

0001

1 NEW YORK CITY TEACHERS' RETIREMENT SYSTEM
REGULAR BOARD MEETING
2 Held on Thursday, October 20, 2016
at
3 55 Water Street
New York, New York

4
5

ATTENDEES:

6

JOHN ADLER, Chairperson, Trustee, Finance
7 THADDEUS MCTIGUE, Deputy Executive Director, TRS
DEBRA PENNY, Trustee, TRS
8 DAVID KAZANSKY, Trustee, TRS
THOMAS BROWN, Trustee, TRS
9 SUSANNAH VICKERS, Trustee, Comptroller's Office
RAYMOND ORLANDO, Trustee
10 THADDEUS MCTIGUE, Deputy Executive Director, TRS
ANDREW BRADFORD, TRS
11 VALERIE BUDZIK, TRS
RENEE PEARCE, TRS
12 PAUL RAUCCI, TRS
LIZ SANCHEZ, TRS
13 SUSAN STANG, TRS
SARA CHAUDHRI, TRS
14 ROBERT BETHELMY
ELLEN DeLEO
15 ANNETTE HANRAHAN
ANTHONY MEZZACAPPA
16 CARMELA CRIVELLI
SHERRY CHAN, Chief Actuary
17 AMY OKEREKE, Corporation Counsel

18
19
20
21
22
23
24
25

0002

1 P R O C E E D I N G S
2 (Time noted: 3:35 p.m.)

3

4 CHAIRPERSON ADLER: Welcome to the
5 Teachers' Retirement System Board Meeting of
6 October 20, 2016.

7

Thad, will you call the roll?

8

MR. MCTIGUE: John Adler?

9

CHAIRPERSON ADLER: Here.

10

MR. MCTIGUE: Debra Penny?

11

MS. PENNY: Present.

12

MR. MCTIGUE: David Kazansky?

13 MR. KAZANSKY: Here.
14 MR. McTIGUE: Ray Orlando?
15 MR. ORLANDO: Present.
16 MR. McTIGUE: Thomas Brown.
17 MR. BROWN: Here.
18 MR. McTIGUE: Susannah Vickers?
19 MS. VICKERS: Here.
20 MR. McTIGUE: Raymond Orlando?
21 MR. ORLANDO: Here.
22 MR. McTIGUE: We do have a quorum.
23 CHAIRPERSON ADLER: Thank you so much.
24 Thad, take it away.
25 MR. McTIGUE: Next item on the agenda is

0003

1 an update on TRS operations. I'll send it over to
2 Ellen DeLeo.
3 MS. DELEO: TRS will be sending out
4 notices to 395 members this week that are inactive
5 and not vested, who must take a minimum
6 distribution from their QPP balances for this tax
7 year. The notices include the necessary form for
8 the members to make their RNB elections, as well as
9 withdrawal and rollover election forms, that will
10 enable these members to close their membership
11 accounts.
12 TRS began revising members for the
13 ratified TSA contract who retired between March 6,
14 2010 and June 30, 2015.
15 Approximately 800 members are expected
16 to receive their revised benefits as of the October
17 2016 payroll. TRS expects to begin processing the
18 retirement revisions for the ratified UFT contract
19 for members retired after June 30, 2014, next week.
20 Processing will occur over the next few
21 months, with the first group within the
22 approximately 5,700 members seeing their revised
23 benefits starting on the November 2016 payroll.
24 MR. McTIGUE: Thank you. The next item
25 is the report from the Actuary.

0004

1 MS. CHAN: There is one fiscal note I
2 want to bring your attention to, that was issued
3 since June 10 of this year until yesterday, through
4 yesterday. It is another picture bill of a member
5 who is currently Tier 4, but she worked part-time
6 earlier in her career and felt she needed service
7 to be qualified as Tier 1. That was the fiscal
8 note in regard to that.
9 Also of note is that we issued two
10 reports from my office. One is the OPEB report,
11 other post employment benefits; not including
12 pensions, so mainly health care, retiree health
13 care. That was issued September 23.
14 Then the second report is a revised GASB

15 67/68 report. It was revised due to subsequent
16 data we received from NYCERS following issuance of
17 the first report, which was a week earlier. That
18 report is dated October 11, 2016.

