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TEACHERS' RETIREMENT BOARD MEETING

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HELD AT:

55 WATER STREET
NEW YORK, NEW YORK

APRIL 19, 2012
3:50 P.M. TO 4:14 P.M.

B E F O R E:

MELVYN AARONSON, CHAIRMAN

REPORTED BY:
LIZ SANCHEZ
EXECUTIVE ASSISTANT TO NELSON SERRANO, EXECUTIVE DIRECTOR

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2 A P P E A R A N C E S :
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4 TRS :
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6 NELSON SERRANO, Executive Director
7 PATRICIA REILLY, Deputy Executive Director
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9
10 MELVYN AARONSON, Teachers' Trustee
11 SANDRA MARCH, Teachers' Trustee
12 MONA ROMAIN, Teachers' Trustee
13
14
15 COMPTROLLER'S OFFICE :
16
17 THAD McTIGUE, Trustee
18
19
20 CORPORATION COUNSEL :
21
22 INGA VAN EYSDEN, Law Department
23
24
25 MAYOR'S APPOINTEE :
26
27 CAROLYN WOLPERT, Alternate Trustee
28
29
30 DEPARTMENT OF EDUCATION :
31
32 JAMIE SMARR, Alternate Trustee
33
34
35 PANEL FOR EDUCATIONAL POLICIES :
36
37 FREIDA FOSTER, Trustee
38
39
40 OFFICE OF THE ACTUARY :
41
42 ROBERT C. NORTH JR., Chief Actuary
43
44
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2 TRS STAFF:

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ROBERT BETHELMY

4

ANDREW BRADFORD

CARMELA CRIVELLI

5

JOEL GILLER

ANNETTE HANRAHAN

6

ELLEN MURPHY-DeLEO

RENEE PEARCE

7

PAUL RAUCCI

ROBERT SANTANGELO

8

MANGESH TARIBAGIL

9

OTHER ATTENDEES:

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HENRY GELFAND, Member

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EDWARD HAHN, TRS Associate

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ROSA POLANCO, TRS Associate

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1 TRS Regular Board Meeting, APRIL 19, 2012

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

3 MR. SERRANO: Good afternoon. We will begin the April 19, 2012
4 regular meeting of the Teachers' Retirement Board by calling the
5 roll. Melvyn Aaronson?

6 MR. AARONSON: Here.

7 MR. SERRANO: Jamie Smarr?

8 MR. SMARR: Present.

9 MR. SERRANO: Sandra March?

10 MS. MARCH: Here.

11 MR. SERRANO: Thad McTigue?

12 MR. McTIGUE: Here.

13 MR. SERRANO: Freida Foster?

14 MS. FOSTER: Present.

15 MR. SERRANO: Mona Romain?

16 MS. ROMAIN: Here.

17 MR. SERRANO: Carolyn Wolpert?

18 MS. WOLPERT: Here.

19 MR. SERRANO: Everybody is here and we certainly have a quorum
20 so we will move on with the meeting. The next item is an update
21 on TRS Operations from Ellen DeLeo.

22 MS. DeLEO: TRS began supporting membership enrollment in
23 Tier VI effective April 1, 2012. Recently enacted legislation
24 changes the benefits of TRS participants who enroll on or after
25 this date. Some of the changes include the contributions

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2 required to be made and the duration of these contributions.

3 As a result of the new tier, TRS experienced a surge in

4 enrollments. 4,640 total applications were received by the

5 Enrollments work unit. 2,129 total applications have been

6 processed to-date, by the Enrollments work unit. 2,511 total

7 applications remain to be processed. Of these applications,

8 675 were pulled and sent to BERS because they were non-eligible

9 titles. The Enrollments work unit has put together a plan to

10 complete processing of the remaining applications by April 27th.

11 MS. MARCH: Before you go on, I hope the Board would allow

12 me to speak for all of us. I want to thank the staff, because

13 I do know that it was a very short period of time that you had

14 and you were barraged by a large number of people who I guess the

15 information in the newspapers woke them up and they finally

16 decided to come and join the System and the Board thanks you for

17 all of the efforts that you put forth.

18 MR. SERRANO: We did create a special website and we did keep

19 the offices extra hours and we were open on Saturday. We worked

20 very well.

21 MS. MARCH: Thank you.

22 MR. SERRANO: Ok. Thanks and we will tell staff. We will

23 pass that along.

