AGENDA

The Meeting of the Board of Trustees of the Public Safety Personnel Retirement System (the “PSPRS” or “System”) will be held in the main public conference room of the administrative offices of PSPRS, 3010 East Camelback Road, Suite 200, Phoenix, Arizona 85016, commencing at 1:00 p.m. on Wednesday, August 24, 2016. The meeting will continue until 5:00 p.m. or until the matters set forth in this agenda are otherwise addressed. Members of the Board of Trustees will attend either in person or by telephonic conference call. The Board of Trustees may vote to hold an executive session, which will not be open to the public, to discuss certain matters. The Board of Trustees reserves the right to consider agenda items out of their listed order.

This meeting is available to the public through “Go to Meeting” over the Internet or in person. Please see www.psprs.com for the computer link to the meeting. All persons wishing to attend are invited.

1. Call to Order; Roll Call; Opening remarks

   Mr. Brian P. Tobin
   Chairman

2. 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.

3. Appropriate Action for approval of the items on 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 member of the Board of Trustees.


   b. Acceptance of Elected Officials’ Retirement Plan of normal retirement benefit of Jay Lee Davis.


e. Acceptance of Elected Officials’ Retirement Plan of normal retirement benefit of John C. Gemmill.


g. Acceptance of Elected Officials’ Retirement Plan of survivor benefit of Mary S. Hays.

h. Acceptance of Elected Officials’ Retirement Plan of normal retirement benefit of Crane McClennan.


j. Acceptance of Elected Officials’ Retirement Plan of survivor benefit of Ellen Regan.

k. Acceptance of Elected Officials’ Retirement Plan of normal retirement benefit of Linda O’Dell.


m. Acceptance of Elected Officials’ Retirement Plan of termination of early retirement benefit of Stephen F. Sherrick.


o. Acceptance of Elected Officials’ Retirement Plan of normal retirement benefit of Patricia Wilder.


q. Acceptance of Transfer Between State Retirement Systems of William Prather, Jr.

r. Acceptance of Transfer Between State Retirement Systems of Joseph Lapre.

s. Acceptance of Transfer Between State Retirement Systems of Michael Barnes.

t. Acceptance of Transfer Between State Retirement Systems of Scott Somers.

u. Acceptance of Transfer Between State Retirement Systems of Shane Arrollado.

v. Acceptance of Transfer Between State Retirement Systems of Scott Klay.

w. Acceptance of Transfer Between State Retirement Systems of Scott Wheat.

x. Acceptance of Transfer Between State Retirement Systems of Lisa Bleich.

y. Acceptance of Transfer Between State Retirement Systems of Peter Robeson.
z. Acceptance of Transfer Between State Retirement Systems of Kenneth Perry.

aa. Acceptance of Transfer Between State Retirement Systems of Valerie Millis.

bb. Acceptance of Transfer Between State Retirement Systems of William Onyett.

c. Acceptance of Transfer Between State Retirement Systems of Raymond Sanchez.

d. Acceptance of Transfer Between State Retirement Systems of Peter Salazar.

e. Acceptance of Transfer Between State Retirement Systems of David Brock.

ff. Acceptance of Transfer Between State Retirement Systems of Stacie Seitz.

gg. Acceptance of Transfer Between State Retirement Systems of Matthew Simon.

hh. Acceptance of Transfer Between State Retirement Systems of Matthew Decourval.

ii. Acceptance of Transfer Between State Retirement Systems of Renae G. Hoffman.

jj. Acceptance of Transfer Between State Retirement Systems of Todd Warren.

kk. Approval of the Minutes of the June 29, 2016 Meeting of the PSPRS Board of Trustees.

4. Appropriate Action regarding the approval of the Mountain Vista Fire District Applications for Membership Waiver of participation.

5. Appropriate Action regarding the Joinder Agreement with the Beaver Dam/Littlefield Fire District.


Report by Mr. Richard Petrenka, Chairman of the Investment Committee, regarding agenda items 7. through 13. which were discussed at the Investment Committee meeting held today, August 24, 2016, on or after 11:00 a.m., and possible Action on the Committee’s recommendations to the Board regarding same.

7. Written report and possible discussion of monthly review of Management Fees.

Board of Trustees Meeting
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8. Report by the System's Internal Audit and Compliance Officer and discussion regarding investment compliance, holdings and transactions, as of May 31, 2016 and June 30, 2016.
   
   Ms. Bridget Feeley

9. Presentation and report by Investment Department Staff and discussion regarding (i) the Month-End and Fiscal Year-to-Date performance for the PSPRS Trust as of May 31, 2016 and June 30, 2016; and (ii) written report regarding the asset allocation and performance of the Firefighters and Peace Officers Cancer Insurance Program.
   
   Ms. Vaida Maleckaitė
   Director of Investment Services

10. Presentation and report by Investment Department Staff regarding Portfolio Risk as of May 31, 2016 and June 30, 2016.
   
   Mr. Owen Zhao
   Portfolio Analyst - Risk

11. Presentation and discussion by NEPC representatives on the Fourth Fiscal Quarter (Second Calendar Quarter) investment performance and the 2015 Fiscal Year investment performance for the Arizona PSPRS Trust.
   
   Mr. Allan Martin
   NEPC, LLC.

12. Disclosure by Investment Department Staff of the following manager selection matters:

   A. New and potential investments considered this period:
   
      1. Disclosure of a potential investment of up to $60 million direct and a reserve allocation of up to $20 million for purposes of co-investment with **Panda Power Annex Fund**, in the PSPRS Real Assets portfolio, subject to final Staff and legal due diligence.
   
      2. Disclosure of a potential investment of up to $20 million for purposes of co-investment with **Charlesbank Fund VIII in the CB Ignite Holdings, LLC Fund**, in the PSPRS Private Equity portfolio, subject to final Staff and legal due diligence.

