PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM
BOARD OF TRUSTEES MEETING

April 4, 2012

MINUTES

Mr. Brian Tobin, Trustee, Chairman
Mr. Gregory Ferguson, Vice Chairman, Trustee
Mr. Jeff McHenry, Trustee
Ms. Randie Stein, Trustee
Mr. Richard Petrenka, Trustee
Mr. Lauren Kingry, Trustee – excused at 3:50 p.m.
Mr. William Davis, Trustee
Mr. Ryan Parham, Assistant Administrator / Chief Investment Officer
Mr. Jared Smout, Deputy Administrator
Mr. Marty Anderson, Deputy Chief Investment Officer
Mr. Pascal Stalder, Deputy Chief Investment Officer – Risk
Mr. Anton Orlich, Lead Investment Analyst
Mr. Paul Corens, Senior Investment Analyst
Mr. Mark Selfridge, Senior Investment Analyst
Mr. Shan Chen, Senior Investment Analyst
Mr. Mark Steed, Lead Investment Analyst
Ms. Michele Weigand, Senior Contracts Specialist
Mr. Fred Stork, Assistant Attorney General
Mr. John Hendricks, Accounting Manager
Mr. Don Stracke, Senior Consultant, NEPC, LLC
Mr. Lincoln Smith, Partner, Albourne America
Mr. Marc Lieberman, Partner, Kutak Rock
Mr. Doug Cole, HighGround
Mr. John Kaites, Public Policy Partners

1. Call to Order; Roll Call; Opening remarks

The meeting was called to order by Chairman Tobin and he extended a welcome to the new trustee, Mr. William Davis.

2. Appropriate Action for 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 member of the Board of Trustees.

   a. Acceptance of Elected Officials’ Retirement Plan of termination of survivor benefit of Alice N. Guidish
   b. Acceptance of Elected Officials’ Retirement Plan of termination of normal benefit of Charles M. Lawwill
   c. Acceptance of Elected Officials’ Retirement Plan of survivor benefit of Faye Lawwill
d. Acceptance of Elected Officials' Retirement Plan of normal benefit of John S. Leonardo

e. Acceptance of Elected Officials' Retirement Plan of survivor benefit of Karen M. Ryan

f. Acceptance of Elected Officials' Retirement Plan of termination of early benefit of Frederick Wagner III

g. Acceptance of Elected Officials' Retirement Plan of survivor benefit of Leslie Wagner

h. Acceptance of Elected Officials' Retirement Plan of termination of early benefit of Thomas Wright

i. Acceptance of Transfer Between State Retirement Systems of Pamela Swearingin

j. Acceptance of Transfer Between State Retirement Systems of Saul Schoon

k. Acceptance of Transfer Between State Retirement Systems of Brian Wagner

l. Acceptance of Transfer Between State Retirement Systems of Herbert Oxnam

m. Acceptance of Transfer Between State Retirement Systems of Peter Robeson

n. Acceptance of Transfer Between State Retirement Systems of Lori Plummer

o. Acceptance of Transfer Between State Retirement Systems of Ramon Villa

p. Acceptance of Transfer Between State Retirement Systems of William Phillