

PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

BOARD OF TRUSTEES MEETING

May 26, 2010

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| <i>Trustees Present:</i> | Mr. Brian Tobin, Trustee, Interim Chairman
Mr. Tim Dunne, Trustee
Ms. Lori Roediger, Trustee
Mr. Gregory Ferguson, Trustee
Mr. Alan Maguire, Trustee |
| <i>Others Present:</i> | Mr. Jim Hacking, Administrator
Ms. Tracey Peterson, Assistant Administrator, COO
Mr. Ryan Parham, Assistant Administrator, CIO
Mr. Marty Anderson, Chief Equities Analyst
Mr. Paul Corens, Alternatives Investment Analyst
Ms. Michele Weigand, Investment Contracts Paralegal
Ms. Gail Nova, Administration Manager
Ms. Bridget Feeley, Internal Audit and Compliance Officer
Mr. Paul Hemmes, Training/Audio Visual Specialist
Mr. Allan Martin, Managing Partner, New England Pension Consultants (“NEPC”)
Mr. Don Stracke, Senior Consultant, NEPC
Mr. Marc Lieberman, Partner, Kutak Rock LLP |

The Agenda for the meeting is as follows:

1. Call to Order; Roll Call; Opening remarks.....Mr. Brian Tobin
Board Interim Chair

The meeting was called to order at 1:02 p.m. by Interim Chair Mr. Brian Tobin.

- Present: Mr. Brian Tobin, Interim Chair
Mr. Gregory Ferguson
Mr. Tim Dunne
Mr. Alan Maguire
Ms. Lori Roediger

Mr. Tobin noted that a quorum is present and this meeting is being held through Go To Meeting over the internet.

2. Approval of the Consent Agenda (Documentation concerning the matters on the consent agenda may be reviewed at the PSPRS office). Any matter on the Consent Agenda will be removed from the Consent Agenda and discussed as a regular agenda item upon the request of any Board of Trustees member.
 - a. Acceptance of Transfer Between State Retirement Systems of Lawrence Thompson.
 - b. Acceptance of Transfer Between State Retirement Systems of Paul Mitchell.
 - c. Acceptance of Transfer Between State Retirement Systems of Ronald Stiso.

- d. Acceptance of Transfer Between State Retirement Systems of John Mc Carthy.
- e. Acceptance of Transfer Between State Retirement Systems of Lorenzo Rivas.
- f. Acceptance of Transfer Between State Retirement Systems of Manuel Verdugo.
- g. Acceptance of Transfer Between State Retirement Systems of Charles Miller.
- h. Acceptance of Transfer Between State Retirement Systems of Michael Rogers.
- i. Acceptance of Transfer Between State Retirement Systems of John Koon.
- j. Acceptance of Transfer Between State Retirement Systems of Michael Downing.
- k. Acceptance of Transfer Between State Retirement Systems of Jeffry Dellinger.
- l. Acceptance of Transfer Between State Retirement Systems of Anne Segal.
- m. Acceptance of Transfer Between State Retirement Systems of Robert Steele.
- n. Acceptance of Transfer Between State Retirement Systems of William Hall.
- o. Acceptance of Transfer Between State Retirement Systems of Scott Phillips.
- p. Acceptance of Transfer Between State Retirement Systems of Tracey Miller.
- q. Acceptance of Transfer Between State Retirement Systems of Barbara Larsen.
- r. Acceptance of Transfer Between State Retirement Systems of Eugene Sweeney.
- s. Acceptance of Transfer Between State Retirement Systems of Richard Anemone.
- t. Acceptance of Transfer Between State Retirement Systems of Anthony Gonzales.
- u. Acceptance of Transfer Between State Retirement Systems of Michael Glennie.
- v. Acceptance of Transfer Between State Retirement Systems of Brian Clark.
- w. Acceptance of Transfer Between State Retirement Systems of Scott Kurtz.
- x. Acceptance of Transfer Between State Retirement Systems of William Scheckel
- y. Acceptance of Transfer Between State Retirement Systems of Quinton Gleason.
- z. Acceptance of Transfer Between State Retirement Systems of Mary Zielinski.
- aa. Acceptance of Transfer Between State Retirement Systems of David Faulkner.
- bb. Acceptance of Transfer Between State Retirement Systems of Joshua Reyes.
- cc. Acceptance of Transfer Between State Retirement Systems of Raymond Estrada.
- dd. Acceptance of Transfer Between State Retirement Systems of Richmond Holley.
- ee. Acceptance of Elected Officials' Retirement Plan of normal benefit of Stephen Rubin.
- ff. Acceptance of Elected Officials' Retirement Plan of normal benefit of James Keppel.

MOTION 5-108-10	At 1:04 p.m.
Motion:	To approve the consent agenda.
Moved by:	Alan Maguire
Seconded by:	Lori Roediger
Discussion:	None
In Favor:	5 in favor; 0 opposed
Motion Passes:	Passes

Approval of the Minutes of the April 29, 2010 Public Meeting of the PSPRS Board of Trustees.....Mr. Brian Tobin

MOTION 5-109-10	At 1:05 p.m.
Motion:	To approve the minutes for April 29, 2010 as distributed.
Moved by:	Alan Maguire
Seconded by:	Lori Roediger
Discussion:	None
In Favor:	5 in favor; 0 opposed
Motion Passes:	Passes

- 3. Presentation, Discussion and Appropriate Action Regarding status report of the search process for an Administrator.....Eric Middleton

Chairman Tobin asked Mr. Eric Middleton, Managing Partner of Alliance Resource Consulting to discuss the presentation folder containing the profile of the position of administrator specifically developed for PSPRS.

Mr. Tim Dunne, Trustee, thanked Mr. Middleton for his efforts and made a motion to terminate the search for an Administrator. He put forward a motion that Board Interim Chair, Mr. Tobin, the PSPRS counsel, Marc Lieberman, and any other members of the Board who are interested, enter into a discussion with Mr. Hacking regarding his continuing to serve as Administrator and the terms of an extension of his employment agreement.

