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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 MAY 16, 2013  
18 3:53 P.M. TO 4:08 P.M.

19 B E F O R E:

20 MELVYN AARONSON, CHAIRMAN

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24 REPORTED BY:  
LIZ SANCHEZ  
25 EXECUTIVE ASSISTANT TO PATRICIA REILLY, DEPUTY EXECUTIVE DIRECTOR

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

TRS:

PATRICIA REILLY, Deputy Executive Director

MELVYN AARONSON, Teachers' Trustee

SANDRA MARCH, Teachers' Trustee

MONA ROMAIN, Teachers' Trustee

COMPTROLLER'S OFFICE:

THAD McTIGUE, Trustee

MAYOR'S APPOINTEE:

CAROLYN WOLPERT, Trustee

DEPARTMENT OF EDUCATION:

JENNIFER MALDONADO, Alternate Trustee

LAW DEPARTMENT:

INGA VAN EYSDEN, Corporation Counsel

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TRS STAFF:

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ROBERT BETHELMY

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ANDREW BRADFORD

CARMELA CRIVELLI

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ANNETTE HANRAHAN

ANTHONY MEZZACAPPA

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ELLEN MURPHY DeLEO

RENEE PEARCE

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PAUL RAUCCI

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OTHER ATTENDEES:

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1 TRS Regular Board Meeting, MAY 16, 2013

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

3 MS. REILLY: Good afternoon. Welcome to the May 16, 2013  
4 meeting of the Teachers' Retirement Board. I will start by calling  
5 the roll. Melvyn Aaronson?

6 MR. AARONSON: Here.

7 MS. REILLY: Kathleen Grimm? Please note she is not here.  
8 Jennifer Maldonado? (no answer)

9 MS. REILLY: Sandra March?

10 MS. MARCH: Present.

11 MS. REILLY: Thad McTigue?

12 MR. McTIGUE: Here.

13 MS. REILLY: Mona Romain?

14 MS. ROMAIN: Present.

15 MS. REILLY: Carolyn Wolpert?

16 MS. WOLPERT: Here.

17 MS. REILLY: We do have a quorum, so the next item on the  
18 Agenda is the Update on TRS Operations. Ellen has some updates  
19 for us.

21 MS. DeLEO: As of May 15, 2013, the Teachers' Retirement  
22 System of the City of New York ("TRS") has received 219 July 1<sup>st</sup>  
23 retirement applications of which 138 have been prepared and pended  
24 by Benefits Administration. Benefits Administration is targeting  
25 the July 31<sup>st</sup> payroll to begin advance payments with the goal of

1 TRS Regular Board Meeting, MAY 16, 2013

2 finalizing 85% of non-pended retirement cases within four months.

3 Representatives from the Department of Education ("DOE")  
4 Benefits Office will be here on June 6<sup>th</sup> in addition to the period  
5 from June 10<sup>th</sup> through June 28<sup>th</sup>, to accept Health Benefits  
6 Applications from our members submitting retirement applications.  
7 This service provides the convenience of filing both forms in one  
8 location during this peak retirement filing period. We would  
9 like to thank the DOE Benefits Office once again for collaborating  
10 with us to provide this opportunity.

11 In terms of the Spring TDA Campaign, a TDA promotional  
12 campaign was conducted this spring. The campaign was comprised  
13 of a promotional mailing that included an enrollment form, a  
14 website promotion, and an announcement in the Spring Member  
15 Newsletter. The population selected for the TDA Spring Campaign  
16 mailing consisted of non-TDA participants enrolled in TRS from  
17 September 1, 2011 through March 15, 2013. The mailing to 11,139  
18 non-participating members was completed on March 18<sup>th</sup>.

19 The mailing of the TDA Quarterly Statement for participants  
20 with TDA Deferral Status for the 1<sup>st</sup> Quarter 2013, to a population  
21 of approximately 44,500 was completed on May 10<sup>th</sup>. The mailing of  
22 TDA Quarterly Statements for beneficiary participants, to a  
23 population of approximately 600 was completed on April 22<sup>nd</sup>. TRS  
24 began printing and mailing the 1<sup>st</sup> Quarter 2013 Quarterly Account  
25 Statements to approximately 110,000 members on May 13<sup>th</sup> and we

1 TRS Regular Board Meeting, MAY 16, 2013

2 anticipate completing the mailing by May 21<sup>st</sup>.

3 MS. REILLY: Thank you Ellen. The next item on the Agenda  
4 is the Executive Director's Report and the first item is the  
5 next meeting. It has been suggested that the next regular meeting  
6 of the Teachers' Retirement Board be held on the third Thursday of  
7 the month, June 20, 2013.

8 The second item is the Annual Meeting of the Teachers'  
9 Retirement Board. In accordance with Section 13-509 of the  
10 Administrative Code of the City of New York, as well as Article 2  
11 of the By-Laws, the Teachers' Retirement Board shall elect a  
12 Chairperson from its membership, at the Annual Meeting to be held  
13 in May of each year. We, therefore, open the floor for nominations.

