

AGENDA

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

REVISED

November 12, 2021
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 **telephonic** meeting open to the public on Friday, November 12, 2021, beginning at 8:30 a.m. The meeting will be open to Trustees of the Board, legal counsel, presenting staff, and presenting external parties who wish to participate in-person while following the appropriate physical distancing guidelines. No members of the public will be permitted to attend the meeting in-person. **Trustees of the Board, legal counsel, presenting staff, presenting external parties, and the general public may attend via telephone conference call at 877-820-7831, using Participant Passcode: 857127#.**

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.

The Chair may take public comment during any agenda item.

The following agenda topics are proposed action items: 2, 6, 8, 9, 10, and 11

The Agenda for the meeting is as follows:

1. Call to Order; Roll Call; Opening Remarks Mr. René Guillen
Chair
2. Approval of the Minutes of the September 24, 2021 Public Meeting of the ASRS Board
(*estimated time: 1 minute*) Mr. René Guillen

Proposed Action Item: The Board may decide whether to amend and approve the minutes, approve the minutes as written, or not approve the minutes at this time.

3. Presentation, Discussion, and Appropriate Action Regarding the ASRS Investment Program Update *(estimated time: 45 minutes)*

- a. Macro and Economic Environment – NEPC
- b. IMD Investment House Views
- c. Total Plan Risk Report
- d. Independent Investment Program Oversight – NEPC
- e. IMD Compliance Report
- f. Private Markets Performance Reporting and Benchmarks

..... Mr. Paul Matson
Director
..... Mr. Allan Martin
Partner, NEPC
..... Mr. Michael Viteri
Chief Investment Officer (CIO)
..... Mr. Samer Ghaddar
Deputy CIO
..... Mr. Al Alaimo
Deputy CIO
..... Mr. Robert Butler
Investment Risk and Compliance Officer
..... Ms. Lupita Breland
Investment Operations Manager
..... Mr. Micheal Copeland
Private Markets Portfolio Manager

4. Presentation Regarding Government Finance Officers Association (GFOA) Financial Reporting Awards for Fiscal Year 2020:

- a. Comprehensive Annual Financial Report
- b. Popular Annual Financial Report
(estimated time: 5 minutes)

..... Mr. Paul Matson
..... Mr. Anthony Guarino
Deputy Director and Chief Operations Officer
..... Ms. Erin Higbee
Chief Financial Officer
..... Ms. Erica Syring
Controller

5. Presentation, Discussion, and Appropriate Action Regarding the ASRS' Annual Financial Audit and Related Reports for Fiscal Year 2021:

- a. Annual Comprehensive Financial Report
- b. Popular Annual Financial Report
- c. Employer Reports for Governmental Accounting Standards Board (GASB) 68 & 75
(estimated time: 20 minutes)

..... Ms. Erin Higbee
..... Mr. Jason Ostroski, CPA
Principal, CliftonLarsonAllen

- 6. Presentation, Discussion, and Appropriate Action Regarding the ASRS Actuarial Valuations and Resulting Contribution Rates:
 - a. The Pension Plan and Health Insurance Valuation
 - b. The System Valuation
 - c. The Long Term Disability (LTD) Valuation
 - d. Actuary's Recommendation Regarding 13th Checks for Retired System Members
(estimated time: 60 minutes) Mr. Paul Matson
..... Mr. Ryan Falls
Senior Consultant and Actuary, Gabriel, Roeder, Smith & Company
..... Mr. Paul Wood
Consultant and Actuary, Gabriel, Roeder, Smith & Company

Proposed Action Item: The Board may consider staff's recommendation; provide an alternate motion, or make no motion.

- 7. Presentation, Discussion, and Appropriate Action Regarding a Potential ASRS Pension Contribution Rate Pre-Funding Program (estimated time: 15 minutes) Mr. Paul Matson
..... Mr. Christopher Gustafson
Budget and Procurement Manager
..... Mr. Paul Wood
Consultant and Actuary, Gabriel, Roeder, Smith & Company

- 8. Presentation, Discussion, and Appropriate Action Regarding the ASRS 2022 Proposed Legislative Initiatives (estimated time: 5 minutes) Mr. Paul Matson
..... Ms. Jessica Thomas
Government Relations Officer and Rules Writer

Proposed Action Item: The Board may consider staff's recommendation; provide an alternate motion, or make no motion.

- 9. Presentation, Discussion, and Appropriate Action Regarding the ASRS Health Trust Agreement (estimated time: 5 minutes) Mr. Paul Matson
..... Mr. Russ Levine
Health and Disability Plan Administrator

Proposed Action Item: The Board may consider staff's recommendation; provide an alternate motion, or make no motion.

- 10. Presentation, Discussion, and Appropriate Action Regarding Updates to the ASRS Funding Policy (estimated time: 10 minutes) Mr. Paul Matson

Proposed Action Item: The Board may consider staff's recommendation; provide an alternate motion, or make no motion.

11. Presentation, Discussion, and Appropriate Action Regarding the Calendar Year 2022 Board Meeting Schedule (*estimated time: 5 minutes*) Mr. Paul Matson

Proposed Action Item: The Board may consider staff's recommendation; provide an alternate motion, or make no motion.

12. Presentation, Discussion, and Appropriate Action Regarding Board Self Evaluation Material Distribution (*estimated time 5 minutes*)..... Mr. René Guillen

13. Presentation, Discussion, and Appropriate Action Regarding the Director's Report as well as Current Events:

- a. 2021 Operations Report
- b. 2021 Budget and Staffing Reports
- c. 2021 Cash Flow Statements
- d. 2021 Appeals Report
- e. 2021 Employers Reporting

(*estimated time: 5 minutes*) Mr. Paul Matson
..... Mr. Anthony Guarino
Deputy Director and Chief Operations Officer

14. Presentation and Discussion Regarding Informational Updates from Prior and Upcoming Committee Meetings (*estimated time: 15 minutes*)

- a. Operations, Audit and Legislative Committee (OALC) Mr. René Guillen, Chair
..... Mr. Anthony Guarino
The next OALC Meeting is scheduled for January 12, 2022.

- b. Investment Committee (IC)..... Mr. Michael Lofton, Chair
..... Mr. Paul Matson
The next IC Meeting is tentatively scheduled for February 28, 2022.

- c. Appeals Committee (AC)..... Mr. Michael Miller, Chair
..... Mr. Anthony Guarino
The next AC Meeting is scheduled for December 13, 2021.

15. Board Requests for Future Agenda Items (*estimated time: 1 minute*) Mr. René Guillen

16. Call to the Public..... Mr. René Guillen

Those wishing to address the ASRS Board will be requested to do so telephonically. 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 respond to criticism made by those who have addressed the Board, may direct staff to review a matter, or may ask

that a matter be put on a future agenda.

17. The next regular public ASRS Board meeting is tentatively scheduled for Friday, January 21, 2022, at 8:30 a.m.

18. 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, 85012. 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 alternate formats of this document by contacting Tracy Darmer, ADA Coordinator at (602) 240-5378 in Phoenix, at (520) 239-3100 or 1-800-621-3778, ext. 5378 outside metro Phoenix. Requests should be made as early as possible to allow time to arrange the accommodations.

Dated November 8, 2021

ARIZONA STATE RETIREMENT SYSTEM

Signed Copy on File

Melanie Alexander
Board Administrator

Signed Copy on File

Paul Matson
Director