MOTION 5-110-10	At 1:06 p.m.
Motion:	To terminate the search for an Administrator and have the Board Interim Chairman, the Board attorney and any interested members of the Board enter into a discussion with Mr. Hacking about continuing to serve as Administrator and the terms of an extension of his employment agreement.
Moved by:	Mr. Tim Dunne
Seconded by:	
Discussion:	
In Favor:	
Motion Passes:	

Mr. Ferguson, Trustee, proposed talking with Mr. Hacking about the possibility of staying on before terminating the contract with Alliance Resource Consulting. Mr. Dunne made a motion and a second was made by Mr. Ferguson to amend the original motion by Mr. Dunne, Trustee, to put a temporary hold on the search until a discussion is held with the Chair of the Board, Attorney Marc Lieberman, and other interested Board members to arrive at an agreement to extend the employment agreement of Mr. Hacking.

MOTION 5-111-10	At 1:09 p.m.
Motion:	To amend the original motion by Mr. Dunne to put a temporary hold on the search process for a new Administrator and to engage in a conversation between Mr. Hacking, the Chairman of the Board, attorney Mr. Marc Lieberman, and other interested Board members about Mr. Hacking continuing to serve as Administrator and the terms of an extension of his employment agreement.
Moved by:	Mr. Dunne
Seconded by:	Mr. Ferguson
Discussion:	Mr. Ferguson opened the discussion regarding negotiations, the Open Meeting Law, and quorums. Mr. Maguire stated that contract discussions are covered under the Open Meeting Law and may be held in Executive Session.
In Favor:	
Motion Passes:	

There followed a discussion with Mr. Lieberman, Mr. Ferguson, and Mr. Maguire regarding the Open Meeting Law and whether or not all members of the Board can participate in the negotiation process. Mr. Maguire stated he believes contract negotiations are covered by the Open Meeting Law and that he has participated in the contract negotiations with respect to three retirement system directors in this state. In all three cases, all members of the governing Boards participated at all stages of the process. This process has been reviewed by the Attorney General's office,

Chief of the Civil Division, and that the process is consistent with the ruling in the Board of Regents court case with regard to the hiring of high ranking public officials. What is relevant is who participates in the process.

Chairman Tobin repeated the motion.

MOTION 5-112-10	At 1:12 p.m.
Motion:	To place on hold the search process for a new Administrator and to direct the Chair, the Board attorney and any other Board interested members to enter into negotiations regarding an extension of Mr. Hacking's employment agreement.
Moved by:	Mr. Dunne
Seconded by:	Mr. Ferguson
Discussion:	
In Favor:	
Motion Passes:	

At this point, Mr. Maguire proposed a substitute motion.

MOTION 5-113-10	At 1:14 p.m.
Motion:	To place on hold the search process and have the Board engage in conversations with the current Administrator regarding an extension of his services.
Moved by:	Mr. Maguire
Seconded by:	No seconds
Discussion:	
In Favor:	
Motion Passes:	

Mr. Tobin stated we are back to the original motion.

MOTION 5-114-10	At 1:15 p.m.
Motion:	To place a hold on the search process and to direct the Chairman, Board's attorney and interested Board members, to enter into discussions related to the extension of Mr. Hacking's employment agreement.
Moved by:	Mr. Dunne
Seconded by:	Mr. Ferguson
Discussion:	Mr. Maguire raised a point of order and asked that the motion be divided.
In Favor:	
Motion Passes:	

Mr. Maguire raised a point of order and asked that the motion be divided. He pointed out that there are separate issues contained in the original motion; therefore, the motion can be divided. The first is to place on hold the search process for a new Administrator. The second issue is to designate who will enter into the contemplated employment agreement negotiations.

MOTION 5-115-10 At 1:17 p.m.
Motion: To place on hold the Administrator search process being conducted by Eric Middleton from Alliance Resource Consulting.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion: None
In Favor: Unanimous
Motion Passes: Passes

MOTION 5-116-10 At 1:18 p.m.
Motion: To direct the Chairman, the Board attorney and any Board members who wish to participate to engage in discussion with the current Administrator with respect to an extension of his employment agreement.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion: Mr. Maguire raised a point of order with respect to the persons who are to participate in the negotiation.

In Favor:
Motion Passes:

MOTION 5-117-10 At 1:20 p.m.
Motion: To direct the Board Chairman to engage in the discussion with the Administrator regarding an extension of his employment agreement.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion: None
In Favor: Unanimous
Motion Passes: Passes

MOTION 5-118-10 At 1:21 p.m.
Motion: To direct the Board's attorney to participate in the discussions with Mr. Hacking relating to an extension of his employment agreement.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion: None
In Favor: Four in favor, one opposed – Mr. Maguire
Motion Passes: Passes

MOTION 5-119-10	At 1:22 p.m.
Motion:	To authorize any Board member who wishes to participate in the negotiation to do so; if there are three or more Board members who wish to participate, then the meeting will be noticed.
Moved by:	Mr. Dunne
Seconded by:	Mr. Ferguson
Discussion:	None
In Favor:	Five in favor
Motion Passes:	Passes

Mr. Tobin informed Mr. Middleton the process has been put on hold. Mr. Middleton stated that Alliance Resource Consulting has completed the candidate profile. However, the position has not been formally announced; but it is on our website. He stated that Alliance has fifteen candidates who have already applied for the position; they will be notified that the process is on hold. Mr. Middleton will await further direction from the Board.

Mr. Maguire formally requested that he be included in any discussions, communications, or other conversations, public or private, regarding the negotiations with the current Administrator.

- 4 Investments – Presentation, Discussion and Appropriate Action Regarding Recommendations that were made and the Action that was taken in the Investment Committee Meeting that was held on Wednesday, May 26, 2010 commencing at 10:00 a.m..... Ms. Lori Roediger
..... Interim Chair, Investment Committee
..... Mr. Ryan Parham
..... Chief Investment Officer
..... Mr. Allan Martin
..... Partner, New England Pension Consultants
- a. Presentation, Discussion and Appropriate Action Regarding the approval of a new Appendix I *Asset Allocation Policy*; replacing and superseding the previous Appendix I of the PSPRS Amended and Restated Statement of Investment Policies..... Mr. Ryan Parham
..... Mr. Allan Martin

Ms. Roediger reported that the Investment Committee recommends that the Board approve the new Appendix I *Asset Allocation Policy*; replacing and superseding the previous Appendix I of the PSPRS Amended and Restated Statement of Investment Policies.

