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1 TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

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BOARD MEETING

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6

Thursday, March 20, 2025

7

3:38 p.m.

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Teachers' Retirement System of New York City

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55 Water Street, 16th Floor

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New York, New York 10041

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William Montague

Digital Reporter

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Notary Commission No. 01MO0009174

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APPEARANCES:

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THOMAS BROWN, CHAIR, TRUSTEE

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BRYAN BERGE, MAYOR'S OFFICE, TRUSTEE

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JOHN DORSA, OFFICE OF THE COMPTROLLER, TRUSTEE

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VICTORIA LEE, TRUSTEE

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ANTHONY GIORDANO, PANEL FOR EDUCATIONAL POLICIES,  
TRUSTEE

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CHRISTINA MCGRATH, TRUSTEE

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Also Present:

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VALERIE BUDZIK, TRS

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LIZ SANCHEZ, TRS

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KAVITA KANWAR, DIRECTOR, TRS

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ANDREW BRADFORD, CHIEF RISK OFFICER, TRS

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NATARAJAN KRISHNAMOORTHY, TRS

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LOREN PERRY, TRS

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ROSA POLANCO, TRS

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JAMAIRA SANCHEZ-MORALES, TRS

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JOANNE LENNON, TRS

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JUSTINE JAUME, TRS

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MELA SEYOUM, TRS

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ISAAC GLOVINSKY, ESQUIRE, TRS

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MAREK TYSZKIEWICZ, CHIEF ACTUARY

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PAUL RAUCCI, CHIEF ACCOUNTANT

24

KATE CHEN, CHIEF AUDIT EXECUTIVE

25 GATI DALAL, LAW DEPARTMENT

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1 DARREN TROTTER, LAW DEPARTMENT

2 JOE EBISA, INTELLIGENCE

3 KATE VISCONTI, OFFICE OF THE COMPTROLLER

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1 (The proceedings commenced at 3:38 p.m.)

2 MS. BUDZIK: Welcome, everyone, to the March

3 20th, 2025 meeting of the Teachers' Retirement Board. I

4 will call the roll.

5 Bryan Berge?

6 MR. BERGE: Bryan Berge representing Mayor

7 Eric Adams, present.

8 MS. BUDZIK: Tom Brown?

9 CHAIRMAN BROWN: I'm here, Valerie. Good

10 afternoon. Thank you.

11 MS. BUDZIK: Greg Faulkner or Tony Giordano?

12 John Dorsa?

13 MR. DORSA: John Dorsa, designee for

14 Comptroller Brad Lander, present.

15 MS. BUDZIK: Victoria Lee?

16 MS. LEE: Present.

17 MS. BUDZIK: Christina McGrath?

18 We know she had a family matter and was not

19 able to attend.

20 So we have a quorum. So I guess next, Update

21 from the Actuary. Is the --

22 CHAIRMAN BROWN: Or how about Operations?

23 Kavita?

24 MS. BUDZIK: Oh, I'm sorry. I skipped Number

25 2, Update on Operations from Kavita Kanwar.

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1 MS. KANWAR: Thank you. Thanks, Valerie.  
2 Good afternoon, everyone. I have an update  
3 regarding the RMD.  
4 TRS has identified over 38,000 members who  
5 must receive a required minimum distribution from their  
6 TD accounts for 2025. In late April, TRS will notify  
7 these members by mail. At that time, participants can  
8 apply for their 2025 RMD.  
9 Regarding pension verification, TRS has also  
10 begun our pension verification efforts for 2025. As  
11 part of our fiscal responsibility to safeguard pension  
12 assets, each year, we contact various segments of our  
13 retiree population and require them to file with TRS a  
14 proof of life form to verify they are alive and entitled  
15 to continued benefits. So for this year, we have  
16 contacted about 6,000 retirees, and we plan to reach  
17 29,000 retirees by year's end. Thank you.  
18 MR. DORSA: At what age do we ask them to do a  
19 proof of life?  
20 MS. KANWAR: So it was 85, previously. Now,  
21 we are doing 80 and above, starting this --  
22 MR. DORSA: I thought it changed, it changed  
23 like last year?  
24 MS. KANWAR: No, starting this year.  
25 MR. DORSA: Oh, it's this year, okay. I

