

TUCSON SUPPLEMENTAL RETIREMENT SYSTEM BOARD OF TRUSTEES

Legal Action Report
Thursday, September 24, 2015

Call to Order – Chairman Fleming called the meeting to order at 8:30 AM.

A. Consent Agenda

1. Approval of August 27, 2015 TSRS Board Meeting Minutes
2. Retirement ratifications – September 2015
3. August 2015 TSRS expenses compared to budget

The Consent Agenda was approved by a vote of 6-0 (Chairman Fleming did not vote).

B. Disability Retirement Application – Frank F. Romero*

A motion to approve the disability retirement application of Frank Romero was made by Kevin Larson, 2nd by Rebecca Hill.

A motion to enter Executive Session was made by John O’Hare, 2nd by Kevin Larson, and passed by a vote of 6-0 (Chairman Fleming did not vote).

A motion to return to Regular Session was made by John O’Hare, 2nd by Rebecca Hill, and passed by a vote of 6-0 (Chairman Fleming did not vote).

A motion to amend the motion to approve the application of Frank Romero to require a medical reevaluation after 2 years was made by John O’Hare. The motion failed for lack of a 2nd.

The disability retirement application of Frank Romero was approved by a vote of 4-2 (Michael Coffey and John O’Hare dissenting, Chairman Fleming did not vote).

C. Investment Activity Report

1. Aberdeen EAFE Plus Manager – Gordon Weightman (Report from Callan Associates, 9/11/2015)

Report given, discussion held. No formal action taken.

2. TSRS Portfolio composition, transactions and performance review for 08/31/15

Report given, discussion held. No formal action taken

3. Callan’s response to the number of public pension plans they have in their fund Sponsor database

This item was taken out of order and considered after item C1. Discussion was held. No formal action taken.

D. Administrative Discussions

1. TSRS Plan Document Revisions – Cassie Langford
 - a. TSRS Plan Document Revisions – Strike out version
 - b. TSRS Revised Funding Policy – Redline version

A motion to approve the TSRS Revised Funding Policy was made by Michael Coffey, 2nd by Kevin Larson, and passed by a vote of 6-0 (Chairman Fleming did not vote).

A motion to approve the proposed revisions to the Plan Document was made by Michael Coffey, 2nd by Silvia Amparano.

A motion to delete the proposed revision to sec. 22-39a stating “If a member terminates from employment with the City prior to reaching Normal Retirement Age” and returning to the original document wording from the revised Plan Document was made by Kevin Larson, 2nd by Rebecca Hill, and passed by a vote of 6-0 (Chairman Fleming did not vote).

A motion to strike the word “conclusive” in reference to the Social Security determination as evidence from the proposed amendment to Sec. 22-20(jj) of the Plan Document was made by John O’Hare. The motion failed for lack of a 2nd.

A motion to replace “conclusive” with “strong” was made by Kevin Larson, 2nd by John O’Hare, and passed by a vote of 4-3 (Rebecca Hill, Michael Coffey, and Jorge Hernández dissenting).

The motion to approve the proposed revisions, as amended, to the Plan document passed by a vote of 6-0 (Chairman Fleming did not vote).

2. Discussion of adding administrative expenses on top of the contribution rate for TSRS – Leslie Thompson Report given, discussion held. No formal action taken.

3. October Board Retreat – Draft Agenda Report given, discussion held. No formal action taken.

E. Articles for Board Member Education / Discussion

1. Understanding the Impact of Negative Cash Flow on a Public Pension Plan (Gabriel Roeder, Smith & Company, September 2015)
2. The Yardstick: A Tool to Evaluate Proposed Reforms of Arizona’s Public Safety Personnel Retirement System PSPRS – Final Report (League of Arizona Cities and Towns’ Pension Task Force, August 19, 2015)

F. Call to Audience
Jorge Hernández distributed an article on Aberdeen.

G. Future Agenda Items

H. Adjournment 9:55 AM