

TUCSON SUPPLEMENTAL RETIREMENT SYSTEM BOARD OF TRUSTEES LEGAL ACTION REPORT

DATE: Thursday, April 28, 2016
TIME: 8:30 a.m.
PLACE: Finance Department Conference Room, 5th floor
City Hall, 255 West Alameda
Tucson, Arizona 85701

Members Present: Robert Fleming, Chairman
Kevin Larson, City Manager Appointee
Rebecca Hill, Deputy HR Director
Silvia Amparano, Director of Finance (arrived 8:35 AM)
Michael Coffey, Elected Representative
Jorge Hernández, Elected Representative
John O'Hare, Elected Retiree Representative

Staff Present: Dave Deibel, Deputy City Attorney
Neil Galassi, Pension Administrator
Silvia Navarro, Treasury Administrator
Art Cuaron, Treasury Finance Manager
Bob Szelewski, Pension Lead Analyst
Dmitriy Adamia, Administrative Assistant

Guests Present: Robyn A. Scott, City of Tucson Employee
Frank Yslas, City of Tucson Employee
Stephen J. Arnoldi, City of Tucson Employee
Gilberto Robles, City of Tucson Employee

Absent/Excused: None

Chairman Fleming called the meeting to order at 8:31 AM.

A. Consent Agenda

1. Approval of March 31st, 2016 TSRS Board Meeting Minutes
2. Retirement ratifications for April 2016
3. March 2016 TSRS Budget Vs Actual Expenses

Chairman Fleming asked for a vote on the approval of the Consent Agenda. The Consent Agenda was approved by a vote of 5-0 (Chairman Fleming did not vote, Silvia Amparano absent/excused).

B. Disability Retirement Application

1. Robyn A. Scott
2. Frank Yslas
3. Stephen J. Arnoldi
4. Gilberto Robles

A motion to enter Executive Session was made by Kevin Larson, 2nd by Rebecca Hill, and passed by a vote of 7-0.

A motion to return to Regular Session was made by Kevin Larson, 2nd by Silvia Amparano, and passed by a vote of 7-0.

A motion to approve the disability retirement application of Gilberto Robles was made by Michael Coffey, 2nd by Rebecca Hill, and passed by a vote of 7-0.

A motion to reconsider the disability retirement of Robyn A. Scott in 6 months after medical re-evaluation was made by Michael Coffey, 2nd by Silvia Amparano.

John O'Hare amended the motion to reconsider at the meeting scheduled on May26, 2016, 2nd by Kevin Larson, and failed by a vote of 1-6 (Chairman Fleming, Rebecca Hill, Silvia Amparano, Michael Coffey, Kevin Larson, and Jorge Hernández dissenting).

The motion to reconsider the disability retirement of Robyn A. Scott in 6 months after medical re-evaluation passed by a vote of 5-2 (John O'Hare, and Kevin Larson dissenting).

A motion to approve the disability retirement application of Frank Yslas was made by Silvia Amparano, 2nd by Rebecca Hill and passed by a vote of 5-2 (Chairman Fleming, and Kevin Larson dissenting).

A motion to approve the disability retirement application of Stephen J. Arnoldi was made by Rebecca Hill, 2nd by Michael Coffey, and failed by a vote of 2-5 (Robert Fleming, John O'Hare, Silvia Amparano, Kevin Larson, and Jorge Hernández dissenting).

A motion to reconsider the disability retirement application of Stephen J. Arnoldi pending results from the Social Security Administration in 3 months was made by Kevin Larson, 2nd by Jorge Hernandez, and passed by a vote of 6-1 (Chairman Fleming dissenting).

C. Investment Activity Report

1. TSRS Portfolio Composition, Transactions and Performance Review for 03/31/2016

Report given, discussion held. No formal action taken.

2. Review and Approval of New Portfolio Composition, Transaction, and Performance Report

Report given, discussion held. Chairman Fleming requested that both the Traditional and New Portfolio Composition, Transaction, and Performance Report be presented at the meeting scheduled on May26, 2016.

D. Administrative Discussions

1. Report from Board Member on 2015 Fall Public Funds Forum

Report given, discussion held. No formal action taken.

2. 50/50 Split Employee/Employer Contributions for New Hires

Report given, discussion held. No formal action taken.

3. Volkswagen Securities Litigation Update

Report given, discussion held. A motion to participate in the class action law suit against Volkswagen was made by John O'Hare, 2nd Silvia Amparano, and passed by a vote of 7-0.

E. Call to Audience – None heard.

F. Future Agenda Items

1. Education Plan for New Staff and Trustees
2. Duties and Selection of Advisory Board
3. Hiring an Intern to Free Staff for Education
4. TSRS Board Annual Evaluation of Staff and Consultants
5. Formal Evaluation of Active Managers – 1.5% over benchmark over a given period
6. RFQ for Actuarial Services
7. Action Plan for Black Swan Events
8. Would It Be Better to Index the Whole Fund

G. Adjournment – 10:26 AM