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1 remember we had an update about this. Thank you.  
2 CHAIRMAN BROWN: Thank you, Kavita. Can you  
3 send that to us electronically, perhaps?  
4 MS. KANWAR: Sure.  
5 CHAIRMAN BROWN: And you did say 38,000  
6 members are RMD eligible?  
7 MS. KANWAR: Yes.  
8 CHAIRMAN BROWN: Wow, that's a lot, isn't it?  
9 MS. KANWAR: Yes.  
10 CHAIRMAN BROWN: Great, thank you. Thank you  
11 for the update.  
12 MS. BUDZIK: Thank you, Kavita.  
13 Next is Update from the Actuary.  
14 MR. TYSZKIEWICZ: Good afternoon.  
15 So there are two fiscal notes impacting TRS  
16 members since the last board meeting, and those were  
17 provided with their agenda items.  
18 The first one was a reduction in Tier 6 member  
19 contributions, and the second one was an increase in  
20 Tier 6 benefits for those with 20 or more years of  
21 service.  
22 Just to point out something interesting on the  
23 first one I mentioned, a reduction in Tier 6 member  
24 contributions, if you look at that fiscal note, you'll  
25 see there's like an interesting actuarial concept going

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1 on there that most people aren't aware of, and that's  
2 the fact that employee contributions to the client

3 aren't as valuable as employer contributions when it  
4 comes to funding the plan. And the reason for that is,  
5 if an employer or a member puts a dollar into the plan,  
6 it's not guaranteed that that dollar's going to stay in  
7 the plan because the employee could quit and take a  
8 refund. But if an employer puts a dollar into the plan,  
9 it's going to be in there to pay benefits.

10 And so when we -- so the rule of thumb is  
11 employee contributions are roughly equal to 90 percent  
12 of employer contributions. So if you have a bill that  
13 reduces employee contributions by a million dollars, the  
14 employer contribution will go up 90 percent of that,  
15 \$900,000, and vice versa.

16 You can see that really clearly in the fiscal  
17 note on the second page. In the TRS column, it shows  
18 the present value of employee contributions go down \$932  
19 million, and the employer contribution only goes up \$866  
20 million, and it actually shows that the present value of  
21 benefits coming out of the plan drops \$66 million  
22 because, with less employee contributions, there's less  
23 refunds that the employer has to pay. So I just thought  
24 it was kind of interesting pointed out, and it's a nice  
25 little number to have in the back of your mind when

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1 you're thinking about employee contributions. \$1 of  
2 employee contributions equals about 90 cents of employer  
3 contributions.

4 CHAIRMAN BROWN: So, Marek, I'm sorry, you  
5 have statistics, then, of how many, what number of  
6 people who will be withdrawing money before being  
7 vested, is that it?

8 MR. TYSZKIEWICZ: Yeah. Well, we have  
9 termination tables. So if someone is -- we value the  
10 probability that, if someone quits and they're not  
11 vested, they get a refund.

12 CHAIRMAN BROWN: But if you are vested, you  
13 can't take the money out?

14 MR. TYSZKIEWICZ: You can still take the money  
15 out.

16 CHAIRMAN BROWN: Up until 10 years?

17 MR. TYSZKIEWICZ: You can whenever. You can  
18 take the money out before you retire if you forfeit the  
19 pension. And so we always valued the greatest of the  
20 two.

21 CHAIRMAN BROWN: Oh, I didn't think -- I  
22 thought once, I might be wrong, but --

23 MS. BUDZIK: Yeah, up to 10, we thought it  
24 was --

25 MR. TYSZKIEWICZ: Oh, is it 10 years?

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1 MS. BUDZIK: It's up to 10 years.