24 MS. DeLEO: TRS is completing the effort to notify members

25 required to take a minimum distribution in 2012. The population

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2 of members that will be receiving their first RMD in 2012, was
3 provided to the UFT on March 15th so that they can invite these
4 members to an RMD conference that they will be hosting on May 29th
5 to explain the RMD process.

6 MS. MARCH: Again, if I may interrupt. I want to thank
7 Patricia Reilly and the staff at the Teachers' Retirement System
8 for helping us to be able to identify the individuals who we are
9 able to invite to the meeting that is held at the United Federation
10 of Teachers ("UFT"). I will not give the time, the place or the
11 day because there are, Patricia if I am correct, there were over
12 1,500 people who were eligible and what would happen is, if we
13 advertise the date generally we would have many more people at
14 the meeting than we have capacity to hold. This way, we have the
15 capacity of the first-time recipients of the RMDs, the people who
16 really need the information for the first time.

17 MR. SERRANO: And the rules are complex and they are new to
18 these people and we do find a lot of members show up, a lot of
19 retirees do show up and we find it is very beneficial. We are
20 actually glad to participate.

21 MS. DeLEO: In support of this effort, TRS has begun mailing
22 RMD notifications to 1,900 first-time RMD recipients along with
23 approximately 16,000 additional members that received RMDs last
24 year and are required to receive an RMD in this calendar year again.
25 The mailing is expected to complete by April 25th.

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2 As of April 16th, 13,402 members viewed their beneficiaries'
3 information, 8,971 members updated their beneficiary information
4 and 1,571 members designated first-time beneficiaries online
5 using the new TRS web feature that allows members to add and
6 update their beneficiaries, which went live as of February 1st.

7 Last week, our members had their Spring Break and we saw
8 our usual spike in visitors. Our Walk-In Center serviced 922
9 members during last week's break. This was a 13% decrease from
10 the number of members we saw last year. April also marked the
11 beginning of the July 1st retirement season.

12 MR. SERRANO: Thanks for the update. The next item on the
13 Agenda is the Executive Director's Report. The first item there
14 is the Next Meeting. It has been suggested that the next meeting
15 of the Teachers' Retirement Board be held on the third Thursday
16 of the month, May 17, 2012. Is that ok with everybody?

17 (Whereupon, all those present indicated yes.)

18 MR. SERRANO: The next item is the Actuarial Assumptions.

19 MS. ROMAIN: Please lay it aside.

20 MR. SERRANO: The next item is a Request for the Board of
21 Trustees to Authorize the Actuary to Utilize Pension Census Data
22 to Compute Other Postemployment Benefits Obligations for the
23 Fiscal Year Ending June 30, 2012.

24 Resolved, that the Board of Trustees authorizes the Actuary
25 to utilize June 30, 2011 Pension Census Data to determine Other

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2 MR. AARONSON: Do I have a motion to adopt
3 Postemployment Benefits obligations for the City of New York and,
4 where appropriate, certain Component Units.

5 MS. ROMAIN: So moved.

6 MR. McTIGUE: Second.

7 MR. AARONSON: Does anybody have any comments? Ready to vote?
8 All those in favor of this Resolution say aye.

9 (Whereupon, all those present so indicated.)

10 MR. AARONSON: The Resolution is carried.

11 MR. NORTH: And the Actuary thanks the Board.

12 MR. McTIGUE: The Comptroller backs that also.

13 MR. AARONSON: And the Board is very pleased to be able to
14 assist the Actuary and the Comptroller in their duties.

15 MR. SERRANO: The fourth item is a Resolution concerning the
16 Authorization to the Comptroller of the City of New York to Invest
17 Certain Funds. Every three (3) months the Board is presented with
18 the opportunity to enable the Comptroller to invest funds for the
19 Qualified Pension Plan ("QPP").

20 Resolved, by the Teachers' Retirement Board as
21 trustees of the Teachers' Retirement System that, in
22 accordance with Section 13-513 and Section 13-534 of the
23 Administrative Code of the City of New York, the
24 Comptroller of the City of New York is hereby authorized
25 and requested, in accordance with Section 13-702 of the

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2 Administrative Code of the City of New York to invest
3 consistent with the investment policies of Teachers'
4 Retirement System of the City of New York the contingent
5 reserve fund, the pension reserve fund, the annuity savings
6 fund and the annuity reserve fund referred to in Section
7 13-520 of the Administrative Code of the City of New York,
8 other than the portion thereof held for current needs,
9 pursuant to Section 13-538, subject to the terms and
10 limitations set forth herein:

11 1. The Comptroller shall have the power:

12 a. To make any investment, which the trustees of the
13 Teachers' Retirement System are authorized by law
14 to make, including stock investment in securities
15 as authorized by the Retirement Board in its
16 resolution of November 20, 1990. However, any
17 investment in any tax-exempt security shall
18 require prior approval of the Board.

