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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 NOVEMBER 21, 2013  
18 3:43 P.M. TO 3:54 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, 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 PATRICIA REILLY, Executive Director  
7  
8 MELVYN AARONSON, Teachers' Trustee  
9 SANDRA MARCH, Teachers' Trustee  
10 MONA ROMAIN, Teachers' Trustee  
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12  
13 COMPTROLLER'S OFFICE:  
14  
15 THAD McTIGUE, Trustee  
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18 MAYOR'S APPOINTEE:  
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20 CAROLYN WOLPERT, Trustee  
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23 DEPARTMENT OF EDUCATION:  
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25 KATHLEEN GRIMM, Trustee  
JENNIFER MALDONADO, Alternate Trustee  
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28 PANEL FOR EDUCATIONAL POLICIES:  
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30 JOSEPH C. LEWIS JR., Trustee  
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33 LAW DEPARTMENT:  
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35 PAUL REPHEN, Corporation Counsel  
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38 OFFICE OF THE ACTUARY:  
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40 SAMUEL RUMLEY, Office of the Actuary  
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TRS STAFF:

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ROBERT BETHELMY

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ANDREW BRADFORD

CARMELA CRIVELLI

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JOEL GILLER

ANNETTE HANRAHAN

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MARC KATZ

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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THOMAS BROWN, UFT

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SAMUEL FLAKS, TRS

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1 TRS Regular Board Meeting, NOVEMBER 21, 2013

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

3 MS. REILLY: Good afternoon. We are going to begin the  
4 November 21, 2013 regular meeting of the Teachers' Retirement  
5 Board. I will start by calling the roll. Melvyn Aaronson?

6 MR. AARONSON: Here.

7 MS. REILLY: Kathleen Grimm?

8 MS. GRIMM: Present.

9 MS. REILLY: Joseph C. Lewis Jr.?

10 MR. LEWIS: Present.

11 MS. REILLY: Sandra March?

12 MS. MARCH: Here.

13 MS. REILLY: Thad McTigue?

14 MR. McTIGUE: Here.

15 MS. REILLY: Mona Romain?

16 MS. ROMAIN: Here.

17 MS. REILLY: Carolyn Wolpert?

18 MS. WOLPERT: Here.

19 MS. REILLY: We do have a quorum so we can move on to the  
20 next item which is an update on TRS Operations. Each of you has  
21 the latest Calendar of Events and we have a few updates from  
22 Ellen DeLeo our Director of Business Solutions Group.

23 MS. DeLEO: I have three (3) operational updates. The first  
24 is a final report on Summer Retirements. A total of 1,749 members  
25 retired in July, 230 members retired in August and 196 retired in

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2 September between the first and ninth, for a total of 2,175  
3 retirements.

4 Advanced payments were initiated for all eligible members  
5 or 99% of retirees. TRS, with the help of the Office of the  
6 Actuary, finalized 96% of non-pended July retirement cases by  
7 November retirement payroll, meeting the goal of finalizing  
8 85% of non-pended retirement cases within four (4) months of  
9 the retirement date.

10 As of November 20<sup>th</sup>, completion rates of non-pended summer  
11 retirement cases for August and September are 88% and 89%  
12 respectively. Including July retirements, 95% of all non-pended  
13 summer retirement cases have been finalized within four (4)  
14 months of the retirement date. While five (5) retirement cases  
15 were finalized and placed on retirement payroll in July, the same  
16 month the member filed for retirement, an additional 578 retirement  
17 cases were finalized and placed on retirement payroll in August  
18 representing the highest number in TRS history for the first  
19 month after retirement.

20 MR. AARONSON: I just want to comment. That was so great and  
21 I know it was because of what you do and what your office does Sam  
22 (Rumley) and we appreciate it very much. Thank you.

23 MS. MARCH: And if I might add, I happen to attend a luncheon  
24 where more than half of the number of people who are retired were  
25 present and I cannot begin to tell you how happy they were.

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2 The only sad thing that happened is, many of them expressed the  
3 fact that they would not have retired as soon as they did.

4 MS. ROMAIN: Could you give us an idea of how many are  
5 pending?

6 MS. DeLEO: I would ask Tony (Mezzacappa) to provide that.

7 MR. MEZZACAPPA: Yes. We have, the total number of pending  
8 that we have to-date for July is 166 or 9%, for August we have  
9 56 or 24% and September 59; total 281 that are in pending mode.

10 MS. ROMAIN: And they are pending because of outside agencies?

11 MR. MEZZACAPPA: Because of outside information we are waiting  
12 for.

13 MS. ROMAIN: Thank you.

14 MR. AARONSON: Thank you.

15 MS. REILLY: Ok, thank you Ellen.

16 MR. KATZ: No, no, no.

17 MS. REILLY: She has more, she has more.

18 MS. DeLEO: In addition to the mailings generated by normal  
19 operations and processing, there were 709 per session class  
20 coverage deficit letters generated and mailed to members on leave  
21 in October, 772 per session class coverage deficit letters and  
22 1,097 mandatory QPP contribution deficit planned letters generated  
23 and mailed in November. TRS also mailed 1497 cost letters to  
24 members who are eligible to purchase prior optional service through  
25 our mass buyback process in November. Required Minimum Distribution

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2 notification processing for inactive vested members 70 ½ or  
3 older resulted in 45 members receiving benefit estimates,  
4 encouraging these members to file for retirement. For those  
5 that do not file for retirement, they will be placed on  
6 advanced payment in order to satisfy the RMD requirement.  
7 RMD notification processing for inactive non-vested and  
8 expired members was completed for 195 members. These members  
9 will receive an RMD for the tax year 2013.

