



New York State  
Teachers'  
Retirement  
System

December 2025

# YourSource

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

## Delegates Elect McKay to NYSTRS Board



From left: Natalie McKay, Dr. Mark R. Stratton and Scott R. Levy.

NYSTRS welcomed more than 400 delegates from across the state to its Annual Delegates Meeting, held Nov. 2 and 3 at the Saratoga Springs City Center. Attending delegates elected [Natalie McKay](#), a teacher in the Schoharie Central School District, to a three-year term on the Board.

McKay had been appointed to the Board earlier this year by New York State Commissioner of Education Dr. Betty A. Rosa and was unopposed.

"As an educator, I know the dedication and the hard work that we put into our craft," McKay said in her acceptance remarks following the election. "And I can promise you with confidence that I'm going

to carry that through, working with NYSTRS, continuing to make sure that we all have a safe and secure pension."

McKay is one of three active teacher members on the 10-member Retirement Board. The other active teacher Board members are [Eric J. Iberger](#) from the Bayport-Blue Point Union Free School District and [Donald A. Little III](#) from the Syracuse City School District.

## Levy, Stratton Join Board; Keefe Reelected

[Scott R. Levy](#) and [Dr. Mark R. Stratton](#) also joined the Board earlier this year – Levy as a school boards association member elected by the NYS Board of Regents, and Dr. Stratton as a school administrator appointed by the Commissioner of Education. Both of their three-year terms commenced July 1, 2025.

David P. Keefe of Hempstead will begin another three-year term in January as the retired teacher representative on the Board. Keefe, who was first elected in 2004 and has served as Board president since 2016, ran unopposed and was therefore deemed reelected by NYSTRS retirees. Juliet C. Benaquisto, a retired teacher who previously served for four years on the Board as an active teacher member, is Keefe's alternate.

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## Annual Report Outlines Sustained and Steady Growth

In a fiscal year shaped by market volatility, NYSTRS reported sustained and steady growth.

According to the System's 2025 *Annual Comprehensive Financial Report* (ACFR), the total portfolio returned 10.6%, net of fees, for the fiscal year ended June 30, 2025. NYSTRS' net assets reached \$154.2 billion, up from \$145.8 billion the previous fiscal year.

The System's funded ratio of 99.1% as of June 30, 2024, the most-recent calculation available, compares the actuarial value of assets to accrued benefit liability. NYSTRS' 10- and 30-year annualized net rates of return were both 8.4%.

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10 Corporate Woods Drive  
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**Never Miss an Issue**  
*Your Source* is produced four times a year with a once-annual printed edition in the spring. All other issues are online only. E-subscribe in your [MyNYSTRS](#) account to receive all issues.

## NYSTRS Board Meeting Summary

Read the summary of actions from the Board's October 2025 meeting on the [About Us/Retirement Board/Board Meetings](#) page at [nystrs.org](https://nystrs.org).

## Four Fundamentals: Your Benefit Profile



### Your Benefit Profile matters.

Your *Benefit Profile* provides an annual overview of where your retirement stands based on your service, earnings and other key factors. It includes your contact information, beneficiaries, earnings information, and a summary of your service credit. Depending on your membership status and eligibility, your *Profile* may also include projections of service retirement benefits, disability and death benefit projections, a summary of your member contributions, and loan information (if applicable).



### You can access your Profile in MyNYSTRS.

If you joined NYSTRS before June 30 of this year, your *Benefit Profile* for the 2024-25 school year is available online in your [MyNYSTRS](#) account. If you joined NYSTRS after June 30, 2025, you'll receive your first *Profile* in fall 2026. If you opted for a paper copy, it should have arrived in your mailbox, but you can still access it in MyNYSTRS at any time (it's easy to [register for a MyNYSTRS account online](#)).



### Know where you stand. Review your Benefit Profile each year.

The information you see in your *Profile* affects when and how comfortably you can retire. While reviewing your *Profile*, make sure your earnings information and service credit are accurate – both are key factors in your retirement benefit calculation. Also: Check that your beneficiary designation and contact information is current. Staying up to date now will make for a smoother retirement later.



### Fix incorrect or outdated information.

Because the information in your *Profile* is so important, it's vital to address any issues you notice right away. You can update your beneficiaries and contact information at any time in MyNYSTRS, or by completing and submitting the appropriate form, found on the [Forms](#) page of our website. If you notice errors in your service or salary information, ask your employer to send corrections to NYSTRS.

## Annual Report Outlines Sustained and Steady Growth *cont.*

Published this month, the *ACFR* reviews the System's financial statements, investment performance and membership statistics. NYSTRS also publishes a *Popular Annual Financial Report* (PAFR), intended for general audiences that includes infographics summarizing the annual report's findings.