   B. Disclosure of terminated transactions for this period:
   
      1. None.

   C. Disclosure of closed transactions for this period:
   
      1. **Rockbridge Hospitality Fund VII LP Fund**: Committed amount up to $50 million direct and up to $20 million for purposes of co-investment. Date Closed: June 29, 2016; This investment is allocated to PSPRS Asset Class Real Estate.
   
      2. **Panda Power Annex Fund**: Committed amount up to $60 million direct and up to $20 million for purposes of co-investment. Date Closed: August 5, 2016; This investment is allocated to PSPRS Asset Class Real Estate.
   
      3. **CB Ignite Holdings, LLC Fund (Charlesbank Fund VIII Co-Investment)**: Committed amount up to $20 million for purposes of co-investment. Date Closed: August 12, 2016; This investment is allocated to the PSPRS Private Equity portfolio.
D. Current investments considered for de-selection this period:

1. **Eagle Small Cap Growth Fund.** Staff recommends full redemption of all investments. Estimated Redemption completion date: July 31, 2016. This Fund is allocated to the PSPRS US Equity Portfolio.

2. **Fischer Francis Trees and Watts US TIPS with FX Alpha Overlay Fund.** Staff recommends full redemption of all investments. Estimated Redemption completion date: June 30, 2016. This Fund is allocated to the PSPRS Risk Parity Portfolio.

3. **Capital Guardian Emerging Markets Fixed Income Fund.** Staff recommends full redemption of all investments. Estimated Redemption completion date: June 30, 2016. This Fund is allocated to the PSPRS Fixed Income Portfolio.

E. Disclosure of completed transactions for this period:

1. None.

Presentation by Mr. Gregory Ferguson, Chairman of the Operations, Governance Policy and Audit Committee, regarding agenda items 14. through 22., which were discussed at the Operations, Governance Policy and Audit Committee meeting held today, August 24, 2016, on or after 11:00 a.m., and possible Action on the Committee’s recommendations to the Board regarding same.

13. Presentation, review, discussion and possible **Action** regarding adoption of PSPRS Israel Boycott Divestment Compliance Policy.

14. Review, discussion and possible **Action** regarding PSPRS’s ownership of the property located at 3010 E. Camelback Road, Phoenix, Arizona.

15. Presentation of the Month-to-Date Budget Report for FY 2017 and possible **Action** on same.

16. Update and possible discussion on the progress of filling staffing positions.

17. Update on the progress of the Local Board Training Program and discussion and possible **Action** regarding the same.
18. Presentation of the "Requests for Local Board Rehearing" Report for the current month.  
   Mr. Jared A. Smout

19. Review and discussion regarding law firms' billings for legal services performed in June and July, 2016.  
   Mr. Jared A. Smout

   Ms. Bridget Feeley

21. Review, discussion and possible Action on proposed, pending and passed legislative actions.  
   Mr. Jared A. Smout

22. Update, discussion and possible Action on risk-pooling and local board consolidation study being conducted by Cortex Applied Research.  
   Mr. Jared A. Smout

23. Discussion and possible Action on PSPRS Defined Contribution Plan Committee charter.  
   Mr. Jared A. Smout

24. Discussion, review and possible Action regarding approval of Part 1 of PSPRS’s Special Pay Plan, as authorized by A.R.S. 38-611.02.  
   Mr. Jared A. Smout

25. Discussion and appropriate Action regarding Board of Trustee member requests to participate in training, educational and due diligence opportunities.  
   Mr. Brian P. Tobin

26. Discussion and consultation with legal counsel and Staff and possible Action regarding IRS determination letter requests, proposed legislation, investment matters, ongoing, contemplated or threatened legal action involving the Trust and Plans, including vendor disputes, public record requests, personnel matters and actual or potential litigation and claims based on contract, tort or statute, including matters involving, judges Thompson and Hall, retired judges Fields and Lankford, retired police officers Rappleyea and Everson, active police officers Parker, Griego, Manganiello and Robles, the Pivotal Group, Bank of America, Desert Troon, Stroh Ranch Development and Timbervest. The Board may vote to discuss these matters in Executive Session pursuant to A.R.S. §§ 38-431.03(A)(1), (2), (3), (4) and (7) as set forth in item 27.

27. The Board of Trustees may vote to go into Executive Session (which will not be open to the public) to discuss matters pursuant to A.R.S. §§ 38-431.03(A) (1), (2), (3), (4) and (7), as applicable, including to receive legal advice from the Board’s attorneys on any matter listed on the agenda, including:

   a. Discussion and consultation with legal counsel and Staff regarding matters arising from public record requests or subpoenas, and ongoing or threatened legal action or claims involving the Plans or Trust not otherwise referenced above in Item 26, including but not limited to, those involving Ken Fields and the status of lawsuits challenging provisions of SB1609, as authorized by A.R.S. §§ 38-431.03(A) (2), (3).
b. Update and discussion on personnel matters, including the Administrator's Annual Performance Review, as authorized by A.R.S § 38-431.03(A)(1).

28. Schedule future meeting date(s). (Currently scheduled for Tuesday and Wednesday, September 20 and 21, 2016.)

29. Adjournment.

A copy of the agenda background material that is provided to the Board of Trustees (with the exception of materials relating to possible executive sessions and/or materials exempt by law from public inspection) is available for public inspection at the PSPRS offices located at 3010 East Camelback Road, Suite, 200, Phoenix, Arizona. The agenda is subject to revision up to 24 hours prior to the meeting.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Michelle Pechan, Paralegal, at (602) 255-5575. Requests should be made as early as possible to arrange the accommodation.