

1       TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

2

3                       BOARD MEETING

4

5

6                       April 18, 2024

7                       3:32 p.m.

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9                       Remote Proceeding

10                      New York, New York

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22                       William Montague  
23                       Digital Reporter

24                       Notary Commission No. 01MO0009174

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1 APPEARANCES:  
2 PATRICIA REILLY, TRS EXECUTIVE DIRECTOR  
3 THAD MCTIGUE, DEPUTY EXECUTIVE DIRECTOR  
4 THOMAS BROWN, CHAIR, TRUSTEE  
5 BRYAN BERGE, MAYOR'S OFFICE, TRUSTEE  
6 ALISON HIRSH, OFFICE OF THE COMPTROLLER, TRUSTEE  
7 DAVID KAZANSKY, TRUSTEE  
8 VICTORIA LEE, TRUSTEE  
9 KARINE APOLLON, TRUSTEE

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11 Also Present:  
12 JOHN DORSA, OFFICE OF THE COMPTROLLER  
13 LIZ SANCHEZ, TRS  
14 MAREK TYSZKIEWICZ, CHIEF ACTUARY  
15 PRISCILLA BAILEY, TRS  
16 RON SWINGLE, TRS  
17 VALERIE BUDZIK, TRS  
18 ISAAC GLOVINSKY, LAW DEPARTMENT  
19 LOREN PERRY, TRS  
20 KATE CHEN, CHIEF AUDIT EXECUTIVE  
21 NATARAJAN KRISHNAMOORTHY, TRS  
22 GATI DALAL, LAW DEPARTMENT  
23 DAN WHITMAN, LAW DEPARTMENT  
24 RENEE PEARCE, TRS  
25 ROSA POLANCO, TRS

1 KAVITA KANWAR  
2 MARTA ROSS, LAW DEPARTMENT  
3 MATT LASKOWSKI  
4 ALEX JUNG  
5 JOANNE LENNON

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1 (The proceedings commenced at 3:32 p.m.)

2 MS. REILLY: Good afternoon. Welcome to the  
3 board meeting of the Teachers' Retirement Board for April  
4 18th, 2024. I'll start by calling the roll.

5 Bryan Berge?

6 MR. BERGE: Bryan Berge representing Mayor  
7 Eric Adams, present.

8 MS. REILLY: Thomas Brown?

9 CHAIRMAN BROWN: Here. Good afternoon,  
10 Patricia.

11 MS. REILLY: Good afternoon.

12 Karine Apollon?

13 MS. APOLLON: Here. Good afternoon.

14 MS. REILLY: Alison Hirsh?

15 MS. HIRSH: Here, representing Comptroller  
16 Brad Lander.

17 MS. REILLY: David Kazansky?

18 MR. KAZANSKY: Present.

19 MS. REILLY: Victoria Lee?

20 MS. LEE: Present.

21 MS. REILLY: We have a quorum.

22 Next will be an update on TRS operations.  
23 We'll receive that from Kavita Kanwar.

24 MR. KANWAR: Thank you, Patricia. Good  
25 afternoon, everyone.

1                   CHAIRMAN BROWN: Good afternoon, Kavita.

2                   MR. KANWAR: April 1st marked the beginning of  
3 the summer retirement season and TRS has already started  
4 to receive applications for more than 250 retirements.  
5 Members can file for retirement up to 90 days before  
6 their retirement date, and July 1st by far the most  
7 common retirement date.

8                   Most members use our retirement e-form to file  
9 online, securely online, but some still use the paper  
10 retirement applications. As always, we encourage our  
11 members to attend our virtual "Getting Ready for  
12 Retirement" classes if they are thinking about retiring.  
13 Registration will be available soon for May and June  
14 classes, and we will continue to report on summer  
15 retirements in future meetings.

16                  Regarding our account statements, member  
17 account statements for the first quarter of 2024 are now  
18 being produced. Statements will be available for online  
19 viewing in early May for in-service members, on leave  
20 members, and retirees with deferred TDA accounts.  
21 Quarterly statements for TDA beneficiary participants  
22 will be mailed in early May.

23                  Regarding our RMD, has identified over 35,000  
24 members who must receive a required minimum distribution  
25 from their TDA accounts for 2024. In late April, TRS

1 will notify these members by email when the RMD filing  
2 period is open, and in early May, these members should  
3 receive their RMD notification letters in the mail.  
4 Thank you.

5 CHAIRMAN BROWN: Thank you, Kavita.

6 MS. REILLY: Thank you. Next, we have an  
7 update from the Actuary.

8 MR. TYSZKIEWICZ: Good afternoon. In your  
9 Board packets are six new fiscal notes impacting TRS  
10 released by the OA since the last board meeting.

11 The Board has already seen one of those, the  
12 transfer of UFT titles from BERS to TRS. The original  
13 fiscal note reviewed with the Board last meeting did not  
14 have the LBDC number yet. After the LBDC number was  
15 created, we were asked to issue a new fiscal note. So  
16 the results are the same as what the Board saw last  
17 month.