Mr. Parham gave a brief history of the adoption of the asset allocation policy and the movement of the portfolio away from its historic dependence on public equities. He referred to the proposed amended Asset Allocation Policy included in the meeting materials. He said that this proposed allocation represents a further move away from public equities, an increase in alternative investment exposures, and recognizes a Global Tactical Asset Allocation (“GTAA”) as a separate asset class. He said the benchmarks remain unaltered for the existing asset classes. He said, with regard to the proposed GTAA, that he would like to pull back the recommended benchmark of LIBOR, 3-month plus 3% as the Investment Department Staff is still in discussion with NEPC and the GTAA managers to determine the most appropriate benchmark. He noted that the ranges are tighter than those in the current policy, recognizing that the tighter ranges help the Investment Department Staff to manage towards the asset allocation targets. However, the fact that the ranges are still broader than those used by most other public funds is a temporary condition made necessary by the tremendous volatility in the equity markets and the recognition that this equity market volatility could easily drive us outside of our range limits if we made them too narrow, especially, while

we are gradually reducing our equity exposure. He said that Investment Department Staff recommends that the proposed Asset Allocation Policy be adopted as of July 1, 2011.

Mr. Martin referred to the recommendation prepared by NEPC, which was included in the meeting materials. He reviewed NEPC's general observations about the capital markets that underlie their advice to all of their clients. He noted in particular that they do believe that the risk of long-term inflation is at its highest level in nearly thirty years. He said their observation is that the extraordinary activities undertaken throughout the world to avoid a severe recession/depression created a monstrous amount of debt without a clear plan of how that debt can be paid back without severe impacts on economic growth. He added that NEPC expects the dollar to continue its long-term weakening trend along with the currencies of other developed countries. He said that the era of U.S. driven economic growth is waning while the economic growth of emerging market countries is rising. He said NEPC believes that public funds and other investors are, generally, under invested in emerging markets. Lastly, NEPC believes they will have to work harder to find excess return via active management to meet funding objectives; capital market movements alone will not be enough to attain those objectives.

Mr. Martin referred to the table included in the presentation that summarized the results of NEPC's forecasts and assumptions relative to the asset allocation. He discussed the expected returns that should result from the current asset allocation policy as contrasted with the expected returns likely to result from the new asset allocation that NEPC is recommending for the System. He also compared the new allocation's expected returns with those anticipated for the median Public Fund with assets of over \$1 billion. He concluded his remarks by comparing the computed risk of the new asset allocation mix with the old one and with that of the median Public Fund.

Mr. Tobin asked how the expected return of the asset allocation compares to the assumed earnings rate upon which the System's assumptions are based.

Mr. Hacking responded that the Board reduced the assumed earnings rate for the System's fiscal year 2011, which begins this July 1st. He said that action has no immediate consequences except in terms of what gets credited to DROP accounts during the course of fiscal 2011. However, that action by the Board was consistent with what three actuarial firms have recommended. He said that in conjunction with that change, a reduction in the salary growth assumption and perhaps even the actuarial methodology being used are to be looked at during the first part of the upcoming fiscal year. He said the expected return from the new asset allocation merely indicates what we can expect to achieve, given NEPC's capital market projections. He said it has long been assumed that there needs to be some value added over and above just what the markets will provide if PSPRS is to achieve its rate of return expectations. Mr. Martin agreed and added that the rate of return forecasts only assume that the portfolio earns the benchmark associated with each of the asset classes. To achieve the System's rate of return expectations, value will have to be added through active management.

MOTION 5-120-10	At 2:06 p.m.
Motion:	To approve the new Appendix I <i>Asset Allocation Policy</i> , replacing and superseding the previous Appendix I of the PSPRS Amended and Restated Statement of Investment Policies effective July 1, 2010.
Moved by:	Ms Roediger
Seconded by:	Mr. Dunne
Discussion:	None
In Favor:	Five in favor
Motion Passes:	Passes

- b. Presentation, Discussion and Appropriate Action Regarding the proposed plan for the deployment of assets allocated to the Fixed Income portfolio and to adopt the proposed plan into the PSPRS Amended and Restated Statement of Investment Policies.....
..... Mr. Martin Anderson
..... Chief Equities Analyst
..... Mr. Don Stracke
..... Senior Consultant, NEPC

Mr. Stracke referred to the Proposed Fixed Income Restructure memorandum that was included in the meeting material. He said NEPC and Investment Department Staff believe that it is appropriate for the fixed income portfolio to have exposure to international markets as they represent a significant and growing percentage of the opportunity set in fixed income. He said there are specific segments of the global fixed income market in which the probability of generating enhanced return is reasonably high, and that adopting an enhanced global fixed income structure will provide a meaningfully higher opportunity to achieve return objectives without a dramatic increase in risk. He said the two major changes that NEPC and Investment Department Staff are recommending are the addition of non-U.S. exposure and greater diversification across the board. Within the domestic fixed income program, this would be accomplished by decreasing the internally managed portfolio to about \$200 million and redeploying \$300 million into actively managed Barclay Capital Aggregate Mandates, redeploying about \$100 million to portable alpha exposure, and redeploying about \$100 to high-yield exposure. The Non-U.S. Program would be comprised of about \$200 million in Developed Market Sovereign Bonds, about \$100 million in Credit Oriented Managers in non-U.S. markets and about \$200 million in Emerging Market Debt. He recommended on behalf of NEPC that the Board adopt the proposed plan.

Ms. Roediger reported that the Investment Committee recommends that the Board adopt the proposed plan for the redeployment of assets allocated to the Fixed Income portfolio.

MOTION 5-121-10	At 2:14 p.m.
Motion:	To approve proposed plan for the redeployment of assets allocated to the Fixed Income portfolio and to incorporate the proposed plan into the PSPRS Amended and Restated Statement of Investment Policies.
Moved by:	Ms Roediger
Seconded by:	Mr. Dunne
Discussion:	None
In Favor:	Five in favor
Motion Passes:	Passes

- c. Presentation, Discussion and Appropriate Action Regarding the approval of a new Appendix V *Securities Lending Policy*; replacing and superseding the previous Appendix V of the PSPRS Amended and Restated Statement of Investment Policies

Mr. Marc Lieberman
Partner, Kutak Rock

Ms. Roediger reported that the Investment Committee recommends the approval of the new Appendix V *Securities Lending Policy*; this would replace and supersede the previous Appendix V of the PSPRS Amended and Restated Statement of Investment Policies.