"As this annual report demonstrates, NYSTRS' Board and staff are committed to fulfilling our mission: To provide our members with a secure pension," said

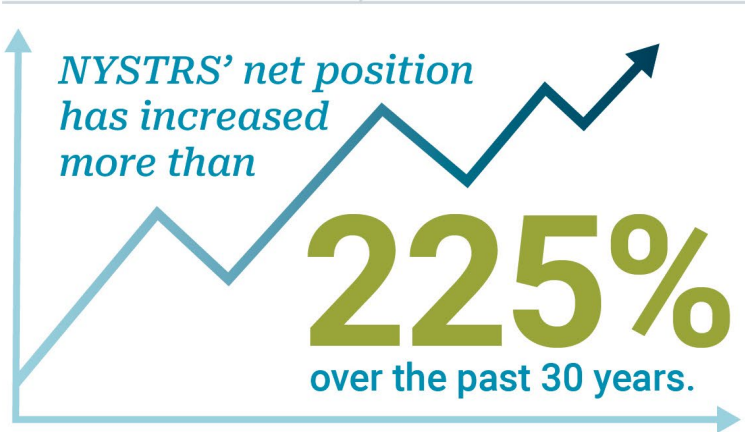
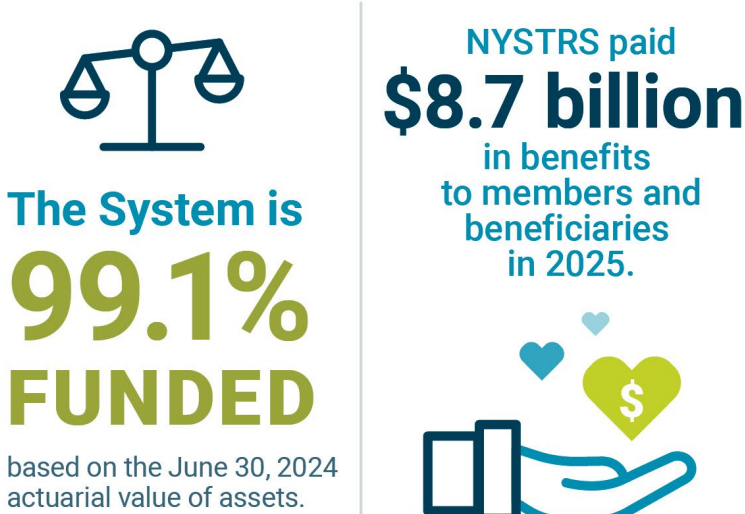
Thomas K. Lee, NYSTRS Executive Director & CIO.  
  
"The foundation on which our retirement system was built in 1921 remains solid today," Lee continued. "Our focus on the stewardship of assets directly impacts nearly 460,000 members and beneficiaries who have the peace of mind of guaranteed income in retirement."

NYSTRS paid \$8.7 billion in benefits to members and beneficiaries in 2025, up

from \$8.4 billion and \$8.2 billion in 2024 and 2023, respectively. Almost 80% of those benefits are paid to New York state residents, across each of the state's 62 counties.  
  
Both the *ACFR* and *PAFR* can be read at [nystrs.org](https://nystrs.org) at the [Library/Publications/Annual Reports](#) page. (Check for the *PAFR* in late December.) The [About Us/Press Room/Infographics](#) page includes snapshots of NYSTRS' demographics and financial strength.

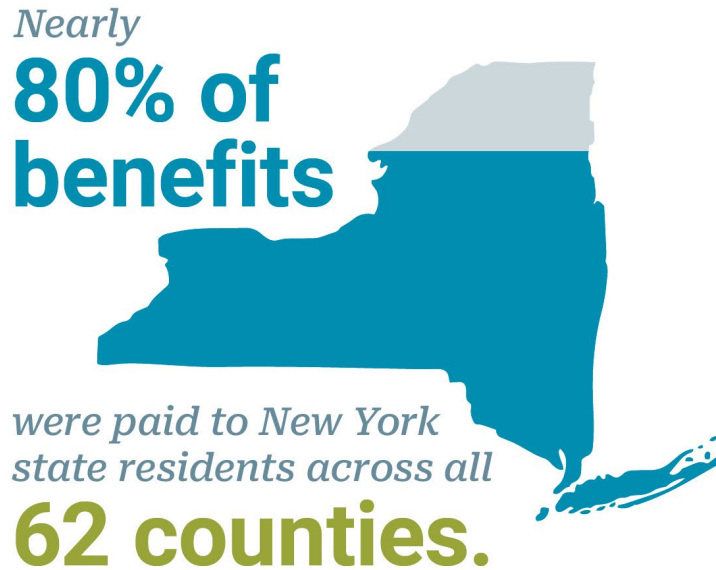
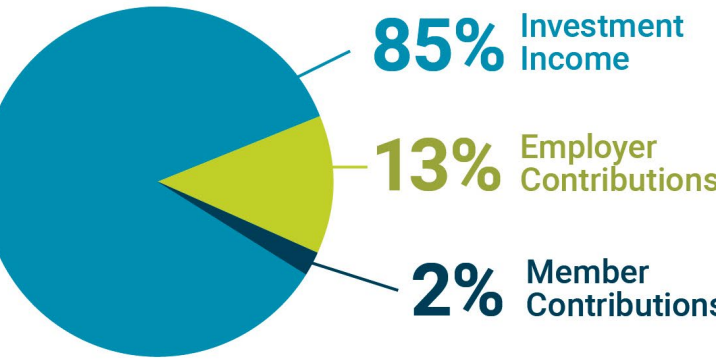
## NYSTRS by the Numbers:

### Highlights from the Annual Report as of June 30, 2025




## NYSTRS FUNDING

Over the past 30 years







## Before You Borrow: Loans Can Provide Flexibility, But Planning Is Key

*Borrowing against your contributions can help meet immediate financial needs. It's important to understand how NYSTRS loans work, the possible tax implications, and how it can affect your retirement.*

### Loan Eligibility and Terms

To take out a loan from NYSTRS, you must have at least one year of service credit and cannot have an existing loan that's more than two months delinquent or in default. You'll also need to meet minimum contribution balance requirements, which vary by tier and date of membership. You may borrow once per calendar year, and the minimum loan is \$1,000.

