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NEW YORK CITY TEACHERS' RETIREMENT SYSTEM

4

BOARD MEETING

5

PUBLIC SESSION

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Held on Monday, April 20, 2020 via Videoconference

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ATTENDEES:

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DEBRA PENNY, Chairperson, Trustee

11

DAVID KAZANSKY, Trustee

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THOMAS BROWN, Trustee

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JOHN ADLER, Trustee

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SUSANNAH VICKERS, Trustee

15

NATALIE GREEN-GILES, Trustee

16

RUSSELL BUCKLEY, Trustee

17

JOHN DORSA, Comptroller's Office

18

CYNTHIA COLLINS, Mayor's Office

19

VALERIE BUDZIK, Teachers' Retirement System

20

PATRICIA REILLY, Teachers' Retirement System

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REPORTED BY:

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YAFFA KAPLAN

24

JOB NO. 4469118

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ATTENDEES (Continued):

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THAD McTIGUE, Teachers' Retirement System

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ANNETTE HANHARAN, Teachers' Retirement System

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LIZ SANCHEZ, Teachers' Retirement System

6

ISAAC GLOVINSKY, Teachers' Retirement System

7

PAUL RAUCCI, Teachers' Retirement System

8

KAVITA KANWAR, Teachers' Retirement System

9

CARMELA CRIVELLI, Teachers' Retirement System

10

ANDREW BRADFORD, Teachers' Retirement System

11

NATARAJAN KRISHNAMOORTHY, Teachers' Retirement

12

System

13

ANTHONY MEZZACAPPA, Teachers' Retirement System

14

RENEE PEARCE, Teachers' Retirement System

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MARTA ROSS, ESQ. Law Department

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ALAN KLEINMAN, ESQ. Law Department

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SHERRY CHAN, Office of the Actuary

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Proceedings

2 MS. REILLY: Good afternoon, and welcome
3 to the April 20, 2020 Teachers' Retirement
4 System board meeting. I am going to start by
5 calling the roll.
6 So I have John Adler?
7 MR. ADLER: Yes. I am here.
8 MS. REILLY: Thomas Brown?
9 MR. BROWN: I am here.
10 MS. REILLY: Natalie Green-Giles?
11 MS. GREEN-GILES: Yes, here.
12 MS. REILLY: David Kazansky?
13 MR. KAZANSKY: Present.
14 MS. REILLY: Russell Buckley?
15 MR. BUCKLEY: For Lindsey Oates, DOE
16 CFO, present.
17 MS. REILLY: Debra Penny?
18 MS. PENNY: Here.
19 MS. REILLY: Susannah Vickers?
20 MS. VICKERS: Here.
21 MS. REILLY: All right. We have a
22 quorum.
23 Next on the agenda is an update for TRS
24 operations, and Kavita Kanwar is going to give
25 us the update.

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1 Proceedings
2 MS. KANWAR: Good afternoon, everyone.
3 Can you hear me? Since March 16th, TRS has
4 been operating remotely, and we have made the
5 following operations changes to provide the
6 best possible level of member service with
7 little to no staff present onsite. We have
8 informed our membership through e-mail blasts
9 and social media, and we have set up a
10 COVID-19 information page on our website where
11 we post operational updates and news.
12 All incoming mail handling is now being
13 scanned by an external vendor. All outgoing
14 correspondence to members has been directed to
15 an external vendor for printing and mailing.
16 In addition, as of April 1st, all outgoing
17 correspondence has been made available to
18 members for secure viewing on the website.
19 Members are being directed to use the
20 website for any services that are available as
21 online features. And we have introduced an
22 e-fax capability to allow members to file
23 forms without mailing. Retirement
24 applications have been converted to fillable
25 forms as of April 1st, which allows members to

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1 Proceedings
2 file for retirement through the secure section
3 of the website.

