
	Average Salary	*$56,466*	*$67,739*	*$82,763*	*$101,623*	*$121,193*	*$129,683*
55-59	**Count of Members**	4,244	3,693	2,637	3,398	5,388	8,205
	Average Salary	*$56,312*	*$62,511*	*$75,886*	*$91,713*	*$113,182*	*$127,793*
60-64	**Count of Members**	2,594	1,954	1,414	2,216	3,001	2,842
	Average Salary	*$50,889*	*$58,820*	*$70,645*	*$82,906*	*$102,771*	*$120,358*
65-69	**Count of Members**	1,133	651	442	752	953	633
	Average Salary	*$48,368*	*$59,005*	*$66,524*	*$80,454*	*$90,105*	*$106,966*
70+	**Count of Members**	630	259	211	224	237	224
	Average Salary	*$46,005*	*$58,832*	*$58,208*	*$80,778*	*$88,554*	*$96,019*
Total	**Count of Members**	93,190	44,683	29,776	33,923	38,249	26,899
	Average Salary	*$60,897*	*$75,093*	*$87,228*	*$101,845*	*$117,228*	*$127,156*

Active Members Age and Service Averages

		6/30/2025	6/30/2024	Change
Average Age	Female	44	44	— %
	Male	44	44	— %
	X	30	31	(3.23)%
Average Years of Service	Female	12	12	— %
	Male	13	13	— %
	X	1	0	N/A

Active Members Age and Service Distribution (continued)

		Years of Credited Service					
Age		**31-35**	**36-40**	**41-45**	**46-50**	**51+**	**Total**
20-24	**Count of Members**	0	0	0	0	0	11,735
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$47,941*
25-29	**Count of Members**	0	0	0	0	0	26,372
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$62,096*
30-34	**Count of Members**	0	0	0	0	0	27,757
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$73,756*
35-39	**Count of Members**	0	0	0	0	0	30,910
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$82,477*
40-44	**Count of Members**	0	0	0	0	0	38,192
	Average Salary	*$0*	*$0*	*$0*	*$0*	*$0*	*$93,768*
45-49	**Count of Members**	1	0	0	0	0	43,003
	Average Salary	*$153,803*	*$0*	*$0*	*$0*	*$0*	*$105,972*
50-54	**Count of Members**	1,196	3	0	0	0	42,016
	Average Salary	*$132,505*	*$174,006*	*$0*	*$0*	*$0*	*$112,637*
55-59	**Count of Members**	4,262	281	0	0	0	32,108
	Average Salary	*$133,908*	*$135,329*	*$0*	*$0*	*$0*	*$110,275*
60-64	**Count of Members**	1,091	693	39	0	0	15,844
	Average Salary	*$131,195*	*$137,535*	*$138,095*	*$0*	*$0*	*$99,681*
65-69	**Count of Members**	235	152	99	7	0	5,057
	Average Salary	*$109,680*	*$131,699*	*$131,738*	*$177,108*	*$0*	*$88,766*
70+	**Count of Members**	110	55	42	37	30	2,059
	Average Salary	*$97,037*	*$100,835*	*$132,323*	*$140,506*	*$192,886*	*$89,229*
Total	**Count of Members**	6,895	1,184	180	44	30	275,053
	Average Salary	*$131,847*	*$134,704*	*$133,261*	*$146,329*	*$192,886*	*$95,075*

		6/30/2025	**6/30/2024**	**Change**
Covered Payroll		$19,635,000,897	$19,093,538,203	2.84 %
Average Earnings - All Active Members	All Tiers	$85,438	$83,544	2.27 %
Average Earnings - Full Time Active Members	All Tiers	$95,075	$92,883	2.36 %
	Tier 1	$137,698	$137,810	(0.08)%
	Tier 2	$126,153	$122,629	2.87 %
	Tier 3	$114,656	$111,398	2.92 %
	Tier 4	$112,414	$108,598	3.51 %
	Tier 5	$89,012	$84,838	4.92 %
	Tier 6	$68,531	$65,744	4.24 %

Fiscal Year Ending June 30, 2025 Active Employee Contributions by Tier

Tier	Contribution Rate	Member Count	Member Percent
Tier 1 - 4	0.00%	137,457	50%
Tier 5	3.50%	10,526	4%
Tier 6	3.00%	68,514	25%
Tier 6	3.50%	15,073	5%
Tier 6	4.50%	24,519	9%
Tier 6	5.75%	12,458	5%
Tier 6	6.00%	3,530	1%
Tier 6	N/A	2,976	1%
Total		275,053	

Average Service* by Tier

	6/30/2025	6/30/2024	Change
Tier 1	33-1	32-5	2.06 %
Tier 2	27-6	27-1	1.54 %
Tier 3	28-3	28-4	(0.29)%
Tier 4	20-4	19-8	3.39 %
Tier 5	11-5	10-5	9.60 %
Tier 6	4-0	3-6	14.29 %
Total	12-5	12-5	— %

*Based on 9 months equating to a full year of service credit

Members by Tier

Tier	Active Members	Retired Members and Beneficiaries	Total Members
Tier 1	59	70,149	70,208
Tier 2	75	16,231	16,306
Tier 3	312	20,659	20,971
Tier 4	137,011	77,158	214,169
Tier 5	10,526	334	10,860
Tier 6	127,070	390	127,460
Total	275,053	184,921	459,974

