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NEW YORK CITY TEACHERS' RETIREMENT SYSTEM
REGULAR BOARD MEETING

2

Held on Thursday, December 22, 2016

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at

55 Water Street

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New York, New York

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6 ATTENDEES:

7

JOHN ADLER, Chairperson, Trustee, Finance

PATRICIA REILLY, Executive Director, TRS

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THADDEUS MCTIGUE, Deputy Executive Director, TRS

DEBRA PENNY, Trustee, TRS

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DAVID KAZANSKY, Trustee, TRS

THOMAS BROWN, Trustee, TRS

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SUSANNAH VICKERS, Trustee, Comptroller's Office

RAYMOND ORLANDO, Trustee

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VALERIE BUDZIK, TRS

RENEE PEARCE, TRS

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PAUL RAUCCI, TRS

LIZ SANCHEZ, TRS

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SUSAN STANG, TRS

ELLEN DeLEO

14

ANNETTE HANRAHAN

ANTHONY MEZZACAPPA

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CARMELA CRIVELLI

SAM RUMLEY, Office of the Actuary

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WILLIAM FRANKEL, Corporation Counsel

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P R O C E E D I N G S

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(Time noted: 3:35 p.m.)

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MR. ADLER: Welcome to the Teachers'

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Retirement System Board Meeting of December 22,

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2016.

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Patricia, will you call the roll?

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MS. REILLY: John Adler?

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MR. ADLER: Here.

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MS. REILLY: Debra Penny?

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MS. PENNY: Present.

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MS. REILLY: David Kazansky?

14 MR. KAZANSKY: Here.
15 MS. REILLY: Ray Orlando?
16 (No response.)
17 MS. REILLY: Thomas Brown?
18 MR. BROWN: Here.
19 MS. REILLY: Susannah Vickers?
20 MS. VICKERS: Here.
21 MS. REILLY: We do have quorum. So
22 we'll go to the next item on the agenda, which is
23 an update from TRS operations. Each of you should
24 have received the calendar of events, and we have a
25 few updates from Ellen DeLeo.

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1 MS. DELEO: TRS continues processing of
2 retirement revisions for members retired on or
3 after July 1, 2014, for the ratified UFT contract.
4 As of December payroll, a total of
5 approximately 4,160 members received their revised
6 benefits. Revision to the remaining retirees will
7 continue to be targeted for future payroll.
8 TRS has been working with Pfizer to
9 complete the generation of 1099s for non-periodic
10 distribution. Additionally it's expected that
11 Pfizer will generate 1099s on behalf of TRS for
12 approximately 89,500 retired members and continuing
13 beneficiaries.
14 As part of the efforts, TRS will be
15 mailing an informational brochure in mid January to
16 just over 3,300 new retirees to explain the 1099s
17 they will be receiving for the first time in tax
18 year 2016.
19 TRS is completing the processing of
20 required distributions for the tax year 2016 due to
21 retirees that have deferred annuitization of their
22 TDA balances and are mandated to receive an RMD.
23 Roughly 7,900 retirees will receive
24 their distribution in December of this year, while
25 421 beneficiaries that participate in our TDAB

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1 program will receive RMD's this month also.
2 MS. REILLY: Thank you, Ellen.
3 The next item on the agenda is the
4 executive director's report. And the first item
5 there is the next meeting, which is suggested that
6 the next meeting of the Teachers' Retirement Board
7 be January 26, 2017.
8 And so, the next item is the
9 authorization to the Comptroller of the City of New
10 York to invest certain funds.
11 At it's meeting of September 22 --
12 MR. KAZANSKY: Please waive the reading.
13 MS. REILLY: Completely?
14 MR. KAZANSKY: Yes.
15 CHAIRPERSON ADLER: So we need a motion

16 to approve the authorization to the Comptroller of
17 the City of New York to invest certain funds.
18 Is there such a motion?
19 MR. KAZANSKY: So moved.
20 CHAIRPERSON ADLER: Is there a second?
21 MS. PENNY: Second.
22 CHAIRPERSON ADLER: Any discussion?
23 Note that this is for the period January
24 1 through March 31, 2017.
25 All in favor of the motion say "Aye."

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1 (A chorus of "Ayes.")
2 Any opposed say "Nay."
3 Abstentions?
4 (No response.)
5 Motion carries.
6 MS. REILLY: The next item is the
7 authorization of the Comptroller of the City of New
8 York to invest certain tax deferred annuity funds.
9 MR. KAZANSKY: Please, again, waive the
10 reading.
11 MS. REILLY: I'll just read, "The
12 authority hereby granted to the Comptroller of the
13 City of New York by the Teachers' Retirement Board
14 for the investing of this fund shall be limited to
15 the three month period terminating March 31, 2017."
16 CHAIRPERSON ADLER: Thank you.
17 Is there a motion to approve the
18 authorization to the Comptroller of the City of New
19 York to invest certain tax deferred annuity funds?
20 MS. PENNY: Moved.
21 CHAIRPERSON ADLER: Is there a second?
22 MR. BROWN: Second.
23 CHAIRPERSON ADLER: Discussion?
24 (No response.)
25 All in favor of the motion say "Aye."

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1 (A chorus of "Ayes.")
2 Any opposed say "Nay."
3 Abstentions?
4 (No response.)
5 Motion carries.
6 MS. REILLY: The following resolution is
7 for attendance at a conference. "Resolved that the
8 Trustees of the Teachers' Retirement Board hereby
9 approve the attendance and participation of the
10 executive director and/or her designees and any
11 interested Trustee at the National Conference of
12 Public Employee Retirement Systems 2017 Legislative
13 Conference, from January 29 through January 31,
14 2017."
15 CHAIRPERSON ADLER: Is there a motion to
16 approve that resolution?
17 MR. BROWN: Moved.

18 MS. VICKERS: Second.
19 CHAIRPERSON ADLER: Any discussion?
20 (No response.)
21 All in favor of the motion say "Aye."
22 (A chorus of "ayes.")
23 Opposed?
24 Any Abstentions?
25 (No response.)
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1 Motion carries.
2 MS. REILLY: Next is attendance at a
3 conference. "Resolved, that the Trustees of the
4 Teachers' Retirement Board hereby approve the
5 attendance and participation of the executive
6 director and/or her designees and any interested
7 Trustees at the National Association of Public
8 Pension Attorneys, NAPA, 2017, Winter Seminar, from
9 February 22 through February 24, 2017."
10 CHAIRPERSON ADLER: Is there a motion to
11 approve that resolution?
12 MR. KAZANSKY: Moved.
13 CHAIRPERSON ADLER: Any second?
14 MS. VICKERS: Second.
15 CHAIRPERSON ADLER: Any discussion?
16 (No response.)
17 All in favor of the motion say "Aye."
18 (A chorus of "ayes.")
19 Opposed?
20 Abstentions?
21 (No response.)
22 Motion carries.
23 MS. REILLY: That concludes the
24 executive director's report. The next item on the
25 agenda is the calendar. Each Trustee should have
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1 received a full calendar.
2 The first item on the calendar is the
3 approval of the minutes of the regular meeting held
4 November 17, 2016.
5 CHAIRPERSON ADLER: Is there a motion to
6 approve the minutes for the regular meeting held on
7 November 17, 2016?
8 MS. VICKERS: So moved.
9 CHAIRPERSON ADLER: Is there a second?
10 MR. BROWN: Second.
11 CHAIRPERSON ADLER: I note, I sent out a
12 note about that. The minutes are amended to
13 include --
14 MS. BUDZIK: CIM procedures.
15 CHAIRPERSON ADLER: So we're voting on
16 the minutes including the CIM procedures we
17 approved by resolution at the last meeting. So
18 it's to incorporate those.
19 MS. BUDZIK: Right. And we distributed

