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TEACHERS' RETIREMENT BOARD MEETING

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HELD AT:

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55 WATER STREET
NEW YORK, NEW YORK

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MARCH 15, 2012
3:37 P.M. TO 3:50 P.M.

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B E F O R E:

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MELVYN AARONSON, CHAIRMAN

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REPORTED BY:
LIZ SANCHEZ
EXECUTIVE ASSISTANT TO NELSON SERRANO

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A P P E A R A N C E S :

TR S :

PATRICIA REILLY, Deputy Executive Director

MELVYN AARONSON, Teachers' Trustee
SANDRA MARCH, Teachers' Trustee
MONA ROMAIN, Teachers' Trustee

COMP TROLLER'S OFFICE :

THAD McTIGUE, Trustee

CORPORATION COUNSEL :

INGA VAN EYSDEN, Law Department

MAYOR'S APPOINTEE :

CAROLYN WOLPERT, Alternate Trustee

DEPARTMENT OF EDUCATION :

KATHLEEN GRIMM, Trustee

PANEL FOR EDUCATIONAL POLICIES :

FREIDA FOSTER, Trustee

OFFICE OF THE ACTUARY :

ROBERT C. NORTH JR., Chief Actuary

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2 TRS STAFF:

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ROBERT BETHELMY

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ANDREW BRADFORD

CARMELA CRIVELLI

5

SAMUEL FLAKS

JOEL GILLER

6

ANNETTE HANRAHAN

MARC KATZ

7

ELLEN MURPHY-DeLEO

RENEE PEARCE

8

PAUL RAUCCI

ROBERT SANTANGELO

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SUSAN STANG

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11 OTHER ATTENDEES:

12 HENRY GELFAND, Member

13 RAYMOND SAROLA, Alternate Trustee

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1 TRS Regular Board Meeting, MARCH 15, 2012

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

3 MS. REILLY: Good afternoon. We are going to being the
4 March 15, 2012 regular meeting of the Teachers' Retirement Board.
5 I will start by calling the roll. Melvyn Aaronson?

6 MR. AARONSON: Here.

7 MS. REILLY: Kathleen Grimm?

8 MS. GRIMM: Here.

9 MS. REILLY: Sandra March?

10 MS. MARCH: Present.

11 MS. REILLY: Thad McTigue?

12 MR. McTIGUE: Here.

13 MS. REILLY: Freida Foster?

14 MS. FOSTER: Here.

15 MS. REILLY: Mona Romain?

16 MS. ROMAIN: Present.

17 MS. REILLY: Carolyn Wolpert?

18 MS. WOLPERT: Present.

19 MS. REILLY: Thank you. We do have a quorum and we are
20 going to start with the next item; an Update on TRS Operations.
21 Each of you has the latest Calendar and we have a few updates
22 from Ellen DeLeo, our Director of the Business Solutions Group.

23 MS. DeLEO: The Teachers' Retirement System of the City of
24 New York ("TRS") has begun work on the effort to notify members
25 required to take a Required Minimum Distribution ("RMD") in 2012.

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2 The population of members that will be receiving their first
3 RMD in 2012, will be provided to the United Federation of Teachers
4 ("UFT") by April 2nd so that they can invite these members to the
5 RMD Conference that they will be hosting on May 29th to explain
6 the RMD process. In advance of the conference, TRS will be
7 providing RMD notifications to 1,900 first-time RMD recipients
8 during the third week in April. An additional estimated 14,000
9 members that received RMDs last year will be notified of their
10 requirement to receive an RMD in this calendar year again.

11 As of March 12th: 7,430 members viewed their beneficiaries'
12 information, 5,134 members updated their beneficiary information and
13 741 members designated first-time beneficiaries online using the
14 new TRS web feature that allows members to add or update their
15 beneficiaries. This functionality went live as of February 1st.

16 TRS launched a survey on February 17th to obtain feedback from
17 members that have used the new web feature. About 275 members have
18 responded. 96% of respondents have rated their overall experience
19 as very positive or positive and 96% rated the application as very
20 easy or easy to use.

21 The Department of Education ("DOE") has provided TRS with the
22 data feed for CSA bonus payments made over the past two years and
23 TRS has enhanced processing to be able to accept and process this
24 data on an ongoing basis. For 283 members that received a bonus in
25 the past two years, their retirement benefit required revision.

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2 For the majority, the revision to include the bonus has been
3 completed, while it is expected that the remainder will be
4 completed with the April 2012 payroll.

5 On Saturday, March 10th, TRS representatives participated
6 in the 31st Annual Paraprofessional Festival, sponsored by the
7 UFT. Approximately 500 paraprofessionals attended. Associates
8 from Member Services Center attended to answer questions and
9 provide information while two sessions highlighting membership
10 benefits were delivered by Member Education.

11 MR. AARONSON: Can I just comment, especially on the
12 beneficiary website? One of the things that I have been thinking
13 about and talking about for many, many years, was the fact that
14 we have 20,000 or so of our members who we have no designation
15 of beneficiary on file. We tried many, many things in order to
16 get them to put beneficiaries on file. Nothing succeeded. This
17 seems to be succeeding. If 700 beneficiaries were added in the
18 last month or so that is just great. We have had tragedies where
19 people died, had no beneficiaries listed and families could not
20 get the benefits without going through legal procedures. We have
21 had other unfortunate incidents where people had inappropriate
22 beneficiaries. First spouses, for instance, they were divorced
23 and had new families and we had many, many of our members with
24 trouble over that. So, I want to thank you for this new
25 application. Hopefully, we will be able to get this even down

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2 further than just 700 in a month. This is great.

