

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
FUND MANAGER OPERATIONS, GOVERNANCE POLICY, and AUDIT COMMITTEE**

MEETING

March 31, 2010

MINUTES

Members Present: Mr. Brian Tobin, Chairman
Mr. Brian Delfs, Member - Excused
Judge R. Carter Olson, Member - Arrived at 10:06 AM
Mr. Gregory Ferguson, Member

Others Present: Mr. Jim Hacking, Administrator
Ms. Tracey Peterson, Chief Operating Officer
Ms. Karen Lewis, Accounting Manager
Mr. Sam Meier, IT Network and Communications
Mr. Tom Willard, Systems Development Manager
Ms. Bridget Feeley, Internal Audit and Compliance Officer
Ms. Susanne Dobel, Member Services Manager
Mr. Robert Ortega, Local Board Coordinator/HR
Ms. Gail Nova, Administration Manager
Mr. Paul C. Hemmes, Training / Audio Visual Specialist

The ***Operations, Governance Policy, and Audit Committee*** meeting of the Fund Manager was held on Wednesday, March 31, 2010 in the internal conference room at 3010 East Camelback Road, Suite 200, Phoenix, Arizona 85016.

A. Call to Order

The meeting was called to order by Chairman Tobin at 10:00 AM.

B. Review and possible **Acceptance of the minutes from the February 19 and February 24, 2010 Operations, Governance Policy, and Audit Committee meetings.**

MOTION: 3-31a-10	At 10:03 A.M.
Motion:	To accept the minutes of the February 19 and 24, 2010 committee meetings.
Moved by:	Greg Ferguson
Seconded by:	Brian Tobin
Discussion:	None
In Favor:	All
Motion:	Passes

C. Agenda Items

1. Discussion and *possible recommendation for Action* regarding the results of the analysis of the program by the actuary, Gabriel, Roeder, Smith & Company ("GRS"), to include benefit enhancements and setting the premium for fiscal year 2011.

Discussion was held regarding premium rate, benefit enhancements, and training and education with respect to utilization of the program. This will be an agenda item for the next meeting.

2. Update by Karen Lewis regarding the FY 2009, 2010 budget as of February 28, 2010 with departmental projections to the end of the fiscal year to be followed by discussion and *possible recommendation for Action*.

The update was presented by Ms. Lewis, Accounting Manager, regarding the budget as of February 28, 2010 and the projections to the end of this fiscal year. It is projected that we will be within the current budget at the end of the current fiscal year.

3. Discussion between the Committee, Staff and the IT department regarding second off site back up and *possible recommendation for Action*.

Discussion was held regarding a second database back-up and possibly using a self storage facility, a bank vault or IBackup and the frequency of back-up.

MOTION: 3-31b-10	At 11:05 A.M.
Motion:	To authorize the IT Department to proceed with IBackup of Windows and to maintain existing system of back-up on at least a daily frequency until further authorization.
Moved by:	Carter Olson
Seconded by:	Greg Ferguson
Discussion:	None
In Favor:	All
Motion:	Passes

4. Review and discussion of the March 2010 bill for legal services performed in February and possible **Action** by the Committee to approve the bill.

MOTION: 3-31c-10	At 11:08 A.M.
Motion:	To approve payment of the March 2010 legal bill.
Moved by:	Greg Ferguson
Seconded by:	Brian Tobin
Discussion:	None
In Favor:	All
Motion:	Passes

5. Written update on the progress of the Local Board Training program with *possible discussion and recommendation for Action*.

Mr. Ferguson stated that the newsletters have been a great assistance to the local boards.

6. Update by Bridget Feeley and discussion regarding compliance and internal audit with *possible recommendation for Action*.

Ms. Feeley, Internal Compliance and Audit Officer, stated there was nothing to report this month. She is working on the risk assessment and proposed audit plan for the committee meeting next month.

- D. Call to the Public: This is the time for the public to comment. Members of the committee may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(G), the subcommittee's reaction to any public comment is limited to recommending that the Fund Manager or staff respond or study such comment or schedule the subject matter for further consideration at a later date after appropriate notice.

E. Schedule next meeting

The next meeting will be held on April 28, 2010.

F. Adjournment

The meeting was adjourned at 11:10 AM.

Brian Tobin, Chair

Excused

Brian Delfs, Member

R. Carter Olson, Member

Greg Ferguson, Member