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5 TEACHERS' RETIREMENT BOARD MEETING

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14 HELD AT:

15 55 WATER STREET

16 NEW YORK, NEW YORK

17 FEBRUARY 25, 2010

18 3:48 P.M. TO 4:21 P.M.

19 B E F O R E:

20 MELVYN AARONSON, ACTING CHAIRMAN

21

22

23

24 REPORTED BY:

25 LIZ SANCHEZ-PAZ

 EXECUTIVE ASSISTANT TO NELSON SERRANO

2 A P P E A R A N C E S :

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TRS :

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NELSON SERRANO, Executive Director

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MELVYN AARONSON, Teachers' Trustee

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SANDRA MARCH, Teachers' Trustee

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MONA ROMAIN, Teachers' Trustee

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8 COMPTROLLER'S OFFICE :

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THAD McTIGUE

10

CORPORATION COUNSEL :

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KEITH SNOW, Law Department

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13 OFFICE OF THE ACTUARY :

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ROBERT C. NORTH JR., Chief Actuary

15

MAYOR'S APPOINTEE :

16

BUD LARSON, Trustee

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DIANE BRATCHER, Alternate Trustee

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DEPARTMENT OF EDUCATION :

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KATHLEEN GRIMM, Trustee

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2 TRS STAFF:

3 ROBERT BETHELMY
CARMELA CRIVELLI

4 JOEL GILLER
MARC KATZ

5 RENEE PEARCE
PAUL RAUCCI

6 PATRICIA REILLY
ROBERT SANTANGELO

7 MANGESH TARIBAGIL

8

9 OTHER ATTENDEES:

10 DAVID JETER, Comptroller's Office
NEIL MATTHEW, Office of Payroll Administration
11 TAYLOR RIGGS, Money Management Letter (Reporter)
DAVID FRANKEL, Commissioner of Finance

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1 TRS Regular Board Meeting, FEBRUARY 25, 2010

2 P R O C E E D I N G S

3 MR. SERRANO: Good afternoon. We will begin the
4 February 25, 2010 regular meeting of the Teachers'
5 Retirement Board by calling the roll.

6 MR. SERRANO: Melvyn Aaronson?

7 MR. AARONSON: Here.

8 MR. SERRANO: Kathleen Grimm?

9 MS. GRIMM: Here.

10 MR. SERRANO: Tino Hernandez? Note that he is not
11 present. Bud Larson?

12 MR. LARSON: Here.

13 MR. SERRANO: Thad McTigue?

14 MR. MCTIGUE: Here.

15 MR. SERRANO: Sandra March?

16 MS. MARCH: Present.

17 MR. SERRANO: Mona Romain?

18 MS. ROMAIN: Here.

19 MR. SERRANO: We do have a quorum, but we must elect
20 an Acting Chairperson.

21 MR. LARSON: I nominate Mel Aaronson.

22 MR. SERRANO: Is there a second?

23 MS. ROMAIN: Second.

24 MR. SERRANO: All those in favor say aye.

25 (Whereupon all those present so indicated.)

1 TRS Regular Board Meeting, FEBRUARY 25, 2010

2 MR. SERRANO: We will now move to the second item
3 on the Agenda which refers to some Operational Updates.
4 Each of you has a copy of the Calendar of Events and we
5 also have a few updates from Patricia Reilly.

6 MS. REILLY: Thank you Nelson. Payments to over
7 40,000 TRS members who are eligible to receive benefits
8 from the minimum accumulation settlement were made on
9 February 11th. There are smaller populations that we are
10 still working on, such as newly deceased members and we are
11 working on getting those out.

12 For the first time, TRS sent payroll instructions to
13 FISA to begin taking health deductions from retirees on
14 Advanced Payments. These members will begin to see those
15 deductions from their Advanced Payments starting in the March
16 2010 retirement payroll.

17 MS. MARCH: May I, at this point, thank both TRS and
18 FISA because it will be a great advantage that retirees will
19 not have to worry about paying back large sums of money
20 because their health costs were not deducted. Thank you.

21 MS. REILLY: On Tuesday, February 23, 2010, TRS began
22 mailing out the 4th Quarter Quarterly Annual Statements
23 ("QAS") to 110,700 members. We expect to complete that early
24 next week. We also sent out TDA Beneficiary Statements to
25 about 421 beneficiaries and TDA Deferred Statements to about

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2 38,111 members.

3 We also sent a letter to over 29,000 retirees who did
4 not have fractional beneficiaries on file in our computer
5 system. We are urging them to send in these forms to ensure
6 that the member's fractional benefit goes to their designee.
7 This saves TRS the cost of searching for paper documentation.

8 TRS is also in the process of working on preparing the
9 Fiscal Year 2011 Budget. We are expecting to have the
10 proposed information to the Board's Budget Committee for
11 review by mid-April. This is a few weeks later than we
12 typically provide the budget information for review, but
13 this year, we have looked at the process for estimating our
14 projects and we are restructuring that methodology in order
15 to make it a little bit more robust.

16 We have also been working on organizing information
17 relating to our mitigation plans for the Long Beach
18 provisional reduction plan, which is expected to have a
19 substantial impact on our agency in the near future. Based
20 on this, we are targeting to have the Proposed Fiscal Year
21 2010 Budget brought to the Board for approval in May, or at
22 the latest in June. Thank you.

