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NEW YORK CITY TEACHERS' RETIREMENT SYSTEM

3

BOARD MEETING

4

Held on Thursday, May 21, 2015

5

at

6

55 Water Street, New York, New York

7

3:35 p.m.

8

9

ATTENDEES:

10

JOHN ADLER, Chairman, Trustee

11

SANDRA MARCH, Trustee

12

DAVID KAZANSKY, Trustee

13

THOMAS BROWN, Trustee

14

SUSANNAH VICKERS, Trustee

15

RAYMOND ORLANDO, Trustee

16

PATRICIA REILLY, Teachers' Retirement System

17

THAD McTIGUE, Teachers' Retirement System

18

SUSAN STANG, Teachers' Retirement System

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VALERIE BUDZIK, Teachers' Retirement System

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21

REPORTED BY:

22

YAFFA KAPLAN

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JOB NO. 170956

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1 ATTENDEES (Continued):
2 ELLEN DeLEO, Teachers' Retirement System
3 PAUL RAUCCI
4 RENEE PEARCE
5 LIZ SANCHEZ
6 ANTHONY MEZZACAPPA
7 ANNETTE HANHARAN
8 CARMELA CRIVELLI
9 ROBERT GRAY
10 ROBERT BETHELMY
11 KEITH SNOW, ESQ., Law Department
12 ANTHONY BRADFORD
13 SHERRY CHAN, Chief Actuary
14 JOHN GIBNEY, JR., Office of the Actuary
15 MELVYN AARONSON
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1 MS. REILLY: Good afternoon. We are
2 going to begin the May 21, 2015 regular
3 meeting of the Teachers' Retirement Board. I
4 will start by calling the roll.
5 John Adler?
6 MR. ADLER: Here.
7 MS. REILLY: Thomas Brown?
8 MR. BROWN: Here.
9 MS. REILLY: David Kazansky?
10 MR. KAZANSKY: Here.
11 MS. REILLY: Sandra March?
12 MS. MARCH: Present.
13 MS. REILLY: Raymond Orlando?
14 Susannah Vickers?
15 MS. VICKERS: Here.
16 MS. REILLY: Okay. We do have a quorum,
17 and now I am going to ask for nominations for
18 chair.
19 MS. MARCH: Madam Executive Director, it
20 is my pleasure to nominate my colleague John
21 Adler to serve as chair of this board, and I
22 know under his leadership we will accomplish a
23 tremendous amount.
24 MS. REILLY: Do we have a second?
25 MS. VICKERS: Second.

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1 MS. REILLY: All those in favor, say
2 aye.
3 MR. ADLER: Aye.
4 MR. BROWN: Aye.
5 MR. KAZANSKY: Aye.
6 MS. MARCH: Aye.
7 MS. VICKERS: Aye.
8 MS. REILLY: Any opposed? Motion
9 carries. Congratulations.
10 MR. ADLER: Thank you.
11 MS. REILLY: Now I am going to turn it
12 over to the chair for a moment.
13 MR. ADLER: Thank you. Before we start
14 on the agenda, I would just like to welcome
15 our new Chief Actuary, Sherry Chan. Welcome
16 to the Teachers' Retirement System, welcome to
17 the City of New York.
18 MS. CHAN: Thank you.
19 MR. ADLER: And we look forward to a
20 fruitful and close collaboration with you for
21 hopefully years to come.
22 MS. CHAN: I will make sure that
23 happens.
24 MR. ADLER: Great. Thank you.
25 MS. MARCH: May I say something?

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1 MR. ADLER: Of course.

2 MS. MARCH: The Teachers' trustees also
3 welcome you. We are delighted to have a new
4 actuary, and we look forward to moving
5 forward.

6 MS. CHAN: Thank you. Likewise. And
7 it's a pleasure to be here.

8 MS. REILLY: So there is an update on
9 TRS operations. Each of you received the
10 calendar events, and we have a few updates
11 from Ellen DeLeo.

12 MS. DeLEO: I just have one update. As
13 we begin the summer retirement season,
14 benefits administration is preparing for
15 summer retirements. To date, approximately a
16 thousand members were scheduled for pension
17 consultations between April 1st and June 30th.
18 As of May 15th, the total of 314 retirement
19 applications have been received by TRS with
20 retirement dates in June, July, and August of
21 2015.

22 MS. REILLY: Thanks, Ellen.

23 And the next item on the agenda is the
24 executive director's report. The first item
25 there is the next meeting. And it's been

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1 suggested that the next meeting be the third
2 Thursday of the month, June 18, 2015. So if
3 you can mark that on your calendars.

4 And the second item is the annual
5 meeting of the Teachers' Retirement Board in
6 accordance with Section 13-509 of the
7 Administrative Code of the City of New York as
8 well as Article 2 of the By-Laws -- oh, we
9 already did that. I'm sorry.

