



# ARIZONA STATE RETIREMENT SYSTEM

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Paul Matson  
Director

## AGENDA

### NOTICE OF COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION OF THE ARIZONA STATE RETIREMENT SYSTEM BOARD

3300 North Central Avenue, 10<sup>th</sup> Floor Board Room  
Phoenix, AZ 85012

September 30, 2016  
8:30 a.m.

Pursuant to A.R.S. § 38-431.02 (F), notice is hereby given to the Trustees of the Arizona State Retirement System (ASRS) Board and to the general public that the ASRS Board will hold a meeting open to the public on Friday, September 30, 2016, beginning at 8:30 a.m., in the 10<sup>th</sup> Floor Board Room of the ASRS offices at 3300 N. Central Avenue, Phoenix, Arizona 85012. Trustees of the Board may attend either in person or by telephone conference call.

The Chair may take public comment during any agenda item. If any member of the public wishes to speak to a particular agenda item, they should complete a "Request To Speak" form indicating the item and provide it to the Board Administrator.

Pursuant to A.R.S. § 38-431.03(A)(3), the ASRS Board of Trustees may vote to go into executive session, which will not be open to the public, for the purpose of obtaining legal advice on any item on the Agenda.

This meeting will be teleconferenced to the ASRS Tucson office at 4400 East Broadway Boulevard, Suite 200, Tucson, Arizona 85711. The conference call to Tucson will be disconnected after 15 minutes if there are no attendees in the Tucson audience.

The Agenda for the meeting is as follows:

1. Call to Order; Roll Call; Opening Remarks ..... Mr. Kevin McCarthy  
Board Chair
2. Approval of the Minutes of the August 26, 2016 Public Meeting and Executive Sessions of the ASRS Board (*estimated time 1 minute*) ..... Mr. Kevin McCarthy

*Regarding the following agenda item, notice is hereby given to Trustees of the ASRS Board and the general public that the ASRS Board may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the attorney(s) of the public body, which will not be open to the public.*

3. Approval, Modification, or Rejection of Recommended Administrative Law Judge's Decision Regarding Ms. Lorena Tarazon's Appeal Regarding a Long Term Disability Benefit Overpayment (*estimated time 20 minutes*) ..... Ms. Jothi Beljan  
Assistant Attorney General  
..... Mr. Rex Nowlan  
Agency Counsel Section Chief, Attorney General's Office

4. Presentation Regarding Government Finance Officers Association (GFOA) Financial Reporting Awards
  - a. Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2015
  - b. Popular Annual Financial Report (PAFR) for FY 2015  
(estimated time 5 minutes) ..... Mr. Paul Matson  
Director  
..... Mr. Anthony Guarino  
Deputy Director and Chief Operations Officer  
..... Ms. Nancy Bennett  
Chief Financial Officer
5. Presentation, Discussion, and Appropriate Action Regarding ASRS Proposed Legislation for the 2017 Legislative Session (estimated time 30 minutes)..... Mr. Patrick Klein  
Assistant Director, External Affairs Division  
..... Mr. Nick Ponder  
Government Relations Officer
6. Presentation, Discussion, and Appropriate Action Regarding the Appointment and Management of the ASRS Appeals Committee (estimated time 5 minutes) ..... Mr. Kevin McCarthy  
..... Mr. Paul Matson  
..... Mr. Anthony Guarino
7. Presentation, Discussion and Appropriate Action Regarding Staff Recommended Updates to the ASRS Board Governance Policy Handbook (estimated time 10 minutes)..... Mr. Paul Matson
8. Presentation, Discussion, and Appropriate Action Regarding the Director's Report as well as Current Events (estimated time 5 minutes) ..... Mr. Paul Matson  
..... Mr. Anthony Guarino
  - a. 2016 Investments Report
  - b. 2016 Operations Report
  - c. 2016 Budget and Staffing Reports
  - d. 2016 Cash Flow Statement
  - e. 2016 Appeals Report
  - f. 2016 Employers Reporting
9. Presentation and Discussion Regarding Informational Updates from Prior and Upcoming Committee Meetings (estimated time 15 minutes)
  - a. Operations and Audit Committee (OAC) ..... Mr. Jeff Tyne, Chair  
..... Mr. Anthony Guarino  
*The next OAC Meeting will be held on October 11, 2016.*
  - b. External Affairs Committee (EAC) ..... Dr. Richard Jacob, Chair  
..... Mr. Patrick Klein  
*The next EAC Meeting will be held on October 14, 2016.*
  - c. Investment Committee (IC) ..... Mr. Tom Connelly, Chair  
..... Mr. Karl Polen  
*The next IC Meeting will be held on October 24, 2016.*

*Regarding the following agenda item, notice is hereby given to Trustees of the ASRS Board and the general public that the ASRS Board may vote to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) for discussion or consultation for legal advice with the attorney(s) of the public body, which will not be open to the public.*

10. Presentation, Discussion, and Appropriate Action Regarding *ASU v. ASRS Appeal Litigation and Rulemaking Exemption Legislation (estimated time 15 minutes)*..... Mr. Paul Matson  
..... Ms. Jothi Beljan
11. Board Requests for Agenda Items *(estimated time 1 minute)*..... Mr. Kevin McCarthy
12. Call to the Public ..... Mr. Kevin McCarthy

Those wishing to address the ASRS Board are required to complete a Request to Speak form before the meeting indicating their desire to speak. Request to Speak forms are available at the sign-in desk and should be given to the Board Administrator. Trustees of the Board are prohibited by A.R.S. § 38-431.01(H) from discussing or taking legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. As a result of public comment, the Board may direct staff to study and/or reschedule the matter for discussion and decision at a later date.

13. The next regular public ASRS Board meeting is scheduled for Friday, October 28, 2016, at 8:30 a.m., at 3300 N. Central Avenue, in the 10th Floor Board room, Phoenix, Arizona.

14. Adjournment of the ASRS Board.

A copy of the agenda background material provided to Board Trustees (with the exception of material relating to possible executive sessions) is available for public inspection at the ASRS offices located at 3300 North Central Avenue, 14th Floor, Phoenix, Arizona and 4400 East Broadway Boulevard, Suite 200, Tucson, Arizona. The agenda is subject to revision up to 24 hours prior to meeting. These materials are also available on the ASRS website (<https://www.azasrs.gov/web/BoardCommittees.do>) approximately 48 hours prior to the meeting.

Persons with disabilities may request a reasonable accommodation such as a sign language interpreter or alternate formats of this document by contacting Tracy Darmer, ADA Coordinator at (602) 240-5378 in Phoenix, at (520) 239-3100, ext. 5378 in Tucson, or 1-800-621-3778, ext. 5378 outside metro Phoenix or Tucson. Requests should be made as early as possible to allow time to arrange the accommodations.

Dated September 23, 2016

ARIZONA STATE RETIREMENT SYSTEM

Signed Copy on File  
Melanie A. Alexander  
Board Administrator

Signed Copy on File  
Paul Matson  
Director