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NEW YORK CITY TEACHERS' RETIREMENT SYSTEM.

2

REGULAR BOARD MEETING

Held on Thursday, September 22, 2016

3

at

55 Water Street

4

New York, New York

5

6 ATTENDEES:

7

JOHN ADLER, Chairperson, Trustee, Finance

PATRICIA REILLY, Executive Director, TRS

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DEBRA PENNY, Trustee, TRS

DAVID KAZANSKY, Trustee, TRS

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THOMAS BROWN, Trustee, TRS

SUSANNAH VICKERS, Trustee, Comptroller's Office

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RAYMOND ORLANDO, Trustee

THADDEUS MCTIGUE, TRS

11

ANDREW BRADFORD, TRS

VALERIE BUDZIK, TRS

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RENEE PEARCE, TRS

PAUL RAUCCI, TRS

13

LIZ SANCHEZ, TRS

SUSAN STANG, TRS

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ANDREW BRADFORD, TRS

ROBERT BETHELMY

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ELLEN DeLEO

ANNETTE HANRAHAN

16

ANTHONY MEZZACAPPA

CARMELA CRIVELLI

17

NATARAJAN KRISHNAMOORTHY

SHERRY CHAN, Chief Actuary

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AMY OKEREKE, Corporation Counsel

INGA VAN EYSDEN, Corporation Counsel

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P R O C E E D I N G S

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(Time noted: 3:45 p.m.)

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CHAIRPERSON ADLER: Welcome to the
Teachers' Retirement System Board Meeting of
September 22, 2016.

7

Patricia, will you call the roll?

8

MS. REILLY: John Adler?

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CHAIRPERSON ADLER: Here.

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MS. REILLY: Debra Penny?

11

MS. PENNY: Present.

12

MS. REILLY: David Kazansky?

13 MR. KAZANSKY: Here.
14 MS. REILLY: Thomas Brown?
15 MR. BROWN: Here.
16 MS. REILLY: Susannah Vickers?
17 MS. VICKERS: Here.
18 MS. REILLY: Raymond Orlando?
19 MR. ORLANDO: Here.
20 MS. REILLY: We do have a quorum.
21 We have an update on TRS operations.
22 Each of you should have received a calendar of
23 events. We have a few updates from Ellen.
24 MS. DELEO: The 2015 annual benefit
25 statements are mailing September 30. They continue
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1 until October. Approximately 120,000 members with
2 membership statuses of active and on leave will
3 receive a statement by mail. Members will also be
4 able to use the secure member area of our website
5 to access an electronic copy of this year's
6 statement starting in mid October.
7 A total of approximately 5,536 new
8 members being are enrolled with TRS for the new
9 school year, based on the data TRS received from
10 the Department of Education. Welcome kits are
11 expected to be mailed to these new numbers in
12 October.
13 MS. REILLY: Thank you.
14 Next on the agenda is the report from
15 the Actuary.
16 MS. CHAN: There are no items from the
17 Actuary.
18 MS. REILLY: Okay. After that, an audit
19 report from John Adler.
20 CHAIRPERSON ADLER: Thank you.
21 In your packets you have a report of the
22 Audit Committee, and membership of the Audit
23 Committee is Susannah Vickers from the
24 Comptroller's Office, Tom Brown from the Teacher
25 members, and myself from the Mayor's Office. We
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1 met three times during the last fiscal year, and
2 you will see the chart that lists all the audits
3 and the findings. We have more detail on that if
4 anybody would like more detail.
5 Any questions?
6 (No response.)
7 That's it.
8 MS. REILLY: Next on the agenda is the
9 executive director's report. It has been suggested
10 that the next regular meeting of the Teachers'
11 Retirement Board be held October 20, 2016. Mark
12 the calendars.
13 Next is the authorization to the
14 Comptroller of the City of New York to invest

15 certain funds. As of the meeting June 16, 2016
16 Teachers' Retirement Board authorized the
17 Comptroller --

18 MR. KAZANSKY: Waive the reading,
19 please.

20 MS. REILLY: Next is the authorization
21 to the Comptroller of the City of New York to
22 invest certain funds in tax deferred annuity --

23 CHAIRPERSON ADLER: We have a resolution
24 regarding the authorization to the Comptroller of
25 the City of New York to invest certain funds. We a

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1 need a motion to approve.

2 MR. BROWN: So moved.

3 MS. PENNY: Second.

4 CHAIRPERSON ADLER: Discussion?

5 All in favor of the resolution say

6 "Aye."

7 (A chorus of "Ayes.")