18 There are two fiscal notes impacting Tier 6  
19 benefits. One extends adjustments to the overtime cap  
20 used in determining basic member contributions for two  
21 more years. The other increases the Tier 6 benefit for  
22 those with over 20 years of service.

23 Another fiscal note modifies the formula in  
24 determining COLA by adjusting the \$18,000 base limit  
25 used in the calculation.

1           Another fiscal note allows NYCERS members to  
2     purchase voluntary fire or emergency service credit.

3           And the sixth fiscal note is a picture bill  
4     allowing a Tier 6 member to purchase service and  
5     retroactively apply for membership in Tiers Tier 4.

6           All right. So happy to answer any questions.  
7     If there are none, I'll move on to the TDA loan  
8     insurance.

9           CHAIRMAN BROWN: Any questions?

10          MR. TYSZKIEWICZ: Okay. So as you know, the  
11     TDA active and inactive members are allowed to take  
12     loans from their account balances and are charged a  
13     premium that ensures those loans against their death.  
14     The Office of the Actuary reviews that premium every  
15     five years. So the last review was published by my  
16     predecessor October 1st, 2019. So it's that time again.

17          In the last review, the recommendation was to  
18     keep the premium at 0.3 percent, the same amount it's  
19     been since 1995. Now, if you look at the results for  
20     this last five-year cycle, if you go to the last page of  
21     my letter, Appendix C, which was provided by TRS, the  
22     0.3 percent premium isn't enough. It is enough if you  
23     apply it just for active members, but as more retirees  
24     take out loans, and as the average age of the people  
25     taking loans keeps increasing, higher premiums need to

1 be charged. So in the analysis, we showed the combined  
2 result, and we also broke it up between active members  
3 and retirees. Like I said, for active members, the 0.3  
4 is sufficient. If the retirees were charged their own  
5 premium, their premium instead of 0.3 would be 1  
6 percent.

7           So some options for the Board to think about.  
8 One, keep one premium for all new loans. So our  
9 recommendation is to increase the 0.3 to 0.5. So in  
10 fact, the active members are subsidizing the retiree  
11 loans. Or have separate active and inactive premiums,  
12 0.3 for actives, 1 percent for retirees and inactives,  
13 or not provide loan insurance or loans at all to  
14 retirees and inactives.

15           So we're not asking for any decision today,  
16 but we want to get the information to the Board, so you  
17 can think about it, potentially discuss it at the next  
18 meeting, and if there's any sense of which way the Board  
19 wants to go, I'm sure staff and the Office of the  
20 Actuary would like to know.

21           MR. BERGE: Yes, I had a question, Marek. In  
22 the event of there being no loan insurance, what would  
23 be the consequence of that for someone who's taken out a  
24 loan and would otherwise use that insurance?

25           MR. TYSZKIEWICZ: So this doesn't impact any

1 existing loans, this is just for new loans. So for  
2 example, if the Board decided not to provide loan  
3 insurance for retirees, for new loans for retirees, in  
4 the event that they died, their accounts -- there would  
5 be no payment to their accounts to get -- to pay off the  
6 loan. The loan would just be a disbursement from their  
7 account. So that much, whatever the unpaid balance is,  
8 that's that much less that their estate or beneficiaries  
9 wouldn't get.

10 MR. BERGE: Okay.

11 CHAIRMAN BROWN: Thank you, Marek.

12 MS. REILLY: Next is the Executive Director's  
13 report, and the first item on the report is the next  
14 meeting, and it's been suggested that the next regular  
15 meeting of the Teachers' Retirement Board be held on the  
16 third Thursday of the month, May 16th, 2024.

17 CHAIRMAN BROWN: Thank you.

18 MS. REILLY: The second item is a resolution  
19 and it's the Actuary's Determination for the Final  
20 Fiscal Year 2024 Employer Contribution to the New York  
21 City Teachers' Retirement System.

22 Whereas the board of Trustees --

23 MR. KAZANSKY: Please skip to the resolve.

24 MS. REILLY: Resolve that the employer  
25 contribution to the New York City Teachers' Retirement

1 System for fiscal year 2024 in the amount of  
2 \$3,161,752,125 is hereby approved by the Board of  
3 Trustees.

4 CHAIRMAN BROWN: Thank you. Is there a motion  
5 to accept the resolution for the actuary's determination  
6 for the fiscal year 2024 employer contribution?

7 MR. KAZANSKY: So moved.

8 CHAIRMAN BROWN: Thank you. Is there a  
9 second?

10 MS. LEE: Second.

11 CHAIRMAN BROWN: Thank you. All those in  
12 favor, please say aye.

13 (Ayes were heard.)