3 MS. REILLY: Thank you. The next item on the Agenda is the
4 Executive Director's Report and the first item is the Next Meeting.
5 It has been suggested that the next regular meeting of the
6 Teachers' Retirement Board be held on the third Thursday of the
7 month, April 19, 2012.

8 MR. AARONSON: Will everybody please note that?

9 MS. REILLY: The second item on the Agenda is the Proposed
10 Changes in Actuarial Assumptions and Methods which was laid over
11 at the February 16th Board Meeting and is again being presented to
12 the Teachers' Retirement Board.

13 MS. ROMAIN: Please lay it aside.

14 MR. AARONSON: It has been laid aside.

15 MS. REILLY: The final resolution is the Variable Annuity Fund.

16 MR. AARONSON: Do I hear a motion to place this item into the
17 Executive Session?

18 MS. WOLPERT: Not yet.

19 MS. MARCH: We have to do the Calendar.

20 MR. AARONSON: Well, with this item..

21 MS. ROMAIN: This item, I waive, which one is it?

22 MR. AARONSON: The Variable Annuity Fund.

23 MS. MARCH: We are moving that into **Executive Session**.

24 MR. McTIGUE: Second.

25 MR. AARONSON: Is there a second to the motion?

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2 MR. McTIGUE: Second.

3 MR. AARONSON: Is there any discussion? Seeing none, motion
4 carries.

5 MS. REILLY: That concludes the Executive Director's Report.
6 The next item on the Agenda is the Calendar. Each Trustee should
7 have a full Calendar and the first matter on the Calendar is the
8 approval of the minutes for the regular meeting held on February 16,
9 2012.

10 MS. GRIMM: Did we have the minutes?

11 MR. AARONSON: Yes, we did. Liz sent them out.

12 MS. ROMAIN: By email.

13 MS. MARCH: By email we got them.

14 MS. REILLY: Then there is the adoption of the items on the
15 Calendar. The first item on pages 1 through 13 is the Monthly
16 Periodic Payroll of TDA, Excess and Loans; Page 14 is the Payroll
17 Summary, Advanced Payments for New Retirees and TDA accounts; from
18 pages 15 through 35 is the Transfer of Active TDA Deferred to
19 Annuity Payments; pages 36 through 82 inclusive are the Fractional
20 Payments; pages 83 through 96 inclusive is the Uncollected Checks
21 for Deceased members; pages 97 through 115 inclusive is the
22 Beneficiary Continual Option Payments; pages 116 through 127
23 inclusive is the Conversion to Pop-up Payments; pages 128 through
24 190 inclusive is the Beneficiaries who receive One-time payments
25 from their QPP and TDA accounts; pages 191 through 193 is the

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2 Return Net Accumulated Salary Reductions; pages 194 through 195
3 inclusive is the Transfer between Banks; pages 196 through 200 is
4 the Purchase and Sales of Security Transacted from the Passport
5 Fund Program; pages 201 through 211 are Outstanding Checks; pages
6 212 through 242 inclusive is the Revisions, including those under
7 Class Coverage; page 243 is the Layoff without Pay; pages 244
8 through 247 are the Payments for Service Credit; and page 248 is
9 the Service Retirement Payments.

10 MR. AARONSON: Do I hear a resolution to accept the Executive
11 Director's Report and the Calendar?

12 MS. ROMAIN: I move the adoption of the Calendar.

13 MS. GRIMM: Second.

14 MR. AARONSON: Is there any discussion? Seeing none, all those
15 in favor?

16 (Whereupon, all those present so indicated.)

17 MR. AARONSON: Any opposed? Carried. Thank you.

18 MS. REILLY: That concludes the Calendar and the next item
19 is if there is any other business before the Board?

20 MR. AARONSON: I know we have a number of items that we have
21 to discuss in Executive Session so before we go into Executive
22 Session, we want to know if there are any Board Members that have
23 any comments?

24 MS. MARCH: Yes, I would like to say something. I was at a
25 meeting and I probably should have raised this when we talked

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2 about our Paraprofessional workshop; it was a meeting of retirees
3 and a woman stood up and asked if she could make a statement. I
4 said, "Of course." She just said that she was a Para in the New
5 York City school system for 32 years and she just wanted to thank
6 whomever she had to thank, especially at the UFT, for the fact that
7 we have provided her with a life of dignity because she has her
8 pension, she has her Social Security, she had her opportunity to
9 help the children in the New York City school system for 32 years
10 and she just wanted everybody to know how happy she felt. I am
11 really hopefully that I will hear the same kind of comment 25 years
12 from now or 30 years from now or 35 years from now, regarding the
13 fact that we have a new pension tier enacted for hard-working
14 public employees instituted by all of those people who are in the
15 1%. Thank you very much.

16 MR. AARONSON: Thank you for your comments. Anybody else with
17 a comment from the Board? Anybody in the public? No? Ok. Do I
18 hear a motion to go into Executive Session?

19 MS. ROMAIN: So moved.

20 MR. AARONSON: Is there a second to the motion to go into
21 Executive Session?

22 MS. GRIMM: Second.

23 MR. AARONSON: Is there any discussion? Hearing none, all in
24 favor?

25 (Whereupon, all those present so indicated.)

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2 MR. AARONSON: Any opposed? We are now in Executive Session.

3 (Whereupon at this time, the meeting went into Executive
4 Session.)

5 MR. AARONSON: Now we are back in regular session and I would
6 like to give a summary of what we did in the Executive Session.

7 The Board passed a resolution regarding the selection of a
8 vendor pending successful contract negotiations. An announcement
9 will be made once an agreement is reached. Second, the Board
10 also heard a report on pending criminal matters.

11 Do I hear a motion to adjourn?

12 MS. MARCH: So moved.

13 MS. ROMAIN: Second.

14 MR. AARONSON: Any objection? We are now adjourned.

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