10 So the second one is the following
11 resolution which was laid over is the
12 Actuary's recommendation for a preliminary
13 fiscal year 2016 employer contribution to the
14 New York City Teachers' Retirement System.

15 MS. MARCH: Please move to the
16 "resolved".

17 MS. REILLY: "Resolved, the Retirement
18 Board hereby approves a Preliminary Fiscal
19 Year 2016 Appropriation to the New York City
20 Teachers' Retirement System of 3 billion
21 407,272,380.

22 MR. ADLER: So is there a motion to that
23 effect?

24 MR. KAZANSKY: So moved.

25 MR. ADLER: Second?

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1 MS. VICKERS: Second.

2 MR. ADLER: Okay. Discussion about the
3 preliminary recommendation for the employer
4 contribution for fiscal year 2016? Any
5 discussion? Okay. Hearing none, let's vote
6 on the motion. All in favor, please say aye.
7 Aye.

8 MR. BROWN: Aye.

9 MR. KAZANSKY: Aye.

10 MS. MARCH: Aye.

11 MS. VICKERS: Aye.

12 MR. ADLER: Opposed? Abstentions? The
13 motion carries.

14 MS. REILLY: Thank you. Next item is
15 attendance at conference. The following
16 resolution is presented for consideration and
17 possible adoption. "Resolved, that the
18 Trustees of the Teachers' Retirement Board
19 hereby approve the attendance and
20 participation of the Executive Director and/or
21 her designees and any interested trustee at
22 the 2015 International Center for Pension
23 Management Discussion Forum from June 7th
24 through June 10, 2015."

25 MR. ADLER: Motion?

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1 MS. MARCH: Moved.
2 MR. ADLER: Second?
3 MS. VICKERS: Second.
4 MR. ADLER: Okay. Any discussion? All
5 in favor, please say aye. Aye.
6 MR. BROWN: Aye.
7 MR. KAZANSKY: Aye.
8 MS. MARCH: Aye.
9 MS. VICKERS: Aye.
10 MR. ADLER: Any opposed? Abstentions?
11 The motion carries.
12 MS. REILLY: Okay. The next item on the
13 agenda is the calendar. Each trustee should
14 have a full calendar, and the first matter on
15 the calendar is the approval of the minutes
16 from the regular meeting held on April 16,
17 2015.
18 MR. ADLER: Motion to approve the
19 minutes?
20 MR. KAZANSKY: Move.
21 MR. ADLER: Second?
22 MS. VICKERS: Second.
23 MR. ADLER: Okay. Any discussion? All
24 in favor, please say aye. Aye.
25 MR. BROWN: Aye.

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1 MR. KAZANSKY: Aye.

2 MS. MARCH: Aye.

3 MS. VICKERS: Aye.

4 MR. ADLER: Opposed? Abstentions? The
5 motion carries.

6 MS. REILLY: All right. The next is the
7 adoption of the following items: From pages 1
8 through 14 on the calendar, the monthly
9 periodic payroll of TDA excess loan payments.
10 Page 15 is the payroll summary, accounts
11 payable, new retirees, and TDA accounts. Page
12 16 through 44, transfer of active TDA-Deferred
13 Annuity payments. Pages 45 through 114,
14 inclusive, are fractional payments.

15 Pages 115 through 126, inclusive, are
16 uncollected checks for deceased members.
17 Pages 127 through 141, inclusive, are the
18 beneficiaries continuing option. Page 142
19 through 151, inclusive, are conversions to
20 pop-up payments. Pages 152 through 201,
21 inclusive, are the beneficiaries who receive
22 one-time payments from their QPP and TDA
23 accounts. Pages 202 through 204 is the return
24 of net accumulated salary deductions. Page
25 205 transfer of funds between banks.

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1 Page 206 through 210, the purchase and
2 sale of securities transacted in the Passport
3 Fund program. 211 through 213 is the
4 successive installment payemnt. Page 214
5 through 216, inclusive, are the lump sum
6 payments. Page 217 through 227 are
7 outstanding checks. Page 228 through 229 are
8 layoff without pay. Page 230 through 232,
9 inclusive, are payments for service credit.
10 Page 234 through 235 are restored to active
11 service. Page 236 are denied accident
12 disability benefits. Page 237, denied
13 ordinary disability benefits, and Page 238,
14 minimum accumulations. Page 239, extensions
15 of rules and regulation, and page 240 is
16 computerized service retirement payments.