Mr. Parham recommended that NEPC be invited to come back to the Board with a short presentation describing the concept of Securities Lending for the benefit of those Trustees who may not have had exposure to Securities Lending in the past.

Mr. Martin commented that even though the bank custodians will claim that the return expected from securities lending activity is riskless, that is not really the case. He said that NEPC and Investment Department Staff believe, especially in view of what happened in the last year, that it would be instructive for the Board to review Securities Lending in general and the wisdom of continuing with the current Securities Lending Program.

Ms. Roediger asked Mr. Martin to identify a similar vehicle that has comparable risk.

Mr. Martin responded that the risk and return associated with cash management would be comparable. But he stressed that, since securities lending is “low return” activity, you certainly do not want to entertain the possibility of losing significant amounts. He said that risk arises if there is a default in the collateral pool.

Ms. Roediger asked if the System’s securities lending expectations have changed from what they were a year ago.

Mr. Lieberman responded that this is not a riskless enterprise. He stated that last year the System realized a loss on securities lending activity of about \$10 million. That happened because, when Lehman Bros. collapsed, the special investment vehicle that the System’s cash was invested in went down even though Mellon had advised the System that the vehicle was the most conservative (i.e., least risky) type of investment.

Mr. Lieberman said that Appendix A attached to the policy is the precise cash collateral investment restrictions that Mellon employs to manage the Trust’s Securities Lending portfolio and that these restrictions are in line with Rule 2A7, which is a Federal Regulation that governs permissible investments for cash funds. He said the two policies that he looked closely at were those of CALPERS and the Ohio Public Employees Retirement System. He said that he felt (and Investment Department Staff and NEPC agreed) that this proposed plan was a good balance between setting reasonable limits on Securities Lending in general without imposing too many onerous requirements that would enable the Trust to compete in the marketplace. He did note a typo at section 5.2 of the policy, specifically line four. After the acronym “DVP” he pointed out that there should be a comma and it should read “i.e.” because the words following that explain what the acronym DVP means.

MOTION 5-122-10	At 2:15 p.m.
Motion:	To approve the new Appendix V <i>Securities Lending Policy</i> , replacing and superseding the previous Appendix V of the PSPRS Amended and Restated Statement of Investment Policies.
Moved by:	Ms Roediger
Seconded by:	Mr. Dunne
Discussion:	
In Favor:	
Motion Passes:	

Mr. Maguire asked what percentage of the current lendable assets are eligible for Securities Lending.

Mr. Parham responded that a fairly large percentage is available but that he had not seen more than 10 percent out on loan at any point in time. He said that all of the publicly traded securities held by the Trust are available for lending but today there is no market for a large portion of those securities. He said the securities that are in demand today include the ETFs, the government bonds and the treasuries.

Mr. Maguire asked if Investment Department Staff engaged in Securities Lending.

Mr. Parham responded that Securities Lending is conducted by the Trust's custodian.

Mr. Maguire referred to section 5.3, which reads, "up to 50% of the lendable assets may be loaned at any point in time" and suggested that that percentage should be lowered. There was discussion of substituting 25% instead of 50%.

Mr. Lieberman stated that he did not see a problem reducing the percentage and that he had inserted 50% percent so that the policy would not be open-ended but would still have a reasonable limitation. He added that Mellon did not object to the percentage.

There was discussion regarding the appropriate percentage. Mr. Parham stated that he believed there could be unintended consequences if the percentage were to be set at less than 30 percent. He said that if Investment Department Staff discovers that a new lower ceiling causes the Trust to lose out on Securities Lending opportunities, then this matter will have to be brought back to the Board for further evaluation.

MOTION 5-123-10	At 2:20 p.m.
Motion:	To approve the new Appendix V <i>Securities Lending Policy</i> , replacing and superseding the previous Appendix V of the PSPRS Amended and Restated Statement of Investment Policies but changing section 5.3 such that the maximum percentage of the lendable assets that may be loaned at any point in time shall not exceed 25 percent of the Trust's total lendable assets.
Moved by:	Mr. Maguire
Seconded by:	Mr. Dunne
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

Mr. Maguire stated that in section 4.1 he did not see any legal authority for the Board of Trustees to limit its powers so that it could only act upon a recommendation from the Chief Investment Office. He therefore moved to strike the first phase through the comma. He

said this Board is vested by statute with broad powers to take action. While the Board may delegate certain responsibilities consistent with its fiduciary duties, the Board’s power to act cannot be confined solely to actions with respect to recommendations coming from the CIO.

MOTION 5-124-10	At 2:25 p.m.
Motion:	To strike the language “Upon recommendation of the Chief Investment Office” from section 4.1 of the proposed Securities Lending policy.
Moved by:	Mr. Maguire
Seconded by:	Ms Roediger
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

Mr. Maguire stated that there was a motion on the amended policy before the Board and the amended policy had to be moved and seconded before it could be voted on.

Mr. Tobin requested guidance from Mr. Lieberman.

Mr. Lieberman suggested, to be clear for the record, the motion be restated and to secure another second and then have a vote.

MOTION 5-125-10	At 2:26 p.m.
Motion:	To approve the new Securities Lending policy as amended.
Moved by:	Mr. Maguire
Seconded by:	Mr. Ferguson
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

- d. Presentation, Discussion and Appropriate Action Regarding amending the contract for Hedge Fund and Private Equity investment advisory services between Albourne America LLC and Public Safety Personnel Retirement System and/or the Arizona PSPRS Trust.....Mr. Ryan Parham

Ms. Roediger report that Agenda Items 4 (d.), (e.), (f.), and (g.) are service contracts that are under review and that the fees are being negotiated. She said that the Investment Committee recommends the Board approve all the changes to the contracts under review. She asked the Investment Department Staff to review the contract terms.

Mr. Parham stated that, recognizing the constraints that we have in developing our budget, each of the consults that are on retainer was approached regarding fee concessions. He said that in every case, although they were not obliged to do so, they did agree to fee reductions, and he wanted to express his personal and public thanks to each of these entities.