8 Any opposed?

9 Abstentions?

10 (No response.)

11 Motion carries.

12 MS. REILLY: Next is the authorization
13 to Comptroller of the City of New York to invest
14 tax deferred annuity funds.

15 MR. KAZANSKY: Waive the reading.

16 CHAIRPERSON ADLER: So, do we have a
17 motion to approve the resolution to authorize the
18 Comptroller to invest certain tax deferred annuity
19 funds?

20 MR. KAZANSKY: Moved.

21 CHAIRPERSON ADLER: Second?

22 MS. PENNY: Second.

23 CHAIRPERSON ADLER: Discussion?

24 All in favor of the resolution say

25 "Aye."

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1 (A chorus of "Ayes.")

2 Any opposed?

3 Abstentions?

4 (No response.)

5 Motion carries.

6 MS. REILLY: Next is the ratification of
7 a vote to reappoint a doctor to the medical board.

8 MR. KAZANSKY: Please move to the
9 resolve.

10 MS. REILLY: "Resolved, that the
11 retirement board hereby reappoint Dr. Alan Davidson
12 to fill a three year term which expires on July 31,
13 2019, in accordance with the provisions of 13-519
14 of the administrative code of the City of New
15 York."

16 CHAIRPERSON ADLER: Is there a motion to

17 approve that resolution?
18 MS. PENNY: So moved.
19 CHAIRPERSON ADLER: Is there a second?
20 MS. VICKERS: Second.
21 CHAIRPERSON ADLER: Any discussion?
22 All in favor of the resolution say
23 "Aye."
24 (A chorus of "Ayes.")
25 Any opposed?
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1 Abstentions?
2 (No response.)
3 Motion carries.
4 MS. REILLY: Next we have a resolution
5 for Sherry Chan.
6 "Whereas, Sherry Chan became the chief
7 actuary of the City of New York in May 2015 after
8 more than 15 years of international actuarial
9 experience;
10 "And whereas Sherry Chan has been
11 extremely active in the actuarial community
12 throughout her career, participating in several
13 professional organizations;
14 "And whereas, the Society of Actuaries
15 is the world's largest organization of actuaries,
16 dedicated to helping actuarial professionals
17 provide their expert advice and relevant solutions
18 for financial, business and societal challenges;
19 "And whereas Sherry Chan, already an
20 associate of the Society of Actuaries, in August of
21 this year successfully completed a rigorous series
22 of examinations and has been named a Fellow of the
23 Society of Actuaries, the highest level of
24 recognition in the actuarial industry;
25 "Therefore be it resolved, that the
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1 Trustees of the Teachers' Retirement Board heartily
2 congratulate Sherry Chan on her outstanding
3 accomplishment and wish her continued success at
4 the top of her field, in her service as Chief
5 Actuary of the City of New York."
6 CHAIRPERSON ADLER: Motion to approve
7 this resolution?
8 MR. KAZANSKY: Moved.
9 MS. VICKERS: Second.
10 CHAIRPERSON ADLER: Any discussion?
11 MS. CHAN: Thank you for the resolution.
12 I did not know this was on the agenda. Thank you.
13 MS. REILLY: Congratulations.
14 MS. CHAN: Thank you.
15 CHAIRPERSON ADLER: The motion has been
16 made and seconded.
17 All in favor of the resolution say
18 "Aye."

19 (A chorus of "Ayes.")
20 Any opposed?
21 Abstentions?
22 (No response.)
23 Motion carries.
24 (Applause.)
25 MS. REILLY: Next is attendance at a
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1 conference.
2 The following resolution was presented
3 for consideration and possible adoption:
4 "Resolved, that the Trustees of the
5 Teachers' Retirement Board hereby approve the
6 attendance and participation of the executive
7 director and/or her designee and any interested
8 Trustee at the Council of Institutional Investors,
9 2016 fall conference from September 28 through 30,
10 2016."
11 CHAIRPERSON ADLER: Is there a motion?
12 MR. KAZANSKY: So moved.
13 CHAIRPERSON ADLER: Second?
14 MS. VICKERS: Second.
15 CHAIRPERSON ADLER: Any discussion?
16 (No response.)
17 All in favor of the resolution say
18 "Aye."
19 (A chorus of "Ayes.")
20 Any opposed?
21 Abstentions?
22 (No response.)
23 Motion carries.
24 MS. REILLY: Next is attendance at a
25 conference. The following resolution is presented
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1 for consideration and possible adoption.
2 "Resolved, that the Trustees of the
3 Teachers' Retirement Board hereby approve the
4 attendance and participation of the executive
5 director and/or her designee and any interested
6 Trustee at the National Council on Teacher
7 Retirement, 94th annual conference, from October 8
8 through October 12, 2016."
9 CHAIRPERSON ADLER: Is there motion?
10 MR. KAZANSKY: Motion.
11 CHAIRPERSON ADLER: Second?
12 MS. VICKERS: Second.
13 CHAIRPERSON ADLER: Any discussion?
14 (No response.)
15 All in favor of the resolution say
16 "Aye."
17 (A chorus of "Ayes.")
18 Any opposed?
19 Abstentions?
20 (No response.)