19 CHAIRPERSON ADLER: Questions for Ms.
20 Chan?

21 MR. ORLANDO: I have a question. What
22 is the OPEB liability as of September 23, 2016?

23 MS. CHAN: For the city as a whole,
24 because it's not divided into systems, the unfunded
25 is about \$70 billion.

0005

1 MS. VICKERS: OPEB liability?

2 CHAIRPERSON ADLER: Unfunded OPEB
3 liability. It's all unfunded, essentially; pay as
4 you go?

5 MS. CHAN: We categorize as partially
6 funded.

7 CHAIRPERSON ADLER: Any other questions?

8 MR. McTIGUE: The next item on the
9 agenda is the executive director's report.
10 It has been suggested that the next regular meeting
11 of the Teachers Retirement Board be held on the
12 third Thursday of the month, November 17, 2016.
13 Please mark your calendars accordingly.

14 The second item on the EDR report is the
15 authorization to extend the Board's participation
16 in the common investment meeting.

17 MR. KAZANSKY: Skip to the resolves,
18 please.

19 MR. McTIGUE: "Resolved, the Teachers'
20 Retirement Board extends for a one month period its
21 participation in the common investment meeting,
22 CIM, as described and subject to the conditions of
23 the October 15, 2015 CIM authorizing resolution.

24 "And be it further agreed between the
25 Board, the Comptroller's Office, and other

0006

1 retirement systems.

2 "And be it further resolved nothing in
3 the resolution shall abrogate any rights or waive
4 any responsibilities reserved to the Board of
5 Trustees under applicable law."

6 CHAIRPERSON ADLER: Is there a motion to
7 approve this resolution?

8 MR. KAZANSKY: So moved.

9 CHAIRPERSON ADLER: Is there a second?

10 MS. PENNY: Second.

11 CHAIRPERSON ADLER: Any discussion?

12 (No response.)

13 All in favor of the motion say "Aye."

14 (A chorus of "ayes.")

15 Opposed?

16 Abstentions?

17 (No response.)
18 Motion carries.
19 MR. McTIGUE: That completes, Mr.
20 Chairman, the executive director's report.
21 CHAIRPERSON ADLER: Thank you.
22 Next item on the agenda.
23 MR. McTIGUE: Item Number 5, the
24 calendar. The first item is the matter of approval
25 of the minutes of the regular meeting held

0007

1 September 22, 2016.
2 CHAIRPERSON ADLER: Is there a motion to
3 approve the minutes of the meeting held September
4 22, 2016?

5 MR. KAZANSKY: Moved.
6 CHAIRPERSON ADLER: A second?
7 MS. VICKERS: Second.
8 CHAIRPERSON ADLER: Any discussion?
9 (No response.)
10 All in favor of the resolution say

11 "Aye."
12 (A chorus of "Ayes.")

13 Any opposed?
14 Abstentions?
15 (No response.)

16 The motion carries.
17 MR. McTIGUE: The next item is pages 1
18 to 14, the monthly periodic payroll of TDA access
19 loan payments.

20 Page 15 is the payroll summary of new
21 retirees and accounts payable for new retirees in
22 TDA accounts.

23 Pages 16 through 50 is the transfer of
24 active TDA deferred to annuity payments.
25 And pages 51 through 93 is fractional

0008

1 payments.
2 Pages 94 through 107 is the uncollected
3 checks for deceased members.
4 And pages 108 through 119 is beneficiary
5 continuing option payments.