10 For our third quarterly 2013 statements, mailing of the TDA  
11 Quarterly Statement for beneficiary participants to a population  
12 of 591 members was completed on October 22<sup>nd</sup>. Mailing of the TDA  
13 Quarterly Statement for participants with TDA deferral status to  
14 a population of 45,321 began on October 25<sup>th</sup> and completed on  
15 November 12<sup>th</sup>. Mailing of quarterly account statements to a  
16 population of approximately 113,000 began on November 11<sup>th</sup> and is  
17 expected to complete on November 27<sup>th</sup>.

18 MS. REILLY: Thank you Ellen.

19 MR. AARONSON: Thank you very much.

20 MS. REILLY: The next item on the Agenda is the Executive  
21 Director's Report and the first item there is the Next Meeting.  
22 It has been suggested that the next regular meeting of the  
23 Teachers' Retirement Board be held on the third Thursday of the  
24 month, December 19, 2013.

25 MR. AARONSON: Please, everybody note that in your calendars.

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2 MS. REILLY: The second item is a resolution for Attendance  
3 at a Conference. The following resolution is presented for  
4 consideration and possible adoption:

5 Resolved, that the Trustees of the Teachers' Retirement  
6 Board hereby approve the attendance and participation of the  
7 Executive Director and/or her designee(s), and any interested  
8 Trustee at the National Conference on Public Employee Retirement  
9 System's Annual Legislative Conference from January 26-28, 2014.

10 MS. MARCH: Moved.

11 MS. ROMAIN: Second.

12 MR. AARONSON: Is there any discussion? Seeing none, we  
13 are ready for a vote. All those in favor?

14 (Whereupon, all those present so indicated.)

15 MR. AARONSON: Any opposed? The ayes have it and the matter  
16 is passed. Thank you.

17 MS. REILLY: The next item on the Agenda is the Calendar.  
18 Each Trustee should have the full Calendar and the first matter  
19 on the Calendar is the approval of the Minutes for the regular  
20 meeting held on October 17, 2013.

21 MR. AARONSON: Before we go into the Calendar, was there  
22 anything new about the Calendar this month; that we are now  
23 moving into the 21<sup>st</sup> century?

24 MS. REILLY: (laughter) So, for the first time, we distributed  
25 the Calendar electronically to all the Trustees and saved many



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2 trees. So hopefully, that was, everybody received their  
3 passwords and were able to...

4 MR. McTIGUE: We did receive it and it worked very  
5 efficiently. Thank you.

6 MS. REILLY: Great. Ok, so then there is the adoption  
7 of these items: The Monthly Periodic Payroll of TDA Excess  
8 and Loan Payments on pages 1 through 14 inclusive; then on  
9 page 15 are Payment Summary, Advanced Payments, New Retirees,  
10 and TDA Accounts; on pages 16 through 34 inclusive is the  
11 Transfer of active TDA deferrals to Annuity Payments; from  
12 pages 35 through 94 inclusive are the Fractional Payments;  
13 pages 95 through 109 inclusive are the Uncollected Checks for  
14 Deceased Members; pages 110 through 125 inclusive are the  
15 Beneficiary Continuing Option Payments; pages 126 through 137  
16 inclusive is the Conversion to Pop-up Payments; pages 138  
17 through 190 inclusive the Beneficiaries who received One-Time  
18 Payments from their QPP and TDA Accounts; pages 191 through  
19 193 inclusive the Return Net Accumulated Salary Deductions;  
20 page 194 Transfer of Funds between Banks; pages 195 through  
21 199 is the Purchase and Sales of Securities Transacted from the  
22 Passport Fund Program; pages 200 through 201 are Lump Sum Payments;  
23 pages 202 through 209 are Outstanding Checks; pages 210 through  
24 216 inclusive is the Revision, are Revisions including those under  
25

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2 Class Coverage; page 217 are Layoff without Pay; pages 218  
3 through 221 inclusive are Payments for Service Credit; and  
4 page 222 are New Service Retirement Payments. And that  
5 concludes the Calendar.

6 MR. AARONSON: Does anybody have a question about anything  
7 on the Calendar? Do I hear a motion to accept the Calendar?

8 MS. GRIMM: So moved.

9 MR. AARONSON: I heard a motion and a second.

10 MS. MARCH: Second.

11 MR. AARONSON: And any discussion? All those in favor of  
12 accepting the Calendar say aye.

13 (Whereupon, all those present so indicated.)

14 MR. AARONSON: Any opposed? No opposed at all so the motion  
15 to accept the agenda carried.

16 MS. REILLY: The next item on the Agenda is if there is any  
17 other business before the Board?

18 MR. AARONSON: Any Board Member?

19 MS. REILLY: And the next item is if there is any question  
20 or comments from the public?

21 MR. AARONSON: Any questions or comments from the public?  
22 Seeing none, do I hear a motion to adjourn?

23 MS. MARCH: So moved.

24 MS. ROMAIN: Second.

25 MR. AARONSON: All those in favor of adjourning say aye.

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2 (Whereupon, all those present so indicated.)

3 MR. AARONSON: Opposed to adjourning, please stay and the  
4 ayes have it. We are adjourned.

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