17 That concludes the calendar.

18 MS. MARCH: Before we go, may I just
19 explain to anybody like the actuary who is
20 here for the first time? This calendar is
21 sent electronically to us so that we have the
22 right to review it prior to the meeting, and
23 we can call the executive director with any
24 question that we may have about any of the
25 contents that are within the calendar. Now,

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1 if you are as technologically adept as my
2 colleague is, he is sitting here with his
3 iPad, and he is flipping the calendar as we
4 are voting on it.

5 MS. CHAN: Okay.

6 MS. REILLY: There is a vote now.

7 MR. ADLER: Let's just note for the
8 record that Mr. Orlando has joined us.

9 MR. ORLANDO: And is deeply apologetic.

10 MR. KAZANSKY: For joining us?

11 MR. ORLANDO: Says the technologically
12 advanced guy. Certainly not for joining you.
13 This is the best meeting I had all day. Says
14 something about my day.

15 MR. AARONSON: Did you mark him tardy?

16 MR. ADLER: I will leave that to the
17 executive director's discretion. So --

18 Okay. So is there a motion to approve
19 the calendar items for May 21, 2015?

20 MS. MARCH: So moved.

21 MR. ADLER: Is there a second?

22 MS. VICKERS: Second.

23 MR. ADLER: Okay. Motion has been made
24 and seconded. Any discussion? All in favor,
25 please say aye. Aye.

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1 MR. ORLANDO: Aye.

2 MR. BROWN: Aye.

3 MR. KAZANSKY: Aye.

4 MS. MARCH: Aye.

5 MS. VICKERS: Aye.

6 MR. ADLER: All opposed, say no, nay,
7 whatever. Abstentions? No. The motion
8 carries.

9 MS. REILLY: And the next item is other
10 business before the Board, and I just wanted
11 to mention that you all have an updated
12 calendar for next year's board meetings, both
13 investment and regular board meetings. It's
14 been updated. There have been some changes so
15 please review it, and we are going to agree to
16 it at the next board meeting in June.

17 MR. ADLER: Great. Any other business?

18 MS. MARCH: I move that we go into
19 executive session --

20 MR. ADLER: Hold on. We are not there
21 yet. First we have to do questions and
22 comments from the public.

23 MS. MARCH: Sorry.

24 MR. ADLER: So if there is no other
25 business, we will open the floor from comments

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1 and questions from the public.

2 Any questions or comments from the
3 public?

4 MR. AARONSON: There is only one public
5 here. He has no questions.

6 MR. ADLER: Can we ask questions to the
7 public?

8 Okay. I think now your motion is in
9 order.

10 MS. MARCH: I move that we go into
11 executive session pursuant to Public Officer
12 Law 105 for purposes of retention of specific
13 investment managers.

14 MR. ADLER: Okay. Motion has been made.
15 Is there a second?

16 MS. VICKERS: Second.

17 MR. ADLER: Okay. Any discussion? All
18 in favor of the motion, please say aye. Aye.

19 MR. ORLANDO: Aye.

20 MR. BROWN: Aye.

21 MR. KAZANSKY: Aye.

22 MS. MARCH: Aye.

23 MS. VICKERS: Aye.

24 MR. ADLER: Opposed? Abstentions? The
25 motion carries. Okay.

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01 MR. ADLER: So first, is there a motion
02 to exit executive session and go back into
03 public session?

04 MS. MARCH: So moved.

05 MR. ADLER: So moved. Is there a
06 second?

07 MS. VICKERS: Second.

08 MR. ADLER: All motions moved and
09 seconded. All in favor, please aye. Aye.

10 MR. ORLANDO: Aye.

11 MR. BROWN: Aye.

12 MR. KAZANSKY: Aye.

13 MS. MARCH: Aye.

14 MS. VICKERS: Aye.

15 MR. ADLER: Opposed? Abstentions?

16 Motion carries.

17 (Recess taken.)

18 MR. ADLER: Okay. Back in public
19 session.

20 Susan, would you report on executive
21 session, please?

22 MS. STANG: Certainly. In executive
23 session, two private equity investments were
24 discussed. Consensus was reached which will
25 be announced at the appropriate time. And

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01 there was an update on a potential AFL-CIO
02 Housing Trust investment that was presented.

03 MR. ADLER: Okay. Thank you. So I
04 think our agenda is complete. Is there a
05 motion to adjourn?

06 MS. MARCH: So moved.

07 MR. ADLER: Second?

08 MS. VICKERS: Second.

09 MR. ADLER: Okay. All in favor, please
10 say aye. Aye.

11 MR. ORLANDO: Aye.

12 MR. BROWN: Aye.

13 MR. KAZANSKY: Aye.

14 MS. MARCH: Aye.

15 MS. VICKERS: Aye.

16 MR. ADER: Opposed? The meeting is
17 adjourned. Thank you very much.

18 (Time noted: 3:54 p.m.)

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