19 b. To hold, sell, assign, transfer, or dispose of
20 any of the properties, securities or investments
21 in which any of the funds of the Teachers'
22 Retirement System shall have been invested,
23 including the proceeds of such investments and
24 any monies belonging to such fund, subject to the
25 terms, conditions, limitations, and

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2 restrictions impose by the law upon the trustees
3 of the Teachers' Retirement System.

4 c. In the name of the Comptroller, as agent of the
5 trustees, to foreclose mortgages upon default or
6 to take title to real property in such
7 proceedings in lieu thereof, or to lease and sell
8 any properties so acquired.

9 2. Any termination, expiration or revocation of this
10 delegation to invest shall not affect any binding
11 commitment previously made by the Comptroller
12 pursuant to such delegation and the Comptroller
13 shall have the power to discharge fully any such
14 binding commitment according to its terms.

15 3. The authority hereby granted to the Comptroller of
16 the City of New York by the Teachers' Retirement
17 Board for the investing of its funds shall be
18 limited to a three-month period commencing April 1, 2012
19 and terminating June 30, 2012.

20 4. Investment of funds of the Teachers' Retirement
21 Board in real estate mortgages which are not
22 guaranteed by the City of New York, the State of
23 New York, and/or the United States governments,
24 may be made by the Comptroller in accordance with
25 an agreed procedure contained in a memorandum

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2 dated March 16, 1968.

3 5. The transactions executed within the provisions
4 of paragraphs 1-4 of this resolution shall be
5 submitted to the Teachers' Retirement Board at
6 the next meeting following the execution of such
7 transaction.

8 MS. MARCH: So moved.

9 MS. ROMAIN: Second.

10 MR. AARONSON: Any questions? Ready to vote? All those in
11 favor?

12 (Whereupon, all those present so indicated.)

13 MR. AARONSON: The Comptroller can invest some money for the
14 next three (3) months. Mr. McTigue, thank you.

15 MR. McTIGUE: We thank the Board.

16 MR. SERRANO: The fifth item is similar to the fourth. The
17 same Authorization to the Comptroller. This is to invest the Tax-
18 Deferred Annuity Fund.

19 Resolved, by the Teachers' Retirement Board as trustees of the
20 Teachers' Retirement System that, in accordance with Sections 13-513
21 and Section 13-534 of the Administrative Code of the City of New
22 York, the Comptroller of the City of New York is hereby authorized
23 and requested, in accordance with Section 13-702 of the
24 Administrative Code of the City of New York to invest consistent
25 with the investment policies of Teachers' Retirement System of

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2 the City of New York the portion of the annuity savings fund and
3 the annuity reserve fund arising from the tax-deferred annuity
4 net contributions, subject to the terms and limitations set
5 forth herein:

6 1. The Comptroller shall have the power:

7 a. To make any investment, which the trustees of the
8 Teachers' Retirement System are authorized by law
9 to make, including stock investment in securities
10 as authorized by the Retirement Board in its
11 resolution of November 20, 1990. However, any
12 investment in any tax-exempt security shall
13 require prior approval of the Board.

14 b. To hold, sell, assign, transfer, or dispose of
15 any of the properties, securities or investments
16 in which any of the funds of the Teachers'
17 Retirement System shall have been invested,
18 including the proceeds of such investments and
19 any monies belonging to such fund, subject to the
20 terms, conditions, limitations and restrictions
21 imposed by the law upon the trustees of the
22 Teachers' Retirement System.

23 c. In the name of the Comptroller, as agent of the
24 trustees, to foreclose mortgages upon default
25 or to take title to real property in such

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2 proceedings in lieu thereof, or to lease and
3 sell any properties so acquired.

4 2. Any termination, expiration or revocation of this
5 delegation to invest shall not affect any binding
6 commitment previously made by the Comptroller
7 pursuant to such delegation and the Comptroller
8 shall have the power to discharge fully any such
9 binding commitment according to its terms.