14 CHAIRMAN BROWN: All those opposed, say nay?  
15 Any abstentions?

16 Let the record show that the motion has  
17 carried. Thank you.

18 MS. REILLY: Next is a resolution for the  
19 Qualified Pension Plan Investment Policy Statement.

20 MR. KAZANSKY: Please skip to the resolve.

21 MS. REILLY: Resolve that the Amended  
22 Investment Policy Statement for the Qualified Pension  
23 Plan of the Teachers' Retirement System of the City of  
24 New York is hereby adopted.

25 CHAIRMAN BROWN: Thank you. Is there a motion

1 to accept the Qualified Pension Plan Investment Policy  
2 Statement?

3 MR. KAZANSKY: So moved.

4 CHAIRMAN BROWN: And is there a second?

5 MS. LEE: Second.

6 CHAIRMAN BROWN: Any discussion? Questions?

7 All those in favor. Please say aye?

8 (Ayes were heard.)

9 CHAIRMAN BROWN: Those opposed, say nay?  
10 Abstentions?

11 Let the record show that the Qualified Pension  
12 Plan Investment Policy Statement has been approved.  
13 Approved. Thank you.

14 MS. REILLY: Next is the calendar, and the  
15 first item is the approval of the following minutes.  
16 March 7th, 2024 Investment Meeting minutes and March  
17 21st, 2024 Board Meeting minutes.

18 CHAIRMAN BROWN: Do I hear a motion to accept  
19 the March 7th, 2024 Investment Meeting minutes and the  
20 March 21st, 2024 Board Meeting minutes?

21 MR. KAZANSKY: So moved.

22 CHAIRMAN BROWN: Thank you. Is there a  
23 second?

24 MS. LEE: Second.

25 CHAIRMAN BROWN: Great. All those in favor of

1 approving the Investment Meeting minutes and the Board  
2 Meeting minutes, please say aye.

3 (Ayes were heard.)

4 CHAIRMAN BROWN: Those opposed, say nay. Any  
5 abstentions? This resolution, these minutes have been  
6 approved. Thank you.

7 MS. REILLY: Next is the calendar items, and  
8 you all received an electronic version of those items,  
9 so --

10 MR. KAZANSKY: Please waive the reading of the  
11 calendar.

12 CHAIRMAN BROWN: Great. So is there a motion  
13 to accept the calendar items that were previously sent  
14 to us?

15 MR. KAZANSKY: So moved.

16 CHAIRMAN BROWN: Thank you. Is there a  
17 second?

18 MS. LEE: Second.

19 CHAIRMAN BROWN: All those in favor of  
20 accepting the calendar items, please say aye?

21 (Ayes were heard.)

22 CHAIRMAN BROWN: Any opposed, say nay? Any  
23 abstentions? And the calendar items have been approved.  
24 Thank you.

25 MS. REILLY: Next is Other Business, and there

1 is none, unless anybody else has some.

2 And 7 is the questions or comments from the  
3 public. Seeing none.

4 CHAIRMAN BROWN: Great. I guess that's all we  
5 have for Public Session, so is there a motion to go into  
6 Executive Session?

7 MR. KAZANSKY: So moved.

8 CHAIRMAN BROWN: Thank you. Is there a  
9 second?

10 MS. LEE: Second.

11 CHAIRMAN BROWN: Thank you. All those in  
12 favor of going into Executive Session, please say aye?

13 (Ayes were heard.)

14 CHAIRMAN BROWN: Those opposed, say nay? Any  
15 abstentions? Let the record show that we are now in  
16 Executive Session.

17 (Exit Public Session; enter Executive  
18 Session.)

19 (Exit Executive Session; enter Public  
20 Session.)

21 CHAIRMAN BROWN: At this time, we are back  
22 into Public Session. And at this time, we will hear a  
23 readout from Ron Swingle.

24 MR. SWINGLE: Thank you.

25 CHAIRMAN BROWN: Thank you, Ron.

1                   MR. SWINGLE: In Executive Session of the  
2 April 2024 Board Meeting, there was an update on an  
3 investment policy issue, details to be announced at the  
4 appropriate time.

5                   CHAIRMAN BROWN: Thank you, Ron.

6                   Anything else in Public Session? Seeing none,  
7 do I have a motion to adjourn?

8                   MR. KAZANSKY: So moved.

9                   CHAIRMAN BROWN: And is there a second?

10                  MS. LEE: Second.

11                  CHAIRMAN BROWN: Any abstentions? We are  
12 adjourned. Thank you very much.

13                  (The proceedings were concluded at 3:51 p.m.)

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2

3 I, WILLIAM MONTAGUE, a Digital Reporter and  
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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 30th day of April 2024.

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William Montague, Digital Reporter  
Commission No.: 01MO0009174  
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3 I, NANCY KRAKOWER, Legal Transcriptionist, do  
4 hereby certify:

5 That the foregoing is a complete and true  
6 transcription of the original digital audio recording of  
7 the testimony and proceedings captured in the  
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 30th day of April 2024.

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Nancy Krakower, Transcriptionist