14 MS. MARCH: I nominate Melvyn Aaronson.

15 MR. AARONSON: With great enthusiasm. (laughter)

16 MR. McTIGUE: Ms. March, it is my pleasure to second the  
17 nomination of Melvyn Aaronson as Chairman.

18 MR. AARONSON: Are there any other nominations? Seeing none,  
19 then are we prepared to vote? Ok, all those in favor of electing  
20 Mr. Aaronson Chairman of the Board say aye?

21 (Whereupon, all those present so indicated.)

22 MR. AARONSON: Anybody who is not prepared to vote for  
23 Mr. Aaronson? Seeing nobody, Mr. Aaronson has been elected and  
24 I would like to thank everybody for doing that and hopefully we  
25 will go through another year of providing benefits for our

1 TRS Regular Board Meeting, MAY 16, 2013

2 members and working toward sound-funding of our System as it  
3 is now. It will even be better and able and we vote on a couple  
4 of recommendations that are before us, so, again, I thank you  
5 very much and we can move on.

6 MS. REILLY: I just want the record to show that Jennifer  
7 Maldonado joined the meeting. The next item is the Actuary's  
8 Recommendation for a Final Fiscal Year 2013 Employer Contribution  
9 to the New York City Teachers' Retirement System.

10 MS. MARCH: Move to the Resolved.

11 MS. REILLY: Resolved, that the Employer Contribution to the  
12 New York City Teachers' Retirement System for Fiscal Year 2013 be  
13 updated from \$2,853,909,197 to \$2,855,639,947 and such revision is  
14 hereby approved by the Retirement Board.

15 MR. AARONSON: Is there any discussion? Anybody have any  
16 questions? Seeing no discussion, are we prepared to vote? All  
17 those in favor of accepting the resolution signify by saying aye.

18 (Whereupon, all those present so indicated.)

19 MR. AARONSON: All those opposed? Seeing no opposition, this  
20 passed.

21 MR. NORTH: And I thank the Board.

22 MR. AARONSON: And the Board wants to ask, just to make this  
23 comment, you seem to be about \$2,000,000 or less than \$3,000,000  
24 off from what your prediction over a year ago to what it is, that is  
25 scary. (laughter)

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2 MR. NORTH: The explanation is that there was an Early  
3 Retirement Incentive in 2010 and we identified after the  
4 preliminary numbers, individuals who had taken the incentive  
5 and for whom the statute required amortizing the unfunded over  
6 five (5) years rather than the implicit unfunded that was already  
7 there and so we had to adjust the numbers slightly.

8 MR. AARONSON: Ok. Thank you for the explanation. We are  
9 ready for the next resolution.

10 MS. REILLY: Next, the Actuary's Recommendation for a  
11 Preliminary Fiscal Year 2014 Employer Contribution to the New  
12 York City Teachers' Retirement System.

13 MS. ROMAIN: Move to the Resolved.

14 MS. REILLY: Resolved, the Retirement Board hereby approves  
15 a Preliminary Fiscal Year 2014 Appropriation to the New York City  
16 Teachers' Retirement System of \$2,998,693,727.

17 MR. AARONSON: Are there any questions? I have a question.  
18 What is the \$27 for? (laughter) I think we could move, if there  
19 are no questions. Other than that, I think we could move to our  
20 vote. All those in favor accepting the Actuary's recommendations  
21 say aye.

22 (Whereupon, all those present so indicated.)

23 MR. AARONSON: Anybody opposed? It is carried.

24 MR. NORTH: And I thank the Board.

25 MS. REILLY: The next resolution, Attendance at a Conference.



1 TRS Regular Board Meeting, MAY 16, 2013

2 The following resolution is presented for consideration and  
3 possible adoption:

4 Resolved, that the Trustee of the Teachers' Retirement  
5 Board hereby approve the attendance and participation of the  
6 Deputy Executive Director and/ or her designee(s), and any  
7 interested Trustee at the Council of Institutional Investor's  
8 2013 Fall Conference from September 25-27, 2013.

9 MR. McTIGUE: I make a motion to approve the resolution.

10 MS. ROMAIN: Second.

11 MR. AARONSON: Is there any discussion? Ready to vote?

12 All those in favor of allowing Trustees to attend this  
13 important conference signify by saying aye.

14 (Whereupon, all those present so indicated.)

15 MR. AARONSON: Anybody opposed? Seeing no opposition,  
16 ayes carried and that resolution is passed.

17 MS. REILLY: The next is Attendance at a Conference.  
18 The following resolution is presented for consideration and  
19 possible adoption:

20 Resolved, that the Trustee of the Teachers' Retirement  
21 Board hereby approve the attendance and participation of the  
22 Deputy Executive Director and/ or her designee(s), and any  
23 interested Trustee at the National Council on Teacher  
24 Retirement's 91<sup>st</sup> Annual Convention from October 5-9, 2013.

25 MS. ROMAIN: So moved.

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2 MR. McTIGUE: Second.