2 CHAIRMAN BROWN: Okay.

3 MR. DORSA: Prior to vesting. Yeah, it's  
4 prior to vesting.

5 MR. TYSZKIEWICZ: I'm thinking, in general,  
6 public sector plans, employees could always refund and  
7 just forfeit their pension. I guess it's different. I  
8 didn't know.

9 CHAIRMAN BROWN: So you take that into  
10 consideration of what the value of the employee  
11 contribution is, knowing that some people might --

12 MR. TYSZKIEWICZ: Yeah, we always take the  
13 greater off, whether your pension benefit or the value  
14 of your employee contributions. And then when people  
15 aren't vested, we value the refund of employee  
16 contributions as the liability.

17 CHAIRMAN BROWN: Interesting. Is that with  
18 interest, employee contribution?

19 MR. TYSZKIEWICZ: With interest.

20 Are there any other questions on the fiscal  
21 note? If not, I'll go into the preliminary  
22 contributions.

23 CHAIRMAN BROWN: Sure. Thank you.

24 MR. TYSZKIEWICZ: So also in the Report of the  
25 Actuary, it's that time of the year for the Board to

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1 approve the preliminary contributions for the next  
2 fiscal year, fiscal year '26, and there are three main  
3 components to the preliminary contributions. The normal  
4 cost of \$1.6 billion, costs for additional year of  
5 service for active members.

6 The second component is a collection of  
7 amortization payments to pay off your unfunded liability  
8 for past service. That's a total of \$2.1 billion.

9 The third component is the reimbursement, the  
10 administrative expenses with interest. This is a charge  
11 of \$65 million.

12 Those are the three major for TRS. You also  
13 have a couple additional items. You've got an ASAF  
14 credit of \$27 million. These are contributions the  
15 Department of Education is required to make into the  
16 Annuity Savings Accumulation Fund.

17 And there's another row for \$4 million in  
18 member contributions required to made due to the Gulino  
19 settlement.

20 So if you add all those up, that's your grand  
21 total preliminary contribution, preliminary contribution  
22 for fiscal year '26 that we're asking the Board to  
23 adopt, and that's \$3.7 billion.

24 As I mentioned, this is a preliminary. About  
25 a year from now, before the fiscal year ends, we'll come

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1 to the Board with a final calculation and ask the Board  
2 to adopt that as well.

3 So happy to answer any questions.

4 CHAIRMAN BROWN: Thank you, Marek.

5 Any questions for Marek?

6 Thank you.

7 MS. BUDZIK: So next item is the Executive  
8 Director's report. The first item is the next meeting,  
9 Thursday, April 24th.

10 MR. BERGE: I thought there was a resolution.  
11 MR. TYSZKIEWICZ: I think it comes up --  
12 CHAIRMAN BROWN: Coming up next.  
13 MR. BERGE: Oh, is it in there? I'm sorry.  
14 CHAIRMAN BROWN: Resolution for what?  
15 MR. DORSA: To accept the employer  
16 contribution.

17 CHAIRMAN BROWN: That's coming up.  
18 MR. BERGE: My mistake. My mistake.  
19 CHAIRMAN BROWN: So the next meeting is?  
20 MS. BUDZIK: Next meeting, Thursday, April  
21 24th. Please mark your calendars.  
22 CHAIRMAN BROWN: So marked.  
23 MS. BUDZIK: Okay. The first resolution, and  
24 this is a resolution that was laid over at the last  
25 meeting --

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1 CHAIRMAN BROWN: We would like -- I spoke with  
2 the other trustees, John and Bryan. I didn't get a  
3 chance to speak to Anthony, but you --  
4 MR. BERGE: I was unable to reach him on the  
5 subject but I believe there is still a consensus of the  
6 trustees, in general.  
7 CHAIRMAN BROWN: Okay. So we would like to  
8 take this off the agenda.  
9 MS. BUDZIK: Okay. So we --  
10 MR. DORSA: No objection.  
11 CHAIRMAN BROWN: And going forward, to leave  
12 it off.  
13 MR. BERGE: Yes, just to remove it from the  
14 agenda.  
15 CHAIRMAN BROWN: That's a consensus.  
16 MR. DORSA: No objection.  
17 MR. BERGE: Unless and until it is ever  
18 returned.  
19 CHAIRMAN BROWN: Correct. Okay?  
20 MS. BUDZIK: Okay.  
21 CHAIRMAN BROWN: Thank you for that.  
22 MS. BUDZIK: TRS will remove this item from  
23 next month's agenda.  
24 CHAIRMAN BROWN: Thank you, Valerie.  
25 MS. BUDZIK: The next resolution, also laid