20 the procedures to all of the Trustees.
21 CHAIRPERSON ADLER: Yes.
22 Okay. So the motion's made and
23 seconded.
24 Any discussion?
25 All in favor of the motion say "Aye."
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1 (A chorus of "Ayes.")
2 Any opposed say "Nay."
3 Abstentions?
4 (No response.)
5 Motion carries.
6 (Mr. Orlando entered the meeting room.)
7 Let the record reflect Mr. Orlando
8 joined us.
9 MS. REILLY: Next I'll read from the
10 report. Pages 1 through 14 inclusive is the
11 monthly periodic payroll of TDA excess and loan
12 payments.
13 Page 15 is the payroll summary, accounts
14 payable, new retirees and TDA accounts.
15 Pages 16 through 40 inclusive is the
16 transfer of active deferrals to annuity payments.
17 Pages 41 through 106 inclusive are
18 fractional payments.
19 Pages 107 through 122 inclusive are the
20 uncollected checks for deceased members.
21 Pages 123 through 144 are beneficiaries
22 continuing option payments.
23 Pages 145 through 161 inclusive is the
24 conversion to pop-up payments.
25 Pages 162 through 295 inclusive is the
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1 beneficiaries who receive one time payments from
2 their QPP and TDA accounts.
3 Pages 296 through 298 is the return net
4 accumulated salary deductions.
5 Page 299 inclusive is the transfer of
6 funds between banks.
7 Pages 300 through 304 are the purchase
8 and sales of securities transacted from the
9 Passport fund program.
10 Page 305 inclusive is consecutive
11 installment payments.
12 Pages 306 through 308 are outstanding
13 checks.
14 Pages 309 to 1042 inclusive are
15 revisions, including those under class coverage.
16 Page 1424 are layoffs without pay.
17 Pages 1425 through 1427 are payments for
18 service credit.
19 Page 1428 is denied accident
20 disabilities.
21 Page 1429 is denied ordinary

22 disabilities.
23 Pages 1430 to 1431 are authorized to
24 invest for basic and deferred annuity payments.
25 Page 1432 is benefits from July to
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1 September payments.
2 Page 1433, minimum accumulations.
3 Page 1434 are extensions of the life
4 insurance plan.
5 And page 1435 are new service retiree
6 payments.
7 That concludes the calendar.
8 CHAIRPERSON ADLER: Thank you, Patricia.
9 Can I have a motion to approve the
10 calendar?
11 MR. KAZANSKY: So moved.
12 CHAIRPERSON ADLER: Is there a second?
13 MS. PENNY: Second.
14 CHAIRPERSON ADLER: Any discussion?
15 (No response.)
16 All in favor of the motion to approve
17 the calendar please say "Aye."
18 (A chorus of "Ayes.")
19 Any opposed say "Nay."
20 Abstentions?
21 (No response.)
22 The calendar carries.
23 MS. REILLY: The next item on the agenda
24 is any other business before the board?
25 CHAIRPERSON ADLER: Any other business?
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1 (No response.)
2 MS. REILLY: The next item are questions
3 or comments from the public.
4 CHAIRPERSON ADLER: Any questions or
5 comments from the public?
6 MR. GELFAND: Henry Gelfand, member.
7 A question about the transparency. One
8 of the big problems is, if you do watch this over
9 the web, the audio is extremely poor. So lot is
10 missed. When one FOILs a request for the minutes,
11 one is stonewalled. The minutes should be
12 available within five days after the meeting, not
13 the approved minutes, but according to state law,
14 the minutes that have not been approved should be
15 available. They are not.
16 And when we do FOIL the minutes we are
17 stonewalled. We have 30 days to examine your
18 request and determine whether or not it is proper.
19 Any time something is FOILED it is stonewalled.
20 I'd like to know who is the records
21 access officer in terms of doing this? Why isn't
22 there transparency? And when the minutes are
23 posted, they are not correct.

24 They were posted last month. There was
25 supposed to be something included at the end of
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1 them, because during the meeting they were not
2 available. The posted minutes do not have that
3 addendum. They are approved, but nobody bothers to
4 check them.
5 If the person making the transcription
6 makes a mistake, nobody bothers to go back and look
7 to see if it's correct. Is there an explanation
8 for that?
9 CHAIRPERSON ADLER: Thank you for your
10 comments. Is there anybody who would like to
11 respond?
12 MS. BUDZIK: In terms of the minutes, if
13 there's a FOIL request on the minutes, the response
14 is going to be that we post the minutes on our
15 website, which we do the transcripts, with the
16 exception of the executive session, as soon as we
17 receive them from the stenographer.
18 So we do post them you shouldn't --
19 MR. GELFAND: They were not posted until
20 last week.
21 MS. BUDZIK: But you should not be
22 getting the letter that in 30 days we will examine
23 your request.
24 MR. GELFAND: That's the original
25 response.
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1 MS. BUDZIK: I would say you don't need
2 to put a FOIL request in for the minutes, because
3 the minutes are posted on the web as soon as they
4 are available. And we wouldn't handle that as a
5 FOIL request, we would tell you to go to the
6 website, which is I believe what happened.
7 MR. GELFAND: No, it's not.
8 MS. BUDZIK: I believe it is.
9 MR. GELFAND: There was something else I
10 FOILED about a month and a half ago. We had 30
11 days to examine it. There was no response, going
12 back and forth.
13 MS. BUDZIK: I think that's a different
14 matter. Those weren't the minutes. That has to do
15 with the calendar.
16 MR. GELFAND: Right.
17 MS. BUDZIK: I think the FOIL officer
18 thought you were requesting the agenda.
19 MR. GELFAND: The original request was
20 very, very clear.
21 CHAIRPERSON ADLER: I understand your
22 comments. I don't really want to get into back and
23 forth at the board meeting, sir.
24 Let me ask, who is the FOIL officer that
25 the member asked about?