Loans have a fixed interest rate (currently 5.95% for Tiers 3-6), include a \$30 service charge, and must be repaid within five years. Payments are made through payroll deduction September through June.

### Repay First and Avoid Tax Issues

Already have a loan? Be careful about taking another.

Members with an unpaid balance on a current NYSTRS loan who wish to borrow additional funds could face severe tax consequences on a combined loan if the balance remaining on the current loan plus the amount of the combined loan exceeds \$10,000, or if the combined repayment term exceeds five years. Furthermore, the IRS requires you to disclose to NYSTRS if you have an existing loan with a deferred compensation (457) or tax-sheltered annuity (403(b)) plan. The System is required to consider these loan

balances when calculating the taxability of a loan. Note that this may result in significant tax consequences on your loan from NYSTRS.

If the combined balance exceeds a percentage of your accrued benefit or repayment extends past the original five-year term, part or all of your loan may be treated as taxable income. You may be able to reduce or avoid the tax consequences by taking a smaller loan or using a shorter repayment term (with larger payments).

In plain English: if you borrow again without repaying the first loan, you could face a significant tax bill. The safest path is to repay the current loan before applying for another. Refer to our video "[Loan Truths... And Consequences](#)" and our [loan taxability tutorial](#) for important information.

### Understand the Consequences of Defaulting on a Loan Before Retiring

It's also important to understand the impact of retiring with an outstanding loan. Members moving into retirement with an outstanding loan balance will have 30 days from their retirement date to make any payments to reduce or eliminate their loan balance. After that, the loan defaults.

A defaulted loan permanently reduces your pension and may trigger significant tax consequences. NYSTRS will issue a 1099-R and the unpaid balance will be reported as taxable income.

While loan defaults aren't reported to credit agencies, they directly cut into your monthly retirement benefit. It's also important to note that although a defaulted loan is treated like a distribution by the IRS, the loan balance will continue to accumulate interest until retirement and must still be repaid prior to retirement to avoid an offset to your benefit.

### How to Apply for a NYSTRS Loan

The best method is to apply online in [MyNYSTRS](#), where you can test different amounts and repayment schedules, and review terms to avoid surprises. Or, you can complete a [5-Year Loan Application – All Tiers](#) (LON-26) and mail to NYSTRS.

NYSTRS offers tools to help make informed decisions. For more information, consult our publication [Borrowing From Your NYSTRS Contributions](#). To discuss loans with a representative, call 800-348-7298, ext. 6080.

## Delegates Elect McKay to NYSTRS Board *cont.*

### About the Board

NYSTRS Board members serve without compensation and represent various constituents, including teachers, school administrators and school boards. They act as fiduciaries who protect the long-term value of NYSTRS' investment portfolio for nearly 460,000 active and retired members and beneficiaries.

Visit the [About Us/Retirement Board/Board Members](#) page on [nystrs.org](#) for a full list of NYSTRS Board members and their bios.

### 2025 Annual Delegates Meeting

In addition to the election of McKay, the Annual Delegates Meeting included a full slate of educational seminars and a Delegate-Board/Staff Discussion. Presentation recordings are available on the [Delegates/Annual Delegates Meeting](#) page of our website.

Delegates are tasked with two key functions: to serve as a liaison between NYSTRS and the members in their district, and to elect active teacher members to NYSTRS' Board at the Annual Delegates

Meeting. This spring, we'll be looking to fill open delegate and alternate seats with a special election, so every district is represented and every NYSTRS member is supported. The special election opens March 1, 2026. During a special election, both the delegate and alternate positions must be filled as a ticket.

Check the [Delegates: 2025-2027 Term](#) list online to find out who represents your school and to see if your district has open delegate-alternate slots.



NYSTRS Trustees from left: Juliet C. Benaquisto, President David P. Keefe, Natalie McKay, Dr. Mark R. Stratton and Scott R. Levy



## Calendar of Events

### December 2025:

- Dec. 15 – Winter/spring PREP seminar schedule available
- Dec. 25 – System Holiday

### January 2026:

- Jan. 1 – System Holiday
- [Jan. 14 – Retirement Readiness for Members at Mid-Career Webinar](#)
- Jan. 20 – System Holiday
- [Jan. 22 – Ready to Retire Webinar](#)
- [Jan. 27 – Ready to Retire Webinar](#)

### February 2026:

- Feb. 16 – System Holiday