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1 over from the prior meeting but amended, and this is for  
2 a budget modification for Chapter 551 of the laws of  
3 2024 and Gulino settlement administration.  
4 MR. DORSA: So I believe you can skip to the  
5 resolved.  
6 MS. BUDZIK: Okay. Resolved that the Trustees  
7 of the Teachers' Retirement System hereby approve a  
8 modification of the fiscal year 2025 budget by

9 increasing the agency budget by \$463,484 to fund system  
10 changes for the projects mentioned above and additional  
11 staff needed for the BERS transfer law; and be it  
12 further resolved that the Trustees hereby authorize the  
13 Executive Director or her designee to expend monies out  
14 of such budget in accordance with the approved budget,  
15 as modified, and governing law.

16 CHAIRMAN BROWN: Thank you, Valerie.

17 Do I hear a motion to accept the resolution  
18 regarding budget modification?

19 MS. MCGRATH: So moved.

20 CHAIRMAN BROWN: It has been moved to. Do I  
21 hear a second?

22 MR. DORSA: Second.

23 CHAIRMAN BROWN: And it has been seconded.

24 Any questions or comments or concerns?

25 MR. BERGE: I would just like to note that

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1 just because this is a budget item where the  
2 Comptroller's assent or the Mayor's assent is required,  
3 I just wanted to say you already clearly have the  
4 Comptroller's assent, you will also have the Mayor's  
5 assent on the subject. I had very productive  
6 conversations with TRS staff on this and I'm fully  
7 convinced that this is an appropriate measure to take at  
8 this time.

9 CHAIRMAN BROWN: Duly noted, thank you.

10 Are we ready to vote? Are we ready to vote  
11 now? All those in favor --

12 MR. DORSA: Aye --

13 CHAIRMAN BROWN: Oh, I'm sorry. Did you want  
14 to say something?

15 MR. DORSA: No, I said aye. No, aye. I was  
16 going to say --

17 CHAIRMAN BROWN: Oh, I didn't ask for ayes  
18 yet.

19 MR. DORSA: I was jumping the gun.

20 CHAIRMAN BROWN: All those in favor, say aye?  
21 (Ayes were heard.)

22 CHAIRMAN BROWN: All those opposed, say nay?  
23 Any abstentions? So the budget modification reso has  
24 been approved. Thank you.

25 MS. BUDZIK: Next item is Authorization to the

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1 Comptroller of the City of New York to invest certain  
2 QPP funds.

3 MR. DORSA: I believe you can skip to the  
4 resolved.

5 MS. BUDZIK: This, we waive the reading.

6 MR. DORSA: I'm sorry. We can waive the  
7 reading. I think we're all familiar with it.

8 CHAIRMAN BROWN: And do you want to read the  
9 resolved, or?

10 MS. BUDZIK: It's a page-and-a-half of

11 resolved, so we waive the reading.  
12 CHAIRMAN BROWN: So we waive the reading of  
13 the resolved. Thank you.  
14 Any questions? Any comments? Any discussion?  
15 So we're ready to entertain a motion to accept  
16 the Comptroller's authorization to invest QPP funds.  
17 MS. LEE: So moved.  
18 CHAIRMAN BROWN: It has been moved. Do I hear  
19 a second?  
20 MR. BERGE: I'll second it, sure.  
21 MR. DORSA: Thank you. It's a little  
22 self-serving if I --  
23 CHAIRMAN BROWN: It has been seconded. Great.  
24 Any discussion? Questions?  
25 All those in favor of the resolution to accept