3 MR. AARONSON: Is there any discussion? Seeing none,  
4 we are ready to vote. All those in favor of approving the  
5 attendance at this conference say aye.

6 (Whereupon, all those present so indicated.)

7 MR. AARONSON: Anybody opposed? Ayes have it. The  
8 attendance at this, also very important conference, is  
9 approved.

10 MS. REILLY: Ok. That concludes the Executive Director's  
11 Report and the next item on the Agenda is the Calendar. Each  
12 Trustee should have a full Calendar. The first matter on the  
13 Calendar is the approval of the Minutes for the regular meetings  
14 held on April 18, 2013.

15 MR. AARONSON: Is there anybody that has any questions about  
16 the minutes? Do I hear a motion to accept the minutes?

17 MS. WOLPERT: So moved.

18 MR. McTIGUE: Second.

19 MR. AARONSON: Any discussion? All those in favor of accepting  
20 the minutes say aye.

21 (Whereupon, all those present so indicated.)

22 MR. AARONSON: All those opposed? The ayes have it and the  
23 minutes are carried.

24 MS. REILLY: Then, there is the adoption of these items:  
25 The monthly periodic payroll of TDA Excess and Loan Payments,

1 TRS Regular Board Meeting, MAY 16, 2013  
2 pages 1 through 14 inclusive; Page 15 Payment Summary, Advanced  
3 Payments, New Retirees and TDA Accounts; Pages 16 through 38  
4 inclusive is the Transfer of Active TDA Deferreds to Annuity  
5 Payments; Pages 39 through 97 inclusive Fractional Payments;  
6 Pages 98 through 113 is the Uncollected Checks for Deceased  
7 Members; Pages 114 through 115 inclusive is Beneficiary Continuing  
8 Option Payments; Pages 116 through 130 is the Conversion to Pop-up  
9 Payments; Pages 131 through 206 is Beneficiaries who received  
10 One-Time Payments from their QPP and TDA Accounts; Pages 207  
11 through 209 is the Return Net Accumulated Salary Deductions; Page  
12 210 is Transfer of Funds between Banks; Pages 211 through 215 is  
13 the Purchase of Sales and Securities Transacted from the Passport  
14 Fund Program; Pages 216 through 218 is Outstanding Checks; Pages  
15 219 through 260 inclusive is the Revisions including those under  
16 Class Coverage; Pages 261 through 263 inclusive is the Layoff  
17 without Pay; Pages 264 through 267 are the Payments for Service  
18 Credit; and Page 268 is New Service Retirement Payments.

19 MS. ROMAIN: I move the adoption of the Calendar.

20 MR. AARONSON: Any discussion on the Calendar? Seeing none,  
21 are we ready to vote? All those in favor of accepting the Calendar  
22 signify by saying aye.

23 (Whereupon, all those present so indicated.)

24 MR. AARONSON: Those opposed? The Calendar has been accepted.

25 MS. REILLY: And our Other Business, I have distributed a

1 TRS Regular Board Meeting, MAY 16, 2013

2 proposed calendar for the regular Board Meeting and the Investment  
3 Meetings for the year starting 2013, so if you could please  
4 review that and get any changes or updates back to me by the  
5 Investment Meeting so that the calendar could be distributed at  
6 our June regular Board Meeting.

7 MS. REILLY: Did I say something wrong?

8 MS. ROMAIN: No, no. The paper says something wrong.

9 MS. MARCH: The paper says September 2014.

10 MS. ROMAIN: This has to be corrected.

11 MS. REILLY: Oh, I'm sorry. That will be the first correction.

12 (laughter)

13 MR. AARONSON: Ok, so will everybody please check their  
14 calendars as best they can for next year.

15 MS. REILLY: Yes and get back by the Investment Meeting so  
16 I could have the final for the June Board Meeting.

17 MS. MARCH: Or as final as it can be.

18 MS. REILLY: Only subject to change. (laughter) I there  
19 any other business?

20 MS. MARCH: I think that, Mr. Chair, I think that we have to  
21 go into Executive Session.

22 MR. AARONSON: Before we do that, is anybody from the public  
23 here? So we would not have any questions from the public and I  
24 believe that concludes the business before us, but we do have a  
25 personnel matter so Ms. March, do you want to make a motion?

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2 MS. MARCH: Pursuant to Public Officers Law Section 105,  
3 I move that we go into Executive Session to discuss a proposed  
4 pending or current litigation and to discuss a personnel matter.

5 MR. AARONSON: So as I understand it, there is no litigation  
6 matters to discuss.

7 MS. VAN EYSDEN: No, since they are already going to do the  
8 personnel matter.

9 MR. AARONSON: All those in favor of going into Executive  
10 Session say aye.

11 (Whereupon, all those present so indicated.)

12 MR. AARONSON: Those opposed? No opposition. We will now  
13 be in Executive Session and I ask everybody who is not a Trustee  
14 to please leave. Thank you.

15 (Whereupon, the meeting went into Executive Session.)

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