21 Motion carries.
22 That concludes the executive director's
23 report?
24 MS. REILLY: Right.
25 Next is the calendar. And each Trustee
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1 should have received a full calendar.
2 The first matter on the calendar is that
3 of the approval of the minutes of the regular
4 meeting held June 16, 2016.
5 CHAIRPERSON ADLER: Is there a motion to
6 approve the minutes of the regular meeting of June
7 16?
8 MR. KAZANSKY: Moved.
9 CHAIRPERSON ADLER: Second?
10 MS. VICKERS: Second.
11 CHAIRPERSON ADLER: Any discussion?
12 (No response.)
13 All in favor of the resolution say
14 "Aye."
15 (A chorus of "Ayes.")
16 Any opposed?
17 Abstentions?
18 (No response.)
19 Motion carries.
20 MS. REILLY: Next is the calendar.
21 The monthly periodic payroll of PBA
22 excess and loan payments, that's pages 1 through 14
23 inclusive.
24 Page 15 is the payroll summary, accounts
25 payable, new retirees and TDA accounts.
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1 Pages 16 through 45 inclusive is the
2 transfer of TDA deferred annuity payments.
3 Pages 46 through 110 inclusive are
4 fractional payments.
5 Pages 111 through 130 inclusive are
6 uncollected checks from deceased members.
7 Pages 131 through 151 inclusive are
8 beneficiary continued option payments.
9 Pages 152 through 175 inclusive are
10 conversions to pop-up payments.
11 Pages 176 through 178 are lump sum
12 payments.
13 Pages 179 through 236 inclusive are
14 beneficiaries who received one time payments from
15 TDA accounts.
16 Pages 237 through 239 are return net
17 accumulated salary deduction.
18 Pages 240 inclusive are the transfer of
19 funds between banks.
20 Pages 241 through 245 are the purchase
21 and sales of securities transacted from the
22 Passport funds.

23 Page 246 are installment payments.
24 Page 247 through 254 are outstanding
25 checks.

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1 Pages 253 through 377 inclusive are
2 revisions under class coverage.
3 Page 378 is the denied accident
4 disability benefits.
5 Pages 379 are denied ordinary disability
6 payments.
7 Page 380 are minimum accumulations.
8 Page 381 are rules and regulations for
9 life insurance.
10 Page 382 are retirement payments.
11 Pages 383 through 396 inclusive are
12 monthly periodic payroll of TDA excess loan
13 payments.
14 Page 397 is payroll summary accounts
15 payable, new retirees and TDA accounts.
16 Pages 398 through 431 inclusive are the
17 transfer of TDA deferred to annuity payments.
18 Pages 432 through 495 inclusive are
19 fractional payments.
20 Pages 496 through 510 inclusive are
21 uncollected checks from deceased members.
22 Pages 511 through 529 inclusive are
23 beneficiary continuing option payments.
24 Pages 530 through 539 inclusive are
25 conversions to pop-up payments.

0014

1 Pages 540 through 587 inclusive are
2 beneficiaries who receive one time payments from
3 their QPP and TDA accounts.
4 Pages 589 through 590 are return net
5 accumulated salary deductions.
6 Page 591 inclusive is the transfer of
7 funds between banks.
8 Pages 592 through 596 is the purchase
9 and sales of securities transacted from the
10 Passport Funds.
11 Pages 597 through 605 is outstanding
12 checks.
13 Pages 606 through 638 inclusive are
14 revisions, including those under class coverage.
15 Page 639 are denied accident
16 disabilities.
17 Page 640 are denied ordinary disability
18 benefits.
19 Page 641 is minimum accumulations.
20 Page 642 are rules and regulations for
21 life insurance.
22 Page 643 is new service retirement
23 payments.
24 Pages 644 through 657 inclusive are the

