

TUCSON SUPPLEMENTAL RETIREMENT SYSTEM BOARD OF TRUSTEES LEGAL ACTION REPORT

DATE: Thursday, May 26, 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
Rebecca Hill, HR Director (arrived 8:38 AM)
Betsy Conroy, Deputy HR Director (departed 8:38 AM)
Silvia Amparano, Director of Finance
Michael Coffey, Elected Representative
Jorge Hernández, Elected Representative
John O'Hare, Elected Retiree Representative

Staff Present: Dave Deibel, Deputy City Attorney
Karen Tenace, Deputy Director of Finance
Neil Galassi, Pension Administrator
Silvia Navarro, Treasury Administrator
Dmitriy Adamia, Administrative Assistant

Guests Present: Gordon Weightman, Callan Associates
Claire Beaubien, CTRA Representative
Teri Smith, Aberdeen Asset Management
Maree Mitchell, Aberdeen Asset Management
James Hannley, IAPC Representative

Absent/Excused: Kevin Larson, City Manager Appointee

Chairman Fleming called the meeting to order at 8:32 AM

A. Consent Agenda

1. Approval of April 28th, 2016 TSRS Board Meeting Minutes
2. Retirement ratifications for May 2016
3. April 2016 TSRS Budget Vs Actual Expenses

Michael Coffey requested item A1 be considered separately.

Chairman Fleming asked for a vote on the approval of Consent Agenda items A2 and A3. Consent Agenda items A2 and A3 were approved by a vote of 5-0. (Chairman Fleming did not vote, Kevin Larson absent/excused).

Discussion held. Chairman Fleming asked for a vote on the approval of Consent Agenda item A1 with amendments. Consent Agenda item A1 with amendments was approved by a vote of 5-0. (Chairman Fleming did not vote, Kevin Larson absent/excused).

B. Investment Activity Report

1. Annual Investment Manager Review – Aberdeen Asset Management – Teri Smith, Sr. R.M. and Maree Mitchell, Sr. Equity Specialist

Presentation given, discussion held. No formal action taken.

2. March 31, 2016 TSRS Quarterly Review of Investment Performance – Callan Associates, Inc.
Presentation given, discussion held. No formal action taken.

3. Portfolio Transition Update – Callan Associates, Inc.
Presentation given, discussion held. No formal action taken.

4. TSRS Portfolio Composition, Transactions and Performance Review for 04/30/2016

5. Approval of New Portfolio Composition, Transaction, and Performance Monthly Reports

The Board directed staff to provide the Callan Report with a staff prepared Executive Summary as the materials for the TSRS Portfolio Composition, Transactions and Performance Review agenda item for future meetings moving forward.

C. Administrative Discussions

1. Priority of Future Agenda Items

Chairman Fleming will work with staff to compile a schedule for future Agenda Items.

2. IAPC Pension Sub-committee Formation

Presentation given, discussion held. No formal action taken.

D. Articles for Board Member Education / Discussion

1. Callan Paper – Review of Past Capital Market Projections

E. Call to Audience – None heard.

F. Future Agenda Items

1. Disability Audit Results

2. Education Plan for New Staff and Trustees

3. Duties and Selection of Advisory Board

4. Hiring an Intern to Free Staff for Education

5. TSRS Board Annual Evaluation of Staff and Consultants

6. Formal Evaluation of Active Managers – 1.5% over benchmark over a given period

7. RFQ for Actuarial Services

8. Action Plan for Black Swan Events

9. Would It Be Better to Index the Whole Fund

G. Adjournment – 10:10 AM