



BOARD 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, 10th Floor Board Room
Phoenix, AZ 85012

July 26, 2019
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, July 26, 2019, beginning at 8:30 a.m., in the 10th 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. Jim Hillyard
Chair
2. Approval of the Minutes of the May 31, 2019 Public Meeting of the ASRS Board (*estimated time: 1 minute*) Mr. Jim Hillyard

3. Presentation, Discussion, and Appropriate Action Regarding ASRS Budget-Related Topics, including:

- a. Presentation/update of the ASRS Appropriated and Continuously Appropriated Budget Plans to include the ASRS Administrative and Investment Spending Plans for FY 2020.
- b. Presentation of the ASRS Appropriated and Continuously Appropriated Budget Request and the ASRS Administrative and Investment Spending Plans for FY 2021.

(estimated time: 20 minutes)..... Mr. Jim Hillyard
Chair, Operations, Audit, & Legislative Committee
..... Mr. Paul Matson
Director
..... Mr. Anthony Guarino
Deputy Director and Chief Operations Officer
..... Ms. Martha Rozen
Chief of Administrative Services
..... Mr. Christopher Gustafson
Budget and Procurement Manager
..... Ms. Kerry White
Assistant Chief Investment Officer

4. Presentation, Discussion and Appropriate Action Regarding the Actuarial Audits of the:

- a. Pension Plan
- b. Health Benefit Supplemental Program
- c. Long Term Disability (LTD) Plan

(estimated time: 45 minutes) Mr. Paul Matson
..... Mr. Brad Ramirez
Vice President & Consulting Actuary, Segal Consulting
..... Mr. Ryan Falls
Senior Consultant & Actuary, Gabriel, Roeder, Smith & Company
..... Mr. Paul Wood
Consultant and Actuary, Gabriel, Roeder, Smith & Company

5. Presentation, Discussion, and Appropriate Action Regarding the ASRS Investment Program Update

- a. ASRS Fund Positioning
- b. IMD Investment House Views
- c. IMD Projects, and Asset Class Committee (ACC) Activities
- d. MSCI Risk Report

(estimated time: 20 minutes) Mr. Paul Matson
..... Mr. Karl Polen
Chief Investment Officer

6. Presentation, Discussion, and Appropriate Action Regarding Appointment of Board Committee Officers and Membership (estimated time: 10 minutes) Mr. Jim Hillyard

7. Presentation, Discussion, and Appropriate Action Regarding Staff Recommended Updates to the ASRS Board Governance Policy Handbook (*estimated time: 10 minutes*).....
..... Mr. Jim Hillyard
..... Mr. Paul Matson

8. Presentation, Discussion, and Appropriate Action Regarding the Director's Report as well as Current Events
- a. 2019 Compliance Report
 - b. 2019 Operations Report
 - c. 2019 Budget and Staffing Reports
 - d. 2019 Cash Flow Statements
 - e. 2019 Appeals Report
 - f. 2019 Employers Reporting

(*estimated time: 5 minutes*)..... Mr. Paul Matson
..... Mr. Anthony Guarino

9. Presentation and Discussion Regarding Informational Updates from Prior and Upcoming Committee Meetings (*estimated time: 15 minutes*)
- a. Operations, Audit and Legislative Committee (OALC)..... Mr. Jim Hillyard, Chair
..... Mr. Anthony Guarino
The next OALC Meeting will be held on October 9, 2019.
 - b. Investment Committee (IC) Mr. Clark Partridge, Chair
..... Mr. Karl Polen
The next IC Meeting is scheduled for September 16, 2019.
 - c. Appeals Committee (AC) Mr. Kevin McCarthy, Chair
..... Mr. Anthony Guarino
The next AC Meeting is scheduled for August 13, 2019.

10. Board Requests for Future Agenda Items (*estimated time: 1 minute*) Mr. Jim Hillyard

11. Call to the Public Mr. Jim Hillyard

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.

12. The next regular public ASRS Board meeting is scheduled for Friday, September 27, 2019, at 8:30 a.m., at 3300 N. Central Avenue, in the 10th Floor Board Room, Phoenix, Arizona.

13. 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/content/board-and-committee-meetings>) 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 July 19, 2019

ARIZONA STATE RETIREMENT SYSTEM

Signed Copy on File

Joyce Williams
Board Administrator

Signed Copy on File

Paul Matson
Director