10 3. The authority hereby granted to the Comptroller of
11 the City of New York by the Teachers' Retirement
12 Board for the investing of its funds shall be
13 limited to a three-month period commencing April 1, 2012
14 and terminating June 30, 2012.

15 4. Investment of funds of the Teachers' Retirement
16 Board in real estate mortgages which are not
17 guaranteed by the City of New York, the State of
18 New York, and/or the United States government, may
19 be made by the Comptroller in accordance with an
20 agreed procedure contained in a memorandum dated
21 March 16, 1968.

22 The transactions executed within the provisions of
23 paragraphs 1-4 of this resolution shall be submitted to
24 the Teachers' Retirement Board at the meeting next following
25 the execution of such transaction.

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2 MS. MARCH: So moved.

3 MS. ROMAIN: Second.

4 MR. AARONSON: Is there any discussion? Seeing none, we
5 are ready to vote. All those in favor?

6 (Whereupon, all those present so indicated.)

7 MR. AARONSON: Any opposed? It is carried. So we are again,
8 going to thank the Comptroller's Office.

9 MR. McTIGUE: Thank you.

10 MR. AARONSON: And we will see about how well you do these
11 three (3) months.

12 MR. SERRANO: The sixth item concerns the Proposed
13 Administrative Fiscal Year 2013 Budget for the agency.

14 MS. ROMAIN: Move to the Resolved.

15 MR. SERRANO: Resolved, that the Agency Budget as proposed
16 for the Fiscal Year 2013 (inclusive of the funds set aside to
17 complete the analysis to improve the Tax-Deferred Annuity and
18 Variable Services) as presented to the Budget Committee in the
19 amount of \$54,169,138, is hereby adopted; and be it further

20 Resolved, that the Trustees hereby grant the authority to
21 the Executive Director or his designee to expend all necessary
22 monies out of such budget, in accordance with Section 13-518 and
23 other governing laws.

24 Before the Board approves that, I would just give some back-
25 ground information. Looking back at FY2011, the Board approved

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2 the budget of \$55,574,813 and the actual expenditures were
3 \$52,231,059, so we had a surplus of \$3,343,753. I will give
4 Liz the notes to attribute those costs to the twelve (12)
5 different funding sources.

6 The second item is that for 2012, the adopted budget was
7 \$54,708,158. We project, prior to Tier VI, which I will talk
8 about in a second, that we would spend \$53,597,077 with an
9 expected surplus of \$1,111,081. However, some of that money
10 is going to be used, since we upgraded our system, for the new
11 Tier VI, which was just implemented last month. So we will have
12 a better sense of how that works out. But, we will not need a
13 budget modification for this year for Tier VI, because we do have
14 some surplus money.

15 For FY2013, we mentioned that the budget is \$54,169,138 which
16 is a result of detailed meetings, reports and discussions between
17 the Budget Committee and staff. I want to note that it is a
18 reduction of \$600,000 almost, from last year. So we actually have
19 a smaller budget than last year. However, again, because Tier VI
20 was implemented and we are still scoping it out and understanding
21 how much it is costing to implement. Most likely, we will have to
22 come back to the Board with a budget modification. Most likely in
23 September with anything, to see what type of funds we will need for
24 Tier VI.

25 MS. MARCH: If we do not approve that, does that mean the we

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2 will be able to have our members in the old tier?

3 MR. AARONSON: Is there any further discussion?

4 MS. WOLPERT: I would just like to comment. Sitting on the
5 Budget Committee I was really impressed with the work by the staff.
6 It was very detailed, complex information and I think it really gave
7 the Committee a sense of what the Fund is doing and explained the
8 budget very well. I was impressed.

9 MR. SERRANO: Thank you.

10 MS. REILLY: Thank you.

11 MR. AARONSON: Thank you very much.

12 MR. SERRANO: I appreciate it.

13 MR. McTIGUE: The Comptroller's Office echoes the sentiment.

14 MR. AARONSON: And the Teacher Members, who serve on that Board,
15 also think that you did a great job and if we did not have this new,
16 terrible, imposition of funds that we are going to have to spend, we
17 would have saved \$600,000 in a time when the City and the Retirement
18 System could use all the savings. You did a great job. Thank you.

19 MR. SERRANO: Thank Thad and (inaudible).

20 MR. AARONSON: I thank the staff and we have a new Budget
21 Director, it is my understanding? Could you stand up and say hello
22 and say your name?