Mr. Parham said that, in item d, the reference is to the relationship with Albourne America LLC and that they have agreed to a significant reduction in their total fees. He said that for item e. a similar reduction has been negotiated with ORG Portfolio Management LLC. For

item f, a reduction in fees has been negotiated with Stepstone but there is a bit of a nuance as Stepstone acts as an advisor in the Private Equity/Venture Capital space and they also act as a manager for the Stepstone AZ Secondary Fund. He said they are currently paid a management fee of 70 basis points on deployed capital and that the Investment Department Staff has negotiated a change to this fee structure so that Stepstone will be paid 70 basis points on committed capital. He said that this change is in conjunction with a significant reduction to their advisory contract for the following two years and the discrepancy between committed capital and deployed capital will evaporate, probably within the next year. Therefore, this new fee arrangement should work to the System's advantage.

Mr. Parham said that, for items (d.), (e.) and (f.), the Investment Department Staff is seeking authority to amend the existing advisory services contracts to incorporate the reduction in fees. He said item (g.) refers to the Board's relationship with NEPC, which acts not only as the generalist consultant but also as the specialty consultant in the Credit Opportunities space. He said the Trust is now deployed at or near the target for the Credit Opportunities asset class and even though NEPC will continue to assist with respect to that asset class, it is Investment Department Staff's recommendation that we stop paying them for that work since they will do much less of it in the future. He turned the discussion over to Mr. Lieberman to describe the renewal of NEPC's contract.

Mr. Lieberman stated that the contract expired October 23, 2009 so it should be renewed effective October 24, 2009 for the period through October 23, 2010. He said the Statute limits contracts to a one-year renewal period.

Mr. Dunne stated that he would like to make a motion encompassing items (d.), (e.), (f.), and (g.) and make a motion for the renewal of the contracts.

Mr. Maguire stated that he preferred that the items be voted on separately.

MOTION 5-126-10	At 2:37 p.m.
Motion:	To approve item d. amending the contract for Hedge Fund and Private Equity investment advisory services between Albourne America and the System.
Moved by:	Mr. Dunne
Seconded by:	Ms Roediger
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

- e. Presentation, Discussion and Appropriate Action Regarding amending the Investment Management Agreement for Real Estate and Real Assets advisory services between ORG Portfolio Management LLC and Public Safety Personnel Retirement System and/or the Arizona PSPRS Trust.....Mr. Ryan Parham

MOTION 5-127-10	At 2:38 p.m.
Motion:	To approve item e. the contract between the System and ORG.
Moved by:	Mr. Dunne
Seconded by:	Ms Roediger
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

- f. Presentation, Discussion and Appropriate Action Regarding amending the Stepstone AZ Secondary Opportunities Fund Limited Partnership Agreement and the Private Equity Consulting Services Agreement between Stepstone Group LLC and the Public Safety Personnel Retirement System and/or the Arizona PSPRS Trust.....Mr. Ryan Parham

MOTION 5-128-10 At 2:39 p.m.
Motion: To approve the contract with Stepstone Group LLC and the System.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion:
In Favor: Unanimous
Motion Passes: Passes

- g. Presentation, Discussion and Appropriate Action Regarding amending the Agreement for Provision of Professional Services between NEPC and the Public Safety Personnel Retirement System and/or the Arizona PSPRS TrustMr. Marc Lieberman

MOTION 5-129-10 At 2:40 p.m.
Motion: To approve the contract with NEPC and the System to include the period October 24, 2009 through October 23, 2010.
Moved by: Mr. Dunne
Seconded by: Mr. Ferguson
Discussion:
In Favor: Unanimous
Motion Passes: Passes

- 5. Report by Investment Department Staff Regarding a short sell bond trade..... Mr. Ryan Parham

Mr. Parham reported that during the month that there was a short sale of different issues of Treasury Inflation Protected Securities (TIPS). He said Investment Department Staff determined that it was a good day to sell those TIPS. He said most of the Investment Department Staff was out of the office that day, traveling on business. He said he initiated the intent to trade, which is his prerogative, and that there is a special form that needs to be completed for every trade. He said that, as part of the total control and compliance process, if he initiates the trade he cannot initiate anything else on the form. He said one of the Investment Department Staff members generated the trade by reviewing Mellon Reports to determine the Trust custody at that point in time. He said in the two issues that are present for report today, in one case the trade information incorporated the correct CUSIP but the wrong maturity date and the broker acted on the maturity date and sold portions of a TIP which the Trust did not own. In the second transaction, which occurred virtually simultaneously, the Mellon Report that was reviewed was not the appropriate report and it overstated the position the Trust held in those TIPS. Consequently, once again, more TIPS were sold than the Trust owned. The problem in the compliance chain was that the second review that is required by our process was not invoked because virtually everyone was out of the office. He said he was under the impression that Ms Weigand would provide that second review but we simply did not follow our own policy. The TIPS trades were covered in London over night. He said the net effect to the Trust was a loss of about \$80,000. He said the broker should have caught this and added that had the second review required by our own in-house process been followed, that review would have caught the miss match. He said the broker has agreed to make the Trust whole by

forgoing future commissions until such time as the Trust has recouped the entire amount.

He said that the System's internal policies must be complied with in all respects and that an additional layer of potential compliance involving Ms Weigand will now be used. She has already been fully informed as to how to provide the second layer of review. If both the first and second layers of review had been followed, the trade would not have happened. Also, if the broker had confirmed the CUSIP, the trade would not have happened. Mr. Parham said he is grateful that the result economically was nothing and that it was an opportunity to reiterate the existing policies and to make certain that compliance procedures are fully and completely complied with. He said the Investment Department Staff alerted both Mr. Hacking and the compliance officer to the Investment Department Staff's failure to comply with our policies.

Mr. Parham suggested that Item 8 be discussed next to give the Compliance Auditor the opportunity to present her report on this compliance issue. Chair Tobin agreed to move to item 8.

- 6. Report by Investment Department Staff and Discussion Regarding the Month End and Fiscal Year-to-Date performance/portfolio update..... Mr. Marty Anderson

Mr. Anderson referred to the final performance report which was distributed to the Trustees. He said April was a difficult month for the Trust. He pointed out that in Real Estate there was a write down in the value of the former Pivotal assets, which are now managed by Desert Troon. This write down had a significant negative impact on the Real Estate portfolio. He said there was a slight lag to market in the Equities but the Bond portfolio did well and the GTAA manager contributed to performance. He said that there is a three month lag for the NCREIF NPI so that will get back filled in July for the period so there may be an adjustment to relative performance depending on what that Index does over the time period.

Mr. Dunne asked if the real estate write-downs have been finished.