25 monthly periodic payroll TDA excess and loan
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1 payments.
2 Page 658 is the payroll summary of
3 accounts payable, new retirees and TDA accounts.
4 Pages 659 through 681 inclusive are
5 transfers of the active TDA deferred annuity
6 payments.
7 Pages 682 through 714 inclusive are
8 fractional payments.
9 Pages 715 through 730 inclusive are
10 uncollected checks of deceased members.
11 Pages 731 through 738 are beneficiary
12 continuing option payments.
13 Pages 739 through 747 inclusive are
14 conversion pop-up payments.
15 Pages 748 through 793 are beneficiaries
16 who received one time payments from the QPP and TDA
17 accounts.
18 Pages 794 through 796 are return net
19 accumulated salary deductions.
20 Pages 797 inclusive are transfer of
21 funds between banks.
22 Page 798 through 802 is the purchase and
23 sales of securities transacted from the Passport
24 fund program.
25 Pages 803 through 805 are outstanding
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1 checks.
2 Pages 806 through 828 inclusive are
3 revisions including those under class coverage.
4 Page 829 are restoration of health leave
5 of absences.
6 Pages 830 through 831 are layoffs
7 without pay.
8 Pages 832 through 834 are payments for
9 service credit.
10 Page 835 are denied accident disability
11 benefits.
12 Page 836 are denied ordinary disability
13 benefits.
14 Page 837 are minimum accumulations.
15 Page 838 are rules and regulation for
16 life insurance.
17 And pages 839 are new service retirement
18 payments.
19 That concludes.
20 CHAIRPERSON ADLER: That's it.
21 Can we have a resolution to approve the
22 calendar?
23 MR. KAZANSKY: So moved.
24 CHAIRPERSON ADLER: Second?
25 MS. VICKERS: Second.

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1 CHAIRPERSON ADLER: Any discussion?
2 (No response.)
3 All in favor of the resolution say
4 "Aye."
5 (A chorus of "Ayes.")
6 Any opposed?
7 Abstentions?
8 (No response.)
9 Motion carries.
10 MS. REILLY: Next item on the agenda is
11 other business before the Board.
12 CHAIRPERSON ADLER: Apparently not.
13 MS. REILLY: Final agenda item is
14 questions and comments from the public.
15 (No response.)
16 CHAIRPERSON ADLER: That concludes our
17 business for public session today.
18 Is there a motion to exit public session
19 and enter executive session?
20 MR. KAZANSKY: I move, pursuant to
21 Public Officer Law Section 105 to go into executive
22 session for discussions regarding specific
23 investment matters.
24 CHAIRPERSON ADLER: Is there a second?
25 MS. PENNY: Second.

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1 CHAIRPERSON ADLER: Discussion?
2 (No response.)
3 All in favor of the resolution say
4 "Aye."
5 (A chorus of "Ayes.")
6 Any opposed?
7 Abstentions?
8 (No response.)
9 Motion carries.
10 (Recess.)
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1 (Whereupon, the Board entered executive
2 session.

3 CHAIRPERSON ADLER: Discussion?
4 (No response.)
5 All in favor of the motion to exit
6 executive session and enter attorney-client
7 privilege say "Aye."
8 (A chorus of "ayes.")
9 Opposed?
10 (No response.)
11 That ends executive session.
12 (Attorney-client session off the
13 record.)
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1 CHAIRPERSON ADLER: We're back in public
2 session. Susan, would you please report out of
3 executive session.
4 MS. STANG: In executive session an
5 investment matter was discussed.
6 CHAIRPERSON ADLER: Thank you very much.
7 I think that concludes our business for
8 today. A motion to adjourn would be in order.
9 MR. BROWN: Motion.
10 MS. VICKERS: Second.
11 CHAIRPERSON ADLER: Discussion?
12 (No response.)
13 All in favor of the resolution say
14 "Aye."
15 (A chorus of "Ayes.")
16 Any opposed?
17 (No response.)
18 Motion carries. We're adjourned.
19 Thank you very much.
20 (Time noted: 4:11 p.m.)
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2 C E R T I F I C A T I O N
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4 I, Jeffrey Shapiro, a Shorthand

5 Reporter and Notary Public, within and for the
6 State of New York, do hereby certify that I
7 reported the proceedings in the within-entitled
8 matter, on Thursday, September 22, 2016, at the
9 offices of the NEW YORK CITY TEACHERS RETIREMENT
10 SYSTEM, 55 Water Street, New York, New York, and
11 that this is an accurate transcription of these
12 proceedings.

13 IN WITNESS WHEREOF, I have hereunto set
14 my hand this 27th day of September, 2016.

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JEFFREY SHAPIRO