23 MS. POLANCO: Rosa Polanco. (Note: Ms. Polanco's actual title
24 is Budget Manager.)

25 MR. SERRANO: Who comes from us from the Office of Management

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2 and Budget ("OMB") and has a lot of budget experience and really has
3 been an impact player in working with Ed to help us put this
4 together. I am very happy and able to say she saved us \$600,000.

5 MR. AARONSON: Thank you very much.

6 MS. ROMAIN: Rosa, you already did your job.

7 (Detailed Budget Information to be included in the Minutes)

8 FY2011 Final Administrative Budget: On May 2010, the Board of
9 Trustees of the Teacher's Retirement System granted the authority to
10 the Executive Director of his designee to expend all necessary monies
11 out of the Proposed Administrative Budget for Fiscal Year 2011, in
12 accordance with section 13-518 and other governing laws, based on
13 estimated fund allocated factors which included:

14 *9.83% of \$5,281,149 attributable to the Variable A Annuity Fund of*
15 *the Qualified Pension Plan (QPP), 1.48% or \$795,127 will be*
16 *attributable to the Variable B Annuity Fund of the Qualified Pension*
17 *Plan (QPP), 0.31% or \$166,547 will be attributable to the Variable C*
18 *Annuity Fund of the Qualified Pension Plan (QPP), 0.21% or \$112,823*
19 *will be attributable to the Variable D Annuity Fund of the Qualified*
20 *Pension Plan (QPP), 0.19% or \$102,077 will be attributable to the*
21 *Variable E Annuity Fund of the Qualified Pension Plan (QPP), 13.95%*
22 *or \$7,494,611 will be attributable to the Variable A Annuity Fund of*
23 *the Tax Deferred Annuity Plan (TDA), 2.96% or \$1,590,254 will be*
24 *attributable to the Variable B Annuity Fund of the Tax Deferred*
25 *Annuity Plan (TDA), 0.52% or \$279,369 will be attributable to the*

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2 Variable C Annuity Fund of the Tax Deferred Annuity Plan (TDA),
3 0.36% or \$193,409 will be attributable to the Variable D Annuity
4 Fund of the Tax Deferred Annuity Plan, 0.35% or \$188,038 will be
5 attributable to the Variable E Annuity Fund of the Tax Deferred
6 Annuity Plan, 2.72% or \$1,461,315 will be attributable to the Tier
7 IV Loan Expense Fund, 2.56% or \$1,375,355 will be attributable to
8 the TDA Loan Expense Fund, and the remaining 64.56% or \$34,684,739
9 attributable to the employer, for a total approved budget of
10 \$53,724,813.

11 On November 2010, a modification was made to the approved
12 FY2011 budget in the amount of \$1,850,000 for the modernization
13 project, increasing the total FY2011 administrative budget to
14 \$55,574,813.

15 The actual operational Administrative Budget expenditures for
16 Fiscal Year 2011, based on finalized fund allocation factors
17 included:

18 9.83% or \$5,072,326 attributable to the Variable A Annuity Fund
19 of the Qualified Pension Plan (QPP), 1.42% or \$731,901 to the
20 Variable B Annuity Fund of the Qualified Pension Plan (QPP), 0.30%
21 or \$153,257 to the Variable C Annuity Fund of the Qualified Pension
22 Plan (QPP), 0.20% or \$100,950 to the Variable D Annuity Fund of the
23 Qualified Pension Plan (QPP), 0.19% or \$96,999 to the Variable E
24 Annuity Fund of the Qualified Pension Plan (QPP), 13.31% or
25 \$6,869,674 to the Variable A Annuity Fund of the Tax Deferred

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2 *Annuity Plan (TDA), 2.87% or \$1,481,289 to the Variable B Annuity*
3 *Fund of the Tax Deferred Annuity Plan (TDA), 0.60% or \$309,677 to*
4 *the Variable C Annuity Fund of the Tax Deferred Annuity Plan (TDA),*
5 *0.37% or \$190,967 to the Variable D Annuity Fund of the Tax Deferred*
6 *Annuity Plan (TDA), 0.36% or \$185,806 to the Variable E Annuity Fund*
7 *of the Tax Deferred Annuity Plan (TDA), 2.88% or \$1,487,853 to the*
8 *Tier IV Loan Expense Fund, 3.11% or \$1,603,198 to the TDA Loan*
9 *Expense Fund, and the remaining 64.57% or \$33,326,431 attributable*
10 *to the employer, for total Fiscal Year 2011 expenditures of*
11 *\$51,610,327, which does not include the modernization expenses. An*
12 *additional \$620,732 was spent for modernization assessment, totally*
13 *out of the non-fixed funds, for a total agency expenditure of*
14 *\$52,231,059.*

15 MR. AARONSON: Anybody have any questions? Are we ready to
16 vote? All those in favor of approving the budget signify by saying
17 aye.

18 (Whereupon, all those present so approved.)

19 MR. AARONSON: Does anybody oppose? The budget is carried.

20 MR. SERRANO: Our next item is the Bond Fund (Variable B).

21 MS. ROMAIN: Move to the Resolved.

22 MR. SERRANO: Resolved, that the Board adopt the recommendation
23 of the Finance Committee to terminate the investment management
24 agreement with BNY Mellon, to terminate the remaining Wrap
25 Agreements, and to transfer all of the cash and Guaranteed

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2 Investment Contracts ("GICS") to NISA Investment Advisors, who will
3 be the remaining investment manager in the Bond Fund; and be it
4 further

5 Resolved, that the Chair, or in his/her absence, the Executive
6 Director, or in his absence the Director, Investment Administration,
7 is hereby authorized and directed to issue instructions and take any
8 other action as may be necessary to implement this resolution.

9 MR. AARONSON: Are there any questions from the Board Members?
10 Seeing none, are we ready to vote? All those in favor of this
11 Resolution signify by saying aye.

12 (Whereupon, all those present so indicated.)

13 MR. AARONSON: Any opposed or no? Carried.

14 MR. SERRANO: That does conclude the Executive Director's
15 Report and the next item on the Agenda is the Calendar. Each of the
16 Trustees should have received a whole printed copy of the Calendar
17 which identifies all payments and transactions made by the
18 Retirement System during the month.

19 The first item on the Calendar is the approval of the Minutes
20 for the regular meeting held on March 15, 2012. I believe everybody
21 got copies and I believe Liz got comments. Then there is the
22 approval of the items. Pages 1 through 13 is the Monthly Periodic
23 Payroll and TDA, Excess and Loan payments. Page 14 is the payroll
24 summary of the Advanced Payments and new retirees and TDA Accounts.
25 Pages 15 through 36 is the transfer back to TDA Deferreds to Annuity

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2 Payments. Pages 37 through 91 is a listing of Fractional Payments.
3 Pages 92 through 106 is a listing of Uncollected Checks for deceased
4 members. Pages 107 through 132 is a listing of Beneficiaries
5 including Option payments. Pages 133 through 141 are Conversions of
6 Pop-up payments. Pages 142 through 223 are Beneficiaries who
7 received one-time payments from their QPP and TDA accounts. Pages
8 224 through 226 is the return of Net Accumulated Salary deductions.
9 Page 227 is a Transfer of Funds between banks. Pages 228 through
10 232 is the Purchase and Sales of Securities transacted from the
11 Passport Funds Program. Pages 233 through 240 is a list of
12 Outstanding Checks. On pages 241 through 305 is Revisions between
13 those under the Class Coverage Settlement. Pages 306 through 309 is
14 Layoff without Pay transactions. Pages 310 through 313 are payments
15 for Service Credit. Finally, on page 314 is the new Service
16 Retirement payments.

17 MR. AARONSON: Do I hear a motion to approve the Calendar?

18 MS. MARCH: So moved.

19 MR. McTIGUE: Second.

20 MR. AARONSON: Any questions? Ready to vote? Those in favor
21 of approving the Calendar?

22 (Whereupon, all those present so indicated.)

23 MR. AARONSON: Those opposed? Seeing none, the Calendar is
24 approved.

25 MR. SERRANO: That concludes our (inaudible) Agenda. Our next

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2 item is Other Business which includes any other business before the
3 Board.

4 MR. AARONSON: Any Board Member have any item that they would
5 like to raise at this time? Seeing none...

6 MR. SERRANO: And then the last item for public session is if
7 there are any questions or comments from the public.

8 MR. GELFAND: Is there any reason why we cannot see these
9 motions before they are voted on?

10 MR. AARONSON: They are not policy, I know, before they are
11 voted on. But, I am not an attorney so we will ask Corporation
12 Counsel.

13 MS. VAN EYSDEN: I am not sure whether that is a requirement
14 that they be made available but it is something I can certainly look
15 into and report back to the Board on.

16 MR. GELFAND: Yes, because I raised the point a few months ago
17 about the Public having an opportunity to see them before they are
18 voted on. And that seems to have been (inaudible).

19 MR. AARONSON: The Board has not. The Legal people may be
20 studying it and we will get back to hopefully by next meeting.

21 MS. VAN EYSDEN: Yes. It has not been brought up by any of the
22 other pension funds. But, it may have been brought up by someone
23 else in the State and I will certainly look into it and look at the
24 Law and report back to you.

25 MR. GELFAND: Ok. Another question that came up, that I

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2 brought up the By-Laws. That they had not been reviewed since 1992?

3 MR. GILLER: (Inaudible) taking care of reviewing all the
4 documents, in time. The changes that you spoke of at the last
5 meeting are certainly minor and ministerial.

6 MR. GELFAND: They are minor but they should be corrected.
7 Another question, does the Retirement System review the Social
8 Security Death Index database?

9 MR. AARONSON: I believe we do and that is not the only
10 database we review.

11 MR. GELFAND: That would prevent cases of fraud.

12 MR. AARONSON: We do that. We have a very, very thorough
13 review in that area and the number of cases where somebody cheats
14 the System, that have been in the paper, maybe recently that you
15 saw, are minimal and we catch them before the public gets
16 information about it. We refer them to be studied by the Office of
17 the Inspector General and we are very, very strict on that.

18 MR. GELFAND: In line with that, if a person is reported
19 deceased, is there a procedure for having them put back on the TRS
20 rolls?

21 MR. AARONSON: You mean brought back to life?

22 MR. GELFAND: Social Security has made many (inaudible) and
23 they have a process which is called Resurrection.

24 MR. AARONSON: I have heard of that. They celebrated that
25 recently. But Henry, we are very sensitive to treating our retired

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2 members, as well as our in-service members, very, very carefully and
3 yes, if that is brought to our attention, we certainly correct it.

4 MR. GELFAND: State Teachers' Retirement System is looking at
5 modifying the options that have pop-ups that permit a retiree to,
6 how can we say, go back and relinquish that pop-up option. Has the
7 Teachers' Retirement System of New York City looked at a similar
8 provision?

9 MR. AARONSON: The Teachers' Retirement System generally does
10 not do as much of Albany legislative work, but the Teachers' Union
11 in New York City UFT has looking into that. They have written such
12 legislation and will be presented. It has been presented in the
13 past and it will be presented again. Hopefully, we can get it
14 passed. I believe, but of course, the Actuary will have to write an
15 Actuarial note that this would be a savings and a positive event for
16 Teachers' Retirement System. We are going to, and when I say we,
17 I'm sorry, the Union is going to put that legislation in and
18 hopefully, this time we will get it passed. It has been before. It
19 was not passed up until now.

20 MR. GELFAND: One final (inaudible). The State Teachers'
21 Retirement System has a representative who is retired. Is there any
22 possibility that the New York City Retirement System will do the
23 same thing?

24 MR. AARONSON: The Law does not allow it at this time. If the
25 Laws ever change, there is a possibility, but at this moment the Law

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2 does not permit it.

3 MR. GELFAND: Thank you.

4 MR. SERRANO: That concludes the public session.

5 MR. AARONSON: Do I hear a motion to go into Executive Session?
6 So that we can discuss Legal Matters and discussion on confidential
7 personnel matters.

8 MS. ROMAIN: So moved.

9 MR. SMARR: Second.

10 MR. AARONSON: Is there any discussion? Seeing none, all those
11 in favor?

12 (Whereupon all those present so indicated and the meeting went
13 into Executive Session.)

14 MR. AARONSON: Do I hear a motion to move out of Executive
15 Session?

16 MS. MARCH: So moved.

17 MR. AARONSON: Is there a second?

18 MS. FOSTER: Second.

19 MR. AARONSON: Any discussion? All those in favor?

20 (Whereupon, all those present so indicated.)

21 MR. AARONSON: Ok. We are out of Executive Session and I would
22 like to summarize what we did. In the Executive Session, the Board
23 received reports about the status of current litigation and we
24 discussed two (2) employment matters. Do I hear a motion to
25 adjourn?

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2 MS. MARCH: So moved.

3 MR. AARONSON: Do I hear a second?

4 MS. ROMAIN: Second.

5 MR. AARONSON: All those in favor of adjourning?

6 (Whereupon, all those present so indicated and the meeting
7 adjourned.)

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