Mr. Anderson responded that they are current but there are some appraisals that will be completed in June. He said he does not believe there will be any large markdowns resulting from those appraisals.

- 7. Report by NEPC representative(s) for the Third Fiscal Quarter (First Calendar Quarter) Performance Update. Mr. Allan Martin

Mr. Martin referred to the Investment Performance Analysis Through March 31, 2010 report, which was included in the meeting material. He said the purpose of the report is to compare the System's results to a comparative universe of peer groups. He said that since this report was issued U.S. Equity markets are down over 8%. He gave a brief overview of the economic environment and the markets. He reported that the Trust experienced a significant net investment gain, including a \$187 million gain in the first calendar quarter. He said that as of March 31, 2010 the Trust's assets totaled \$6.3 billion, up from \$6.1 billion as of December 31, 2009 and \$5.2 billion as of year-end 2008. He said that the Trust ranked in the bottom quartile of the ICC Public Funds Universe with assets of over \$1 Billion for the 5-years ending March 31, 2010; however, it ranked in the top half over the 3-year period and that over both periods the Trust has outperformed its allocation index and policy index. He reviewed the First Quarter 2010 Performance Summary, the 3 year and 5 year return versus volatility and the performance attribution.

- 8. Report by Compliance Auditor and Discussion Regarding investment compliance, holdings and transactions as of April 30, 2010. Ms Bridget Feeley
..... Internal Audit and Compliance Officer
See item 10 e.

Ms Feeley reported that, consistent with Mr. Parham's report, the Investment Department staff brought to her attention the short sale that occurred on April 20th. As reported, the person who prepared the trade pulled a report off the recordkeeping system that had not been updated for the prior day's trade and that this was relied on to make the sale. She said that when she reviewed the trade, she noted that the documentation indicated that the second review had not been conducted. She said the trade was covered immediately and the Trust will be compensated by the traders so there does not appear to be any economic impact. She said she had discussion with the Investment Department and they will be revamping their procedures. She said she reviewed the trades processed through the beginning of the year to determine if this was a consistent problem but that it did not appear to be as the trades were properly executed with the necessary sign-offs. She said 90 days after the Investment Department updates their procedures, she will conduct a review and comment on those new procedures. She will then retest and make sure at that point that the Investment Department is acting in compliance with their revised procedures

Mr. Ferguson said he finds the report of this short sale very disturbing. He said that we spend considerable time going over and adopting governing policies only to find that an important policy was not followed by staff, thus exposing the System's to the risk of loss. He said he has had noting but trust and respect for the Staff here and he thinks they do an excellent job but this failure to follow established policy is very disturbing and troubling to him.

Ms. Feeley reported that she reviewed the asset allocation and, similar to what was reported last month, the asset allocation, which the Board approved today, will include the GTAA as a separate asset class starting July 1. She said currently there is no such asset class and that it is being reported for now as part of U.S. Equities. She said that, with that limitation in mind, we are still in compliance.

At this point Mr. Ferguson suggested that item 10 (e.) be discussed next. Chair Tobin agreed to address that item next.

MOTION 5-130-10	At 3:10 p.m.
Motion:	To table Agenda item 10 e until the June 23, 2010 meeting
Moved by:	Mr. Ferguson
Seconded by:	Mr. Dunne
Discussion:	
In Favor:	Unanimous
Motion Passes:	Passes

Regarding the following agenda item, Pursuant to A.R.S. §§ 38-431.03(A)(3),(4) and (7), notice is hereby given to the Trustees of the PSPRS Board and the general public that the PSPRS Board may vote to go into Executive Session, which will not be open to the public.

9. Discussion with and instruction to legal counsel regarding recent developments and legal issues (including settlement discussions and threats of litigation) involving the Trust's custodians, lenders, securities lending agents, vendors, advisors, investments or investment managers, members or partners (as well as any investments managed by the Trust's investment managers or partners) and Appropriate Action Regarding same.

There was no discussion and no Executive Session held.

10. Other Business - Presentation, Discussion and Appropriate Action Regarding Recommendations that were made during the Operations, Governance Policy and Audit Committee Meeting that was held on Wednesday, May 26, 2010 at 10:00 a.m.....Mr. Brian Tobin
Chairman of the Operations, Governance Policy and Audit Committee

- a. Presentation, Discussion and Appropriate Action Regarding utilization of bank services for processing of benefit and refund disbursements and other payroll related items.....Ms. Tracey Peterson
Chief Operating Officer

Mr. Tobin stated the staff is continuing their analysis of this item. Therefore, the committee does not have a recommendation.

Ms. Tracey Peterson, Chief Operating Officer, summarized information distributed to the Board that describes the possibility of using Mellon Bank to provide benefit and refund disbursements. The use of an external vendor like Mellon will assist PSPRS with its Business Continuity/Disaster Recovery Plan. There was discussion about phasing out the Direct Deposit Notices to the retirees, since the information contained on those Notices is available to members via our website. This matter will be discussed further during the June meeting.

- b. Presentation, Discussion and Appropriate Action Regarding the proposed FY 2011 PSPRS Administrative Budget which includes contracts for Alliance Resource Consulting; Gabriel, Roeder, Smith & Company; Heinfeld Meech & Co; Kutak Rock, LLP; and LRS Consulting, LLC.....Ms. Karen Lewis
Accounting Manager

Opening remarks were made by Mr. Hacking who pointed out that the FY 2010 spending level as of June 30 should be significantly less than what was budgeted. He said he had asked the managers to keep in mind that the budget for FY 2011 was to be not more than 95% of the FY 2010 actual projected spending. It was pointed out that there are two alternative FY'11 budgets for the Investment Department. One was prepared by the Administrator and the other by the Chief Investment Officer following his contract fee negotiations with the investment consulting firms.

Accounting Manager, Ms. Karen Lewis projected FY 2010 expenses to be about \$157,000 under budget. Fiscal year 2011 is expected to be 7% under what we are expected to spend in FY 2010. Ms. Lewis highlighted some of the details including the fact that there are currently 3 vacant positions that have not been filled and that the proposed FY'11 budget does not contemplate any across-the-board increase in staff salaries (subject, however, to two exceptions in the case of certain staff who have contracts that require slight upward adjustments).