6 Pages 120 through 124 is conversion of
7 pop-up payments.

8 Pages 125 to 169 is for beneficiaries
9 who received one time payment from their QPP TDA
10 accounts.

11 Pages 170 to 172 is return of net
12 accumulated salary deductions.

13 Page 173 is transfer of funds between
14 banks.

15 And pages 174 through 178 is the
16 purchase and sales of securities transactions for
17 the past fund programs.

18 Page 179 is installment payments.

19 Pages 180 through 190 is outstanding
20 pension checks.

21 Pages 191 through 216 is revisions,
22 including those under class coverage.

23 Page 217 is layoffs without pay.

24 Pages 218 through 220 is payment for
25 service credit.

0009

1 Page 221 is denied accidental disability
2 benefits.

3 Page 222 is denied ordinary disability
4 benefits.

5 Page 223 is minimum accumulation.

6 Page 224 is rules and regulations for
7 the life insurance plan.

8 And page 225 is new service retiree
9 payments.

10 CHAIRPERSON ADLER: Is there a motion to
11 adopt the calendar?

12 MR. BROWN: So moved.

13 MS. VICKERS: Second.

14 CHAIRPERSON ADLER: Any discussion?
15 (No response.)

16 All favor of the motion to adopt the
17 calendar say "Aye."

18 (A chorus of "Ayes.")

19 Any opposed?

20 Abstentions?

21 (No response.)

22 Motion carries. Item 6.

23 MR. McTIGUE: Item 6 is any other
24 business.

25 CHAIRPERSON ADLER: Any other business

0010

1 before the Board today?

2 (No response.)

3 Any questions or comments from the
4 public?

5 (No response.)

6 Hearing none, a motion would be in order
7 to exit public session and go into executive
8 session.

9 MS. PENNY: I move, pursuant to Public
10 Officers Law, Section 105, to go into executive
11 session for discussion regarding the selection of a
12 vendor.

13 CHAIRPERSON ADLER: There's a motion.
14 Is there a second?

15 MR. KAZANSKY: Second.

16 CHAIRPERSON ADLER: Any discussion?
17 (No response.)

18 All in favor of the motion to enter
19 executive session say "Aye."

20 (A chorus of "Ayes.")

21 Any opposed?
22 Abstentions?
23 (No response.)
24 Motion carries. That concludes public
25 session.
0011
1 (Whereupon, the Board entered into executive
2 session.)
3 CHAIRPERSON ADLER: Is there a motion to
4 exit executive session and go back to public
5 session?
6 MS. PENNY: So moved.
7 MR. BROWN: Second.
8 CHAIRPERSON ADLER: Discussion?
9 (No response.)
10 All in favor of the motion say
11 "Aye."
12 (A chorus of "Ayes.")
13 Any opposed?
14 Abstentions?
15 (No response.)
16 Motion carries.
17 (Whereupon, the Board returned to public
18 session.)
19 CHAIRPERSON ADLER: Report out.
20 MS. STANG: In executive session there
21 was discussion of a selection of a vendor.
22 Consensus was reached, which will be announced at
23 the appropriate time.
24 CHAIRPERSON ADLER: I don't think we
25 have any other public session business today.
0012
1 Is there a motion to adjourn?
2 MR. KAZANSKY: Motion.
3 MR. BROWN: Second.
4 CHAIRPERSON ADLER: Any discussion?
5 (No response.)
6 All in favor of the motion to adjourn
7 say "Aye."
8 (A chorus of "Ayes.")
9 Any opposed say "nay."
10 Abstentions?
11 (No response.)
12 We're adjourned.
13 (Time noted: 3:55 p.m.)
14
15
16
17
18
19
20
21
22

23
24
25
0013
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T I O N

I, Jeffrey Shapiro, a Shorthand Reporter and Notary Public, within and for the State of New York, do hereby certify that I reported the proceedings in the within-entitled matter, on Thursday, October 20, 2016, at the offices of the NEW YORK CITY TEACHERS RETIREMENT SYSTEM, 55 Water Street, New York, New York, and that this is an accurate transcription of these proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand this 24th day of October, 2016.

JEFFREY SHAPIRO