

**TUCSON SUPPLEMENTAL RETIREMENT SYSTEM  
BOARD OF TRUSTEES  
Notice of Regular Meeting / Agenda**

**Legal Action Report  
Thursday, February 26, 2015**

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

**A. Consent Agenda**

1. Approval of January 22, 2015 TSRS Board Meeting Minutes
2. Retirement ratifications for February 2015
3. January 2015 TSRS expenses and revenue compared to budget

**Motion to approve Consent Agenda made by Eric Kay, 2<sup>nd</sup> by Kevin Larson, passed by a vote of 5-0 (Silvia Amparano absent, Chairman Fleming did not vote).**

**B. Investment Activity Report**

1. International Small Cap Manager Summary (compiled by Callan Associates)
  - a. MFS Investment Management
  - b. Brandes Investment Partners, L.P.
  - c. American Century Investment Management

**Report given, discussion held.**

2. Board Discussion and selection of Non-US Equity Small Cap Managers

**Motion to make a \$35M (approximately 5% of the portfolio) investment with Brandes Investment Partners made by John O'Hare, 2<sup>nd</sup> by Eric Kay, failed by a vote of 2-4 (Kevin Larson, Curry Hale, Silvia Amparano, and Michael Coffey dissenting, and Chairman Fleming did not vote).**

**Motion to make a \$35M (approximately 5% of the portfolio) investment with American Century Investment Management made by Curry Hale, 2<sup>nd</sup> by Silvia Amparano, passed by a vote of 5-1 (John O'Hare dissenting and Chairman Fleming did not vote).**

3. Callan Transition Management Pool Due Diligence Search and Evaluation Proposal

**Report given, discussion held. Motion to approve the proposed contract made by Kevin Larson, 2<sup>nd</sup> by Curry Hale, passed by a vote of 6-0 (Chairman Fleming did not vote).**

4. Causeway - Annual Manager Review

5. Causeway - Due Diligence Interview for International Opportunity Strategy Fund

**Presentation given, discussion held.**

6. Board Discussion of Causeway's Presentation

**Motion to add Causeway's International Opportunities to TSRS investment manager allocations made by Silvia Amparano, 2<sup>nd</sup> by Curry Hale, passed by a vote of 6-0 (Chairman Fleming did not vote).**

7. TSRS Quarterly Performance Review for 12/31/2014 – Callan Associates

**Report given, discussion held. No formal action taken.**

8. TSRS Portfolio composition, transactions and performance review for 01/31/15

**Report given, no formal action taken.**

**C. Administrative Discussions**

1. Actuarial Projected Funding Results from TSRS Funding Policy

**Report given, discussion held. No formal action taken.**

2. Annual TSRS Budget Approval for FY 2016

**Report given, discussion held. Motion to approve the TSRS Budget for FY 2016 made by Kevin Larson, 2<sup>nd</sup> by Silvia Amparano, passed by a vote of 6-0 (Chairman Fleming did not vote).**

3. Status report on request to add year to date income amounts to quarterly retiree statements  
**Report given, discussion held. No formal action taken.**

4. TSRS Comprehensive Annual Financial Report for the Plan Year Ended June 30, 2014  
**Discussion held. No formal action taken.**

5. Mayor & Council Communication - FY 2016 Employer and Employee Contribution Rates

**D. Articles for Board Member Education / Discussion**

1. PIMCO Onsite Meeting Notes (Callan Associates – 2/3/2015)
2. Ballooning Public Safety Pensions a Blow to the City (Arizona Daily Star 2/5/2015)

**E. Call to Audience – None heard**

**F. Future Agenda Items**

1. March 26, 2015 - Annual Manager Reviews – T Rowe Price and Pyramis, Update on Transition Manager for Non-US Equity Small Cap, Securities Litigation Recovery
2. April 30, 2015 meeting - Board Governance Policies and Fiduciary Training Refresher – Cassie Langford

**Discussion held. No formal action taken.**

**G. Adjournment – 10:49 AM**