23 MR. SERRANO: The next item on the Agenda is the
24 Executive Director's Report. The first item is the Next
25 Meeting. It has been suggested that the next regular

1 TRS Regular Board Meeting, FEBRUARY 25, 2010

2 meeting of the Teachers' Retirement Board be held on the
3 third Thursday of the month, March 18, 2010. The next
4 item is a resolution that was previously laid over since
5 May 21, 2009 regarding the election of a Chairperson to
6 the Board.

7 MS. MARCH: Please lay it over.

8 MR. SERRANO: We will lay that over again until our
9 next meeting. The third item is Request for the Retirement
10 Board to Adopt the Actuary's Recommendation for Updated
11 Preliminary Fiscal Year 2010 Employer Contributions to the
12 New York City Teachers' Retirement System.

13 MS. MARCH: Please lay it over.

14 MR. SERRANO: Ok. Item number 4 is the resolution
15 on TDA Loan Interest Rates.

16 Whereas, the Teachers' Retirement Board has determined
17 that the Tax-Deferred Annuity ("TDA") loan interest rate for
18 a participant should be the same as the rate of interest in
19 effect for the participant's TDA Fixed Annuity Savings fund
20 program at the time the loan is issued; therefore be it

21 Resolved, that the TDA loan interest rate to be
22 charged to a participant shall be equal to the interest rate
23 in effect for the participant's TDA Fixed Annuity Savings
24 fund program at the time the loan is issued; and be it
25 further

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2 Resolved, that the TDA loan interest rate policy set
3 forth herein shall apply to loans issued on or after
4 April 16, 2010.

5 MS. MARCH: So moved.

6 MR. McTIGUE: Second.

7 MR. AARONSON: All those in favor say aye.

8 (Whereupon all those present so indicated.)

9 MR. AARONSON: Any opposed? Any abstentions? Hearing
10 none we will continue.

11 MR. SERRANO: The last item is regarding Attendance
12 at Conference. The following resolution is presented for
13 consideration and possible adoption.

14 Resolved, that the Trustees of the Teachers' Retirement
15 Board hereby approve the attendance and participation of
16 the Executive Director and/or his designee(s), and any
17 interested Trustee at the 2010 National Conference on Public
18 Employee Retirement Systems' ("NCPERS") Trustee Educational
19 and Annual Conference & Exhibition from May 1-6, 2010.

20 MS. MARCH: So moved.

21 MR. McTIGUE: Second.

22 MR. AARONSON: All those in favor please say aye.

23 (Whereupon all those present so indicated.)

24 MR. AARONSON: Any opposed? Any abstentions? Hearing
25 none, we will continue.

1 TRS Regular Board Meeting, FEBRUARY 25, 2010

2 MR. SERRANO: The next item on the Agenda is the
3 Calendar. The first item on the Calendar is the matter
4 of the approval of the Minutes for the regular meeting
5 held on January 21, 2010.

6 MR. AARONSON: Does anybody have any comments or
7 questions regarding the minutes? Hearing none, we will
8 move on.

9 MS. ROMAIN: So moved.

10 MR. LARSON: Second.

11 MR. AARONSON: All those in favor please say aye.

12 (Whereupon all those present so indicated.)

13 MR. AARONSON: Any opposed? Any abstentions?
14 Hearing none, we will continue.

15 MR. SERRANO: The last item on the Calendar is the
16 approval of Items 1 through 18 on pages 1 through 230.

17 MS. MARCH: So moved.

18 MR. LARSON: Second.

19 MR. AARONSON: All those in favor please say aye.

20 (Whereupon all those present so indicated.)

21 MR. AARONSON: Any opposed? Any abstentions? Hearing
22 none, we will continue.

23 MR. SERRANO: That concludes the Calendar. The next
24 item on the Agenda is any other business before the Board.

25 MR. AARONSON: Any Board Members or anyone from the

1 TRS Regular Board Meeting, FEBRUARY 25, 2010

2 public have any questions? If not, we can move on to
3 the next item.

4 MR. SERRANO: The last question is, are there any
5 questions from the public? Hearing none, at this point,
6 we only have Executive Session items to discuss so we will
7 ask anybody who is not a Trustee, part of the Law Department,
8 or part of the discussion to please leave the room.

9 MR. AARONSON: There are a few matters that the Board
10 will discuss now. Do I have a motion to go into Executive
11 Session?

12 MS. MARCH: So moved.

13 MR. McTIGUE: Second.

14 (Whereupon at this time the meeting went into Executive
15 Session.)

16 MR. AARONSON: Do I have a motion to return to Public
17 Session?

18 MS. MARCH: So moved.

19 MR. McTIGUE: Second.

20 MR. AARONSON: We are back in Public Session and I
21 would like to report that during the Executive Session,
22 the Board discussed matters related to future personnel
23 actions and the procurement of outside vendors. No action,
24 by formal vote was taken. A discussion regarding litigation
25 was also held with no action taken.

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2 MR. AARONSON: Do we have any further business before
3 the Board? Hearing none, do I have a motion to adjourn?

4 MS. MARCH: So moved.

5 MS. ROMAIN: Second.

6 MR. AARONSON: All those in favor please say aye.

7 (Whereupon all those present so indicated.)

8 MR. AARONSON: Any opposed? Any abstentions? Hearing
9 none, the meeting is adjourned. Thank you.

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