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1 the Comptroller's authorization to invest QPP funds,  
2 please say aye?  
3 (Ayes were heard.)  
4 CHAIRMAN BROWN: Those opposed, say nay? Any  
5 abstentions?  
6 And this resolution has been passed as well.  
7 Thank you.  
8 MR. DORSA: Thank you for your continued  
9 support of the operations of the Bureau of Asset  
10 Management.  
11 CHAIRMAN BROWN: Thank you.  
12 MS. BUDZIK: Next item is Authorization to the  
13 Comptroller of the City of New York to invest certain  
14 tax deferred annuity funds.  
15 MS. LEE: Waive the reading.  
16 CHAIRMAN BROWN: Waive the reading, thank you.  
17 Any discussions? Any questions?  
18 So do I hear a motion to accept the  
19 Comptroller's authorization to invest TDA funds?  
20 MS. LEE: So moved.  
21 CHAIRMAN BROWN: It has been moved. Is there  
22 a second?  
23 MR. DORSA: Second.  
24 CHAIRMAN BROWN: I hear a second.  
25 All those in favor of this resolution, please

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1 say aye?  
2 (Ayes were heard.)  
3 CHAIRMAN BROWN: Those opposed, say nay? Any  
4 abstentions?  
5 And this resolution granting Comptroller's  
6 authorization to invest TDA funds has been passed as  
7 well. Thank you.  
8 MR. DORSA: Thank you again for your continued  
9 support.  
10 CHAIRMAN BROWN: You're very welcome. Thank  
11 you.  
12 MS. BUDZIK: Next item is Request for the



13 Board of Trustees to Adopt the Actuary's Determination  
14 for the Preliminary Fiscal Year 2026 Employer  
15 Contribution to the New York City Teachers' Retirement  
16 System.

17 MR. DORSA: Please skip to the resolved.

18 MS. BUDZIK: Resolved that the Board of  
19 Trustees hereby approves a preliminary fiscal year 2026  
20 employer contribution to the New York City Teachers'  
21 Retirement System of \$3,748,945,715.

22 CHAIRMAN BROWN: Thank you.

23 Do I hear a motion to accept the preliminary  
24 fiscal year 2026 employer contribution?

25 MS. LEE: So moved.

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1 MR. DORSA: Second.

2 CHAIRMAN BROWN: Is there a second?

3 Any discussions before we take the vote? Any  
4 questions? Great. So we're ready to take a vote on  
5 this resolution.

6 All those in favor, say aye?

7 (Ayes were heard.)

8 CHAIRMAN BROWN: Those opposed, say nay? Any  
9 abstentions?

10 And for the record, this resolution has been  
11 passed as well. Thank you.

12 MS. BUDZIK: Next on the agenda, approval of  
13 the following minutes, and that would be the February  
14 26th, 2025 Investment Meeting minutes and the February  
15 27th, 2025 Board Meeting minutes.

16 CHAIRMAN BROWN: Thank you. We've all been  
17 sent electronically those minutes. So is there any  
18 discussion?

19 MR. DORSA: No. I'll make a motion to adopt  
20 the minutes.

21 CHAIRMAN BROWN: Okay. So what we'll do is I  
22 will entertain a motion to accept the February 6th, 2025  
23 Investment Meeting minutes, and at the same time a  
24 motion to accept the February 27th, 2025 Board Meeting  
25 minutes.

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1 MR. DORSA: So moved.

2 CHAIRMAN BROWN: It has been moved. Is there  
3 a second?

4 MS. LEE: Second.

5 CHAIRMAN BROWN: I hear a second. I don't  
6 think there's any discussion? Okay.

7 So we are voting for the resolutions to accept  
8 the Investment Meeting minutes and the Board Meeting  
9 minutes, dates are clearly marked, and all those in  
10 favor, say aye?

11 (Ayes were heard.)

12 CHAIRMAN BROWN: Those opposed, say nay? Any  
13 abstentions? And these resolutions to accept minutes  
14 has passed as well. Thank you.