4 The spring schedule for the educational
5 programs is being offered online instead of
6 onsite. Members are being encouraged to
7 enroll in electronic funds transfer in order
8 to receive any kind of reimbursement. Members
9 who are currently receiving their pension or
10 one-time payments via check have been
11 requested to switch to EFT. Check payroll
12 runs on our process once a month while EFT
13 payments will continue on a weekly schedule,
14 and finally, we are currently working on
15 implementing the provisions of the CARES Act,
16 which will provide new loan and withdrawal
17 options to members as well as suspension of
18 the required distributions for the 2020.

19 On March 21, 2020, TRS implemented new
20 system functionality to calculate all new
21 retirement allowances using the updated life
22 expectancy factors for benefit payment options
23 and all reductions. The new factors were
24 provided by the Office of Actuary and adopted
25 by the Board effective April 1, 2019. As a

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1 Proceedings

2 result of the new factors, TRS also revised
3 their retirement benefits of 957 members who
4 retired since last April. These members'
5 benefits will increase by an average of 1,261
6 dollars annually, and the increase will be
7 implemented on the April 2020 payroll. Thank
8 you.

9 MS. REILLY: Thank you, Kavita. Next we
10 have a report from the actuary. Sherry?

11 MS. CHAN: Thank you, Patricia. First
12 thing on my agenda is the final Fiscal Year
13 '20 employer contributions. It was calculated
14 to be 3.59 billion dollars. This is a
15 decrease of approximately 139 million from the
16 preliminary Fiscal Year '20 contributions.
17 The change was due to the change in the
18 actuarial valuation of assets methodology that
19 I had discussed with the Board in the previous
20 months.

21 MS. REILLY: Thank you.

22 MS. CHAN: I don't know if there are any
23 questions. If not, I can move on to the
24 fiscal note report.

25 MR. ADLER: I just have a question.

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1 Proceedings

2 This is John. So Sherry, I believe that --
3 but I just want to confirm that the final
4 Fiscal '20 contribution does not include any
5 changes as a result of the OWBPA change that I

6 think was incorporated into the preliminary
7 Fiscal '21. Am I correct in that?
8 MS. CHAN: Yes.
9 MR. ADLER: So that's not included in
10 Fiscal '20. Thank you.
11 MS. CHAN: So for the fiscal note
12 report, there are three fiscal notes issued in
13 the last month between the last board meeting
14 and this board meeting that pertain to the
15 Teachers' Retirement System. One of them had
16 to do with allowing New York City Retirement
17 System retirees come back to work to help with
18 the public health crisis, and they would be
19 subject to -- you know, barring not passing
20 this legislation, they would be subject to the
21 212 limit.
22 So the bill that this fiscal note was
23 pricing out was if they returned back to work
24 and the cap was lifted so that their pension
25 was not suspended if they made over the cap.

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1 Proceedings
2 We determined this to be a de minimis cost
3 because to the extent that they would not have
4 come back to work, and we would still be
5 paying out their pension benefits anyway. So
6 it's a zero cost for that fiscal note.
7 The second one was to increase the
8 foreign investment cap from 10 percent to 30
9 percent in the basket clause, and that also
10 was a de minimis fiscal note, de minimis cost
11 fiscal note just because we don't expect there
12 to be a large increase in employer
13 contributions with this change.
14 The third fiscal note had to do with if
15 the retirement systems were to post the
16 minutes, the board meeting minutes onto the
17 website, theoretically this would affect
18 employer contributions because employer
19 contributions has an administrative expense
20 component to it, so if -- you know, to the
21 extent that this would increase the
22 administrative expense, it would affect the
23 employer contribution, but because, you know,
24 the board meeting minutes aren't that
25 labor-intensive to upload onto the website,

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1 Proceedings
2 this was also calculated to be a de minimis
3 cost.
4 So that completes the report. Again, I
5 will be happy to answer any questions if there
6 are any. Is Patricia trying to speak?
7 MS. REILLY: Sherry? Can you hear me,

8 Sherry?

9 MS. CHAN: Now I can hear you.

10 MS. REILLY: So next is the executive
11 director's report, and the first item on the
12 executive director's report is the next
13 meeting. It has been suggested that the next
14 regular meeting of the Teachers' Retirement
15 Board be held on the third Thursday of the
16 month, May 21, 2020. Liz, don't show the
17 document. So just mark your calendars for May
18 21, 2020.