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1 MS. BUDZIK: We have a FOIL inbox which
2 is monitored by the FOIL officer. Her name is
3 Danielle Trailer. But all FOIL requests should
4 come into the FOIL inbox, and they are responded to
5 promptly.

6 CHAIRPERSON ADLER: So, I think, Mr.
7 Gelfand, the FOIL officer has been identified to
8 you. There is a process, I believe -- correct me
9 if I'm wrong -- for appealing FOIL requests that
10 are denied. And I think the system strives to be
11 as transparent as possible and to provide records
12 consistent with what FOIL requires.

13 As far as your point about the audio
14 being not that good --

15 MR. SANCHEZ: We did have a slight issue
16 with the volume level, and that was corrected.

17 MR. GELFAND: I notice there are two
18 mikes on the table.

19 CHAIRPERSON ADLER: No; there's
20 actually, eleven mikes.

21 MR. GELFAND: I notice last month --

22 CHAIRPERSON ADLER: We're trying to be
23 responsive. The system certainly wants to be as
24 open and transparent to our members as we can
25 possibly be, staying within the right side of the

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1 law. So we will strive to do it. But I don't want
2 to get into a back and forth thing here at the
3 board.

4 Thank you for coming, Mr. Gelfand.

5 Any other comments or questions from the
6 public?

7 Seeing none, a motion to enter executive
8 session would be in order.

9 MR. BROWN: I move pursuant to Public
10 Officers Law Section 105 to go into executive
11 session for discussions regarding a legal matter.

12 CHAIRPERSON ADLER: Is there a second?

13 MR. KAZANSKY: Second.

14 CHAIRPERSON ADLER: Any discussion?

15 All in favor of the motion to enter
16 executive session say "Aye."

17 (A chorus of "Ayes.")

18 Any opposed say "Nay."

19 Any abstentions?

20 (No response.)

21 Motion carries.

22 That concludes public session for now.

23 We will start executive session as
24 season as we are ready to go.

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1 (Whereupon, the board entered executive

2 session. Mr. Frankel entered the meeting room.)
3 CHAIRPERSON ADLER: We need a motion to
4 exit executive session and go back into public
5 section.
6 MR. BROWN: Moved.
7 MS. VICKERS: Second.
8 CHAIRPERSON ADLER: Any discussion?
9 (No response.)
10 All in favor of the motion to executive
11 session and go back to public session say "Aye."
12 (A chorus of "Ayes.")
13 Any opposed say "Nay."
14 Abstentions?
15 (No response.)
16 Motion carries.
17 (Whereupon, the Board returned to public
18 session.)
19 CHAIRPERSON ADLER: We're back in public
20 session. Val, can you give us the report from
21 executive session?
22 MS. BUDZIK: During the executive
23 session the Board received an update on a legal
24 matter.
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1 CHAIRPERSON ADLER: Thank you.
2 That concludes our business for today.
3 Can we have a motion to adjourn?
4 MS. VICKERS: So moved.
5 MR. ORLANDO: Second.
6 CHAIRPERSON ADLER: Any discussion?
7 All in favor of the motion to adjourn
8 say "Aye."
9 (A chorus of "Ayes.")
10 Any opposed say "Nay."
11 Abstentions?
12 (No response.)
13 We're adjourned.
14 (Time noted: 4:27 p.m.)
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C E R T I F I C A T I O N

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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, December 22, 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.

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IN WITNESS WHEREOF, I have hereunto set
my hand this 28th day of December, 2016.

JEFFREY SHAPIRO