15 MS. BUDZIK: The next item is the calendar.  
16 All trustees were provided with a copy of the calendar  
17 prior to the meeting.  
18 MR. DORSA: Please waive the reading of the  
19 calendar.  
20 CHAIRMAN BROWN: Any discussions about the  
21 calendar items that we've received previously? Great.  
22 So we're now going to entertain a motion to  
23 accept the calendar items.  
24 MS. LEE: So moved.  
25 CHAIRMAN BROWN: It has been moved. Do I hear  
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1 a second?  
2 MR. DORSA: Second.  
3 CHAIRMAN BROWN: It has been seconded. Thank  
4 you.  
5 All those in favor of accepting the calendar  
6 items, please say aye?  
7 (Ayes were heard.)  
8 CHAIRMAN BROWN: Those opposed, say nay? Any  
9 abstentions?  
10 And this resolution to accept the calendar  
11 items has been approved as well. Thank you.  
12 MS. BUDZIK: Okay. Other Business. I'm not  
13 aware of any.  
14 CHAIRMAN BROWN: Okay.  
15 MS. BUDZIK: Nor questions, comments from the  
16 public.  
17 CHAIRMAN BROWN: Yeah, we're doing other  
18 business and questions, comments from the public, I  
19 don't see anyone here.  
20 MR. DORSA: Kate is here in her official  
21 capacity.  
22 CHAIRMAN BROWN: Well, welcome, Kate.  
23 MS. VISCONTI: Thank you very much.  
24 CHAIRMAN BROWN: Thank you, Kate. Always a  
25 pleasure to see you.  
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1 I think that comes --  
2 MS. BUDZIK: That completes the calendar.  
3 CHAIRMAN BROWN: That completes the agenda of  
4 the Teachers' Retirement System's Board Meeting for  
5 March 20th.  
6 Anyone want to add anything or have a comment  
7 before we make a motion to adjourn? Great.  
8 Do I hear a motion to adjourn this meeting?  
9 MR. DORSA: So moved.  
10 CHAIRMAN BROWN: It has been moved. Do I hear  
11 a second?  
12 MS. LEE: Second.  
13 CHAIRMAN BROWN: And it has been seconded.  
14 Any questions, concerns?  
15 All those in favor of adjourning this meeting,  
16 please say aye?

17 (Ayes were heard.)  
18 CHAIRMAN BROWN: Opposed, say nay?  
19 Abstentions?  
20 We are adjourned. Thank you, everybody,  
21 appreciate it.  
22 (The proceedings concluded at 3:59 p.m.)  
23  
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1 CERTIFICATE OF DIGITAL REPORTER

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3 I, WILLIAM MONTAGUE, a Digital Reporter and  
4 Notary Public within and for the State of New York, do  
5 hereby certify:

6 That the foregoing proceeding is accurately  
7 captured with annotations by me during the proceeding in  
8 the above-titled matter, all to the best of my skills  
9 and ability.

10 I further certify that I am not related to any  
11 of the parties to this action by blood or marriage and  
12 that I am in no way interested in the outcome of this  
13 matter.

14 IN WITNESS THEREOF, I have hereunto set my  
15 hand this 1st day of April 2025.

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22 William Montague, Digital Reporter  
Commission No.: 01M00009174  
Expiration Date: June 7, 2027

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1 CERTIFICATE OF TRANSCRIPTIONIST

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3 I, NANCY KRAKOWER, Legal Transcriptionist, do  
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5 That the foregoing is a complete and true  
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8 above-entitled matter. As the transcriptionist, I have  
9 reviewed and transcribed the entirety of the original  
10 digital audio recording of the proceeding to ensure a  
11 verbatim record to the best of my ability.

12 I further certify that I am neither attorney  
13 for nor a relative or employee of any of the parties to  
14 the action; further, that I am not a relative or  
15 employee of any attorney employed by the parties hereto,  
16 nor financially or otherwise interested in the outcome

17 of this matter.

18 IN WITNESS THEREOF, I have hereunto set my  
19 hand this 1st day of April 2025.

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Nancy Krakower, Transcriptionist

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