19 The next item is a resolution to adopt
20 the Actuary's Determination for the final
21 Fiscal Year 2020 Employer Contribution to the
22 New York City Retirement System.

23 MR. KAZANSKY: Please skip to the
24 resolved.

25 MS. REILLY: "Resolved, that the

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1 Proceedings

2 Employer Contribution to the Teachers'
3 Retirement System of the City of New York for
4 Fiscal Year 2020 in the amount of
5 3,590,801,261 dollars is hereby approved by
6 the Board of Trustees".

7 MS. PENNY: Okay. So do we have a
8 motion to approve it?

9 MR. BROWN: So moved.

10 MR. ADLER: Second.

11 MS. PENNY: Any discussion? All those
12 in favor, please say aye. Aye.

13 MS. VICKERS: Aye.

14 MS. GREEN-GILES: Aye.

15 MR. BUCKLEY: Aye.

16 MR. ADLER: Aye.

17 MR. BROWN: Aye.

18 MR. KAZANSKY: Aye.

19 MS. PENNY: Any opposed? Okay. Motion
20 carries.

21 MS. REILLY: So next on the agenda is
22 the resolution for the Securities Litigation
23 Protocol, and the following resolution is
24 submitted for consideration and adoption by
25 the Board of Trustees of the Teachers'

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1 Proceedings

2 Retirement System.

3 MR. KAZANSKY: Please skip to the
4 resolved on that as well.

5 MS. REILLY: "Resolved, that the Board
6 directs the Law Department to provide updates
7 on its continuing review of the Securities
8 Litigation Protocol and any proposed changes
9 for consideration by the Board".

10 MS. PENNY: Do I hear a motion?
11 MS. BUDZIK: This is Valerie. I don't
12 have the EDR. There should have been an
13 additional resolved there. "Where the
14 Board" --
15 MS. REILLY: Oh, I'm sorry.
16 MS. BUDZIK: -- "adopts the update".
17 MS. REILLY: So the next resolved that
18 the Board directs the Law Department -- no,
19 wait a minute.
20 "Resolved, that the Board of Trustees
21 hereby adopts the attached Securities
22 Litigation Protocol, which replaces the
23 current protocol Appendix 9 of the Board's
24 Investment Policy Statement; and be it further
25 resolved, that the Board directs the Law
0012

1 Proceedings
2 Department to provide updates on its
3 continuing review of the Securities Litigation
4 Protocol and any proposed changes for
5 consideration by the Board."
6 MS. PENNY: Okay. Thank you. Now is
7 there a motion?
8 MR. KAZANSKY: David Kazansky. So
9 moved.
10 MS. PENNY: Okay, thank you. Is there a
11 second?
12 MR. BROWN: Tom Brown seconded.
13 MS. PENNY: Is there any discussion?
14 Susannah, did you second or did you want to
15 say something?
16 MS. VICKERS: No, I'm sorry. I tried to
17 second it.
18 MS. PENNY: Is there any discussion?
19 MS. GREEN-GILES: I just have one
20 question. It's Natalie. I read it. It says
21 on the 15th of every month. This is a
22 question for Valerie I guess. 15th of every
23 month is an update; is that correct?
24 MS. BUDZIK: Yes. By the 15th of every
25 month I think is how it reads, and we do get
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1 Proceedings
2 an update from the law department by the 15th
3 of each month, which is then distributed to
4 the Board.
5 MS. GREEN-GILES: Is there any annual
6 review? I know these are lengthy cases, so is
7 there any sort of an annual lookback to say
8 what have we brought in or where we are on
9 things?
10 MS. BUDZIK: There is not. Attending
11 the meeting is Alan Kleinman who is in the