Mr. Parham, Chief Investment Officer, proposed an alternative budget for the Investment Department which includes filling the position of Chief Investment Strategist that was left vacant following Mr. Parham's promotion to Chief Investment Officer. It is proposed that the position be filled in order to add to the Department's expertise. In addition, he proposed adding to the staff a Risk Officer position in order to better monitor risk within an increasingly complex portfolio. These new staffers would be added as the new fiscal year progresses. Projected investment-related legal spending is expected to be much less in the next fiscal year due to an anticipated slower investment pace.

Ms. Lewis stated that the proposal of the Chief Investment Officer's budget is 1.48% less than that of the Administrator's alternative. This "saving" is largely attributable to the reduced consulting fees that the Chief Investment Officer was able to negotiate. Those lower fees are predicated on the assumption that, with the two new staff persons in the Investment Department, the usage of the consulting firms would decline somewhat.

Chairman Tobin stated that the Operations, Governance Policy and Audit Committee recommended that the full Board accept the budget as presented with the Chief Investment Officer's Investment Department proposal substituted for that of the Administrator. He added that the Administrator concurs with this recommendation of the Committee.

MOTION 5-131-10	At 3:35 p.m.
Motion:	To approve the Fiscal Year 2011 budget as proposed by the Administrator with the changes proposed by the Chief Investment Officer.
Moved by:	Mr. Ferguson
Seconded by:	Ms. Roediger
Discussion:	Mr. Ferguson stated that the System's most valuable asset is the employees. With no pay increase the staff will lose ground because the Arizona State Retirement System contribution rate is increasing by half a percent and we have not heard what the projected health insurance rates may be. He proposed increasing pay by 1% and reducing the defined contribution plan matching amount from 6% to 3%.
	Mr. Maguire recommended bringing the budget back for another review in June. Due to the fiscal stress that exists, he added that he is sensitive to expanding the budget. There is a proposed significant increase in the budget for personnel and no credit is to be given to contract reductions due to negotiations. He asked for substantial job descriptions for proposed additional Investment Department staff and the reasons for the positions.
In Favor:	
Motion Passes:	

Mr. Ferguson withdrew his motion .

MOTION 5-132-10	At 3:45 p.m.
Motion:	To set aside the motion and table the Administrative Budget agenda item until the June 23, 2010 meeting.
Moved by:	Mr. Ferguson
Seconded by:	Mr. Roediger
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

Mr. Dunne informed the Board that he is in support of the Investment Department staff and our membership. We need to do all that is necessary to decrease risk by adding staff and skills as the Chief Investment Officer has proposed. He added that this is fully compliant with our long term goal of securing our membership's benefits.

- c. Presentation, Discussion and Appropriate Action Regarding status report on backup plans for IT Network and Database..... Mr. Tom Willard
Program Development Manager

Mr. Willard, Program Development Manager, summarized the various types of backups that the System is currently using, including backups for the System's database files. Because we are now using "I Backup" for the database, Mr. Willard indicated that our past practice of copying and storing our database changes on tape and storing them in a bank vault was no longer needed and should be discontinued.

Chairman Tobin informed the Board that the Operations, Governance Policy and Audit Committee recommends that "I Backup" continue and that we discontinue use of the bank vault.

MOTION 5-133-10	At 4:00 p.m.
Motion:	To move ahead with the recommendation of the Operations, Governance Policy and Audit Committee to discontinue use of the bank vault backup and continue to use "I Backup."
Moved by:	Mr. Ferguson
Seconded by:	Mr. Dunne
Discussion:	Mr. Maguire requested a briefing with respect to all the backup activity in which we currently engage. He indicated a degree of discomfort with the prospect that, in case of a complete disaster, we would not have the office back up and running for a period of 48 hours, since it would take that long for our provider Agility to bring in trailers to set up a virtual office from which to operate. Mr. Hacking indicated that a briefing would be provided quickly.
In Favor:	Unanimous
Motion Passes:	Passes

- d. Written update on the progress of the Local Board Training Program with Possible Discussion and Appropriate Action.....Mr. Robert Ortega
Local Board Training Coordinator

The written report was informational. Mr. Maguire complimented the Staff on the excellent outreach program implemented by PSPRS and credits the Board of Trustees for overseeing the program.

- e. Presentation, Discussion and Possible Action Regarding the FY 2011 Audit Plan and Risk Assessment.....Ms. Bridget Feeley
Internal Audit and Compliance Officer

The Operations Committee recommended that this item be tabled to allow more time to review the plan that Ms. Feeley had put together and distributed.

See Agenda Item 8.

- f. Presentation, Discussion and Possible Action Regarding compliance and internal audit.
Ms. Bridget Feeley

See Agenda Item 8.

- 11. Presentation, Discussion and Appropriate Action to repeal the Governance Manual Policy on Special Advisers as a result of SB 1006, Chapter 200, Laws 2010.....Mr. Jim Hacking
Administrator

SB 1006 was summarized by Mr. Hacking. The bill expands the size of the Board from 5 to 7 members who would all be appointees of the Governor (subject to Senate confirmation).

Also, the bill lengthened the term of office for new appointees to five years and the PSPRS Board's use of "Special Advisers" was abolished. Mr. Hacking recommended that the Governance Policies be amended to delete the "Special Advisers" Charter in order to be consistent with the new law.

MOTION 5-134-10	At 4:05 p.m.
Motion:	To delete from the Governance Manual section 5.04, "Policy on Special Advisers to the Board of Trustees".
Moved by:	Mr. Ferguson
Seconded by:	Mr. Dunne
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

12. Presentation, Discussion and Appropriate Action Regarding the lobbyist policy and lobbyist contract extensions for HighGround, Inc. and Public Policy Partners (P3)..... Mr. Jim Hacking

This item was tabled until June, 23, 2010.

13. Presentation, Discussion and Appropriate Action Regarding options for fiduciary insurance for the PSPRS Board of Trustees.....Mr. Marc Lieberman
Ms. Paige Martin
Partner, Kutak Rock

Mr. Lieberman and Ms. Paige Martin, Partner, Kutak Rock were asked to investigate whether or not PSPRS should try to obtain fiduciary insurance in excess of what is already available by way of statutorily authorized self insurance and by way of what the state of Arizona would cover through the Arizona Department of Administration's (ADOA), Risk Management Division. There is no assurance that Risk Management would cover potential liability since PSPRS does not have a specific statutory provision requiring them to cover our trustees as does Arizona State Retirement System. The Administrator was directed to investigate whether beneficial coverage could be obtained at a reasonable cost and whether the permission of Risk Management to obtain the insurance could be secured, since the law requires Risk Management's approval of any private, non-state provided fiduciary liability insurance.