New Retired Members' Characteristics by Year of Retirement

Retired in Fiscal Year Ended	Number of Retired Members	Average Age at Retirement (yrs.- mos.)	Average Service at Retirement (yrs.- mos.)	Average Final Average Salary	Average Maximum Annual Benefit
2016	6,245	61-2	25-0	$84,308	$44,215
2017	6,396	61-3	25-0	85,242	45,049
2018	6,416	61-1	25-1	86,910	45,725
2019	6,890	61-0	25-1	87,085	45,713
2020	7,642	61-4	25-8	90,228	48,273
2021	7,617	61-5	26-3	91,713	49,145
2022	7,135	61-3	25-7	92,434	48,724
2023	6,680	61-0	25-5	94,394	49,794
2024	6,227	60-11	25-8	97,018	51,712
2025	6,915	60-10	26-0	101,153	54,324

**Averages are for service and vested retirees.*

All Retired Members' Characteristics

	6/30/2025	6/30/2024	Percent Change
Service Retirements[1]			
Number	175,293	173,055	1.29%
Average Attained Age[2]	74-05	74-02	0.45%
Average Benefit[3]	$46,263	$45,608	1.44%
Disability Retirements			
Number	1,969	1,990	(1.06)%
Average Attained Age	66-11	66-07	0.67%
Average Benefit[3]	$23,805	$23,524	1.19%

[1]*Also includes vested retirees.*
[2]*Average Attained Age as of fiscal year end is displayed in years and months as YY-MM.*
[3]*The Maximum, even though the member may have chosen an option.*

Retirement Benefit Options and Percent of Election (2021 - 2025 Retirees)

Option	Number Electing	Percent of Election
Maximum	20,142	58.26 %
Annuity/Declining Reserve	7	0.02 %
Joint & Survivor	3,192	9.23 %
Pop-Up	8,884	25.70 %
Guarantee	996	2.88 %
Alternative	1,353	3.91 %
Total	**34,574**	**100.00 %**

ASSET ALLOCATION

The table below displays the Retirement System's asset allocation targets, ranges, and actual allocation percentages for the June 30, 2025 actuarial valuation. No changes have been made between June 30, 2025 and the time of this report. System asset values are frequently reviewed, and assets are periodically rebalanced in line with the asset allocation targets and ranges.

	Target	Range	Actual
Equity			
Domestic Equity	33%	29 – 37%	32.8%
International Equity	15%	11 – 19%	15.6%
Global Equity	4%	0 – 8%	4.5%
Real Estate Equity	11%	6 – 16%	10.4%
Private Equity	9%	4 – 14%	9.8%
Total Equity	72%		73.1%
Debt			
Domestic Fixed Income	16%	12 – 20%	14.8%
High-Yield Bonds	1%	0 – 3%	0.9%
Global Fixed Income	2%	0 – 4%	2.0%
Real Estate Debt	6%	2 – 10%	5.9%
Private Debt	2%	0.5 – 5%	1.9%
Cash Equivalents	1%	0 – 4%	1.4%
Total Debt	28%		26.9%

<u>Changes to the Asset Allocation between June 30, 2024 and June 30, 2025</u>

None

GLOSSARY: DEFINITION OF ACTUARIAL TERMS

Actuarial Accrued Liability (AAL)
Value of benefits earned to date of current plan participants, allocated under the Entry Age Normal Actuarial Funding Method.

Actuarial Assumptions
Estimates of future experience of the plan. Assumptions fall into two broad categories: Economic assumptions (valuation interest rate, salary scale, inflation) and Demographic assumptions (mortality, retirement, disability, termination).

Actuarial Gain / Loss
The difference between what was expected to happen under the actuarial assumptions and what actually happened including the impact of any changes in actuarial assumptions, methods or plan changes.

Actuarial Value of Assets
The value of the plan's assets determined by applying a smoothing method. The smoothing method dampens short-term fluctuations in investment markets by spreading gains and losses over the smoothing period.

Aggregate Funding Method
A method which determines the actuarial contribution rate by comparing the Present Value of Benefits to the Actuarial Value of Assets and then spreading this difference over the working lifetimes of the current active members as a level percentage of future payroll.

Entry Age Normal Actuarial Funding Method
A method which allocates the Present Value of Benefits over a member's working career in a level pattern.

Excess Benefit Plan Rate
Pay-as-you-go rate representing the contribution required to cover expected benefit payments in excess of the Internal Revenue Code Section 415 limits. A separate fund is maintained for payment of benefits and was established in accordance with final IRS approval in August 2001.

Administrative Rate
Pay-as-you-go rate representing the administrative cost of the Retirement System which is set during the budget process.

Funded Percentage
The ratio of the Actuarial Value of Assets to the Actuarial Accrued Liability.

Group Life Insurance Rate
Pay-as-you-go-rate representing the expected benefit payments on account of the first $50,000 of member death benefits.

Normal Rate
The annual cost of accruing active member benefits as well as actuarial gains and losses.

Present Value of Benefits (PVB)
Value of the total benefits, benefits earned to date plus those expected to be earned for future service, of current plan members, discounted to the valuation date using actuarial assumptions.