12 affirmative litigation at the law department.
13 So I don't know if, Alan, you wanted to say
14 anything about that.
15 MR. KLEINMAN: Hi. Can people hear me?
16 MS. PENNY: Yes.
17 MS. REILLY: Yes.
18 MR. KLEINMAN: So what we do is we
19 prepare the monthly report, and each month
20 what's new is highlighted so you don't have to
21 go through everything else. So by getting
22 that, you can see what is happening on a
23 month-by-month basis as to what's going on in
24 the world of securities litigation.
25 MS. GREEN-GILES: Okay. Thank you.

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1 Proceedings
2 MS. PENNY: Okay. Any other discussion?
3 All those in favor? Aye.
4 MS. VICKERS: Aye.
5 MS. GREEN-GILES: Aye.
6 MR. BUCKLEY: Aye.
7 MR. ADLER: Aye.
8 MR. BROWN: Aye.
9 MR. KAZANSKY: Aye.
10 MS. PENNY: Any opposed? All right.
11 Motion carries.
12 MS. REILLY: Okay. Next on the agenda
13 is the calendar, and the first item on the
14 calendar is an approval of the minutes.
15 Approval of the February 6th investment
16 meeting minutes which were laid over at the
17 March board meeting.
18 MR. BROWN: Can we lay them over again?
19 MS. PENNY: Do we have agreement,
20 Patricia? They are still inaccurate; we want
21 to lay them over again; is that correct?
22 MR. BROWN: Yes, Tom Brown. Can we lay
23 the February 6th minutes of the investment
24 meeting? Lay them over?
25 MS. PENNY: Okay. Are we all in

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1 Proceedings
2 agreement that we will lay those over?
3 MR. BUCKLEY: Sounds good to me.
4 MS. PENNY: So we are in agreement. So
5 we will lay over February 6th.
6 MS. REILLY: Next is the approval of the
7 minutes from the February 26th CIM meeting
8 minutes, which were laid over in March, the
9 March 5th investment meeting with the one
10 small change of Russell's name from
11 Christopher to Russell, the March 18th
12 minutes, and the March 19th board meeting
13 minutes.

14 MS. PENNY: Do I have a motion to
15 approve the February 26th through the March
16 19th?
17 MR. BROWN: Tom Brown, so moved.
18 MS. PENNY: Thank you, Tom. Is there a
19 second?
20 MS. VICKERS: Susannah Vickers, second.
21 MS. PENNY: Thank you, Susannah. Any
22 discussion about those meetings?
23 MR. KAZANSKY: Is there a resolution to
24 change Russell's name?
25 MS. PENNY: All those in favor, please

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1 Proceedings
2 say aye. Aye.
3 MS. VICKERS: Aye.
4 MS. GREEN-GILES: Aye.
5 MR. BUCKLEY: Aye.
6 MR. ADLER: Aye.
7 MR. BROWN: Aye.
8 MR. KAZANSKY: Aye.
9 MR. BUCKLEY: Christopher says aye.
10 MS. PENNY: Okay. Motion carries. We
11 have approved them.
12 MS. REILLY: So next is the calendar.
13 You all should have received an electronic
14 version of the calendar.
15 MR. KAZANSKY: Please waive the reading
16 of the calendar.
17 MS. PENNY: Do we have a motion to
18 approve the calendar?
19 MR. KAZANSKY: David Kazanksy, so moved.
20 MS. PENNY: Thank you. Is there a
21 second?
22 MR. BROWN: Tom Brown, second.
23 MS. PENNY: Thank you, Mr. Brown. Any
24 discussion? All those in favor? Aye.
25 MS. VICKERS: Aye.