Mr. Maguire requested that a survey be conducted of what other funds provide. As a public entity, coverage provided by state law is more generous than what is normally available for private entities. Also the staff was asked to research the advisability of having specific statutory language regarding Risk Management's coverage of the Board members.

14. Presentation, Discussion and Appropriate Action to revise the committee to select the Administrator.....Mr. Brian Tobin

See Item # 3 of the Minutes.

15. Review, discussion and Appropriate Action Regarding the May 2010 bill for legal services performed in April, 2010.....Mr. Brian Tobin

MOTION 5-135-10	At 4:12 p.m.
Motion:	To approve the April 2010 legal bill.
Moved by:	Ms. Roediger
Seconded by:	Mr. Ferguson
Discussion:	Mr. Maguire stated the fees are out of scope for a system of this size and complexity. This will be discussed again when the budget is discussed at the June meeting.
In Favor/Opposed:	In favor: Mr. Dunne, Mr. Ferguson, Ms. Roediger, Mr. Tobin Opposed: Mr. Maguire
Motion Passes:	Passes

16. Discussion and Appropriate Action Regarding Board of Trustee member requests to participate in training, educational and due diligence opportunities.....Mr. Brian Tobin

No request was made that requires approval.

17. Discussion and Appropriate Action Regarding changing the Wednesday, August 25, 2010 Board of Trustees meeting date to Wednesday, August 18, 2010.....Mr. Brian Tobin

MOTION 5-136-10	At 4:14 p.m.
Motion:	To change the August meeting date from August 25, 2010 to August 18, 2010.
Moved by:	Mr. Maguire
Seconded by:	Mr. Ferguson
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

18. Election of a Vice Chair of the Board of Trustees to serve until the Board Officers Election to be held during the September Annual Meeting, September 15 and 16, 2010.....Mr. Brian Tobin

MOTION 5-137-10	At 4:16 p.m.
Motion:	To nominate Ms. Roediger as Interim Vice Chair of the Board of Trustees.
Moved by:	Mr. Dunne
Seconded by:	Mr. Ferguson
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

19. Discussion and Appropriate Action to approve appointment of Ms. Lori Roediger as Chairperson of the Investment Committee.....Mr. Brian Tobin

MOTION 5-138-10	At 4:18
Motion:	To nominate Ms. Roediger as Chairperson of the Investment Committee.
Moved by:	Mr. Ferguson
Seconded by:	Mr. Dunne
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

Regarding the following two agenda items, Pursuant to A.R.S. §§ 38-431.03(A) (1), (3),(4) and (7), notice is hereby given to the Trustees of the PSPRS Board and the general public that the PSPRS Board may vote to go into Executive Session, which will not be open to the public.

- 20. Discussion with and Appropriate Instruction by the Board of Trustees to legal counsel Regarding ongoing or threatened legal action involving the Arizona PSPRS Trust, the System, or the System's sister plans (EORP or CORP), including Campbell, Swink, Hosea, Miller, Martin, ApexCapital, Staeck, BNY Mellon, Pivotal Group, Desert Troon, Seldin, Parker, Loftus, JP Morgan Chase, Toyota, Goldman Sachs, Jacobs and Countrywide matters and Appropriate Action Regarding same.....Mr. Marc Lieberman

An Executive Session was not called.

- 22. The Board of Trustees may vote to go into Executive Session to discuss matters pursuant to A.R.S. §§ 38-431.03(A)(1), (2), (3), (4),and (7) including to obtain legal advice from the Board's attorney on any matter listed on the agenda, including:

- a. Discussion and consultation with legal counsel (and appropriate instruction to counsel) regarding legal issues, and settlement discussions, if any, arising in connection with the Arizona PSPRS Trust's real estate, private equity, hedge and other investments, including those managed by the Pivotal Group, ApexCapital Management, and Desert Troon Limited, pursuant to A.R.S. §§ 38-431.03(A)(3), (4) and (7).
- b. Discussion and consultation with legal counsel and Staff (and appropriate instruction to counsel) regarding ongoing or threatened legal action involving the Arizona PSPRS Trust, the System or the System's sister plans (EORP or CORP), including contemplated internal investigation and interview guidelines, investment related matters, EEOC charges, and cases, including Campbell, Swink, Miller, Martin, Cross, Jacobs, ApexCapital, Staeck, BNY Mellon, Pivotal Group, Desert Troon, Seldin, Parker, Loftus, JP Morgan Chase, Toyota, Goldman Sachs, and Countrywide matters, pursuant to A.R.S. §§ 38-431.03(A)(3), (3), (4), and (7).

- 22. Call to the Public:

This is the time for the public to comment. Members of the Board of Trustees may not discuss items that are not specifically identified on the agenda, except to address criticism from the public. Therefore, pursuant to A.R.S. § 38-431.01(H), the Board of Trustees' reaction to any public comment is limited to addressing criticism or recommending that the Board of Trustees or Staff respond or study such comment or schedule the subject matter for further consideration at a later date after appropriate notice.

Mr. Jim Mann, Executive Director of the Fraternal Order of Police requested that Local Board training be kept at the top of the PSPRS priority list and couple this with a law change so the local boards cannot escape their duties. He offered to meet with any members of the Board about the position of the Administrator, since he has been attending Board and other PSPRS meetings since 2001 and has first hand knowledge of how the position of Administrator has evolved over time. He made it clear that he is not lobbying on behalf of any specific person, but he merely wants to share his observations about what has occurred in the past.

- 23. Set Next Meeting Date

The next meeting is scheduled for Wednesday, June 23, 2010.

24. Adjournment

MOTION 5-139-10	At 4:22 p.m.
Motion:	To adjourn the meeting.
Moved by:	Mr. Maguire
Seconded by:	Ms. Roediger
Discussion:	None
In Favor:	Unanimous
Motion Passes:	Passes

Brian Tobin, Trustee, Interim Chairman

Lori Roediger, Trustee, Vice Chairperson

Tim Dunne, Trustee

Greg Ferguson, Trustee

Alan Maguire, Trustee