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1 Proceedings
2 MS. GREEN-GILES: Aye.
3 MR. BUCKLEY: Aye.
4 MR. ADLER: Aye.
5 MR. BROWN: Aye.
6 MR. KAZANSKY: Aye.
7 MS. PENNY: Any opposed? Okay. We have
8 approved the calendar.
9 MS. REILLY: Next on the agenda is other
10 business, but having none, we look for
11 questions or comments from the public.
12 MS. PENNY: Okay. Seeing none, I guess
13 -- all right. Do we have a motion to go into
14 executive session?
15 MR. BROWN: Tom Brown, so moved.

16 MS. PENNY: Thank you. Do we have a
17 second?
18 MS. VICKERS: Susannah Vickers, second.
19 MS. PENNY: Great. All those in favor?
20 Aye.
21 MS. VICKERS: Aye.
22 MS. GREEN-GILES: Aye.
23 MR. BUCKLEY: Aye.
24 MR. ADLER: Aye.
25 MR. BROWN: Aye.

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1 Proceedings
2 MR. KAZANSKY: Aye.
3 (Time noted: 3:50 p.m.)
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C E R T I F I C A T E
STATE OF NEW YORK)
: ss.
COUNTY OF QUEENS)

I, YAFFA KAPLAN, a Notary Public
within and for the State of New York, do
hereby certify that the foregoing record of
proceedings is a full and correct
transcript of the stenographic notes taken
by me therein.

IN WITNESS WHEREOF, I have hereunto
set my hand this 29th day of April, 2020.

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YAFFA KAPLAN

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NEW YORK CITY TEACHERS' RETIREMENT SYSTEM

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BOARD MEETING

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PUBLIC SESSION - CLOSEOUT

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Held on Monday, April 20, 2020 via Videoconference

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ATTENDEES:

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DEBRA PENNY, Chairperson, Trustee

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DAVID KAZANSKY, Trustee

11

THOMAS BROWN, Trustee

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JOHN ADLER, Trustee

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SUSANNAH VICKERS, Trustee

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18

PATRICIA REILLY, Teachers' Retirement System

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REPORTED BY:

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YAFFA KAPLAN

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JOB NO. 5496805

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ATTENDEES (Continued):

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THAD McTIGUE, Teachers' Retirement System

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LIZ SANCHEZ, Teachers' Retirement System

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ISAAC GLOVINSKY, Teachers' Retirement System

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RENEE PEARCE, Teachers' Retirement System

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MARTA ROSS, ESQ. Law Department

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Proceedings

2 MR. McTIGUE: During the executive
3 session, a personnel matter was discussed with
4 the Board. No action was taken. That's all
5 that I have.
6 MS. REILLY: Okay.
7 MR. BROWN: No appropriate time?
8 MR. McTIGUE: In this particular
9 instance, it was just a personnel matter.
10 MS. PENNY: I guess that's it. Is there
11 a motion to adjourn?
12 MR. KAZANSKY: David Kazansky, move to
13 adjourn.
14 MS. PENNY: Thank you, David. Is there
15 a second?
16 MR. ADLER: John Adler, second.
17 MS. PENNY: John Adler. Any discussion?
18 All those in favor of adjourning, please say
19 aye. Aye.
20 MS. VICKERS: Aye.
21 MR. BUCKLEY: Aye.
22 MR. ADLER: Aye.
23 MR. BROWN: Aye.
24 MR. KAZANSKY: Aye.
25 MS. PENNY: Any opposed? Okay. We are

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1 Proceedings
2 adjourned.
3 (Time noted: 4:17 p.m.)
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1 Proceedings
2 C E R T I F I C A T E
3 STATE OF NEW YORK)

4 : ss.
5 COUNTY OF QUEENS)

6
7 I, YAFFA KAPLAN, a Notary Public
8 within and for the State of New York, do
9 hereby certify that the foregoing record of
10 proceedings is a full and correct
11 transcript of the stenographic notes taken
12 by me therein.

13 IN WITNESS WHEREOF, I have hereunto
14 set my hand this 29th day of April, 2020.

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18 _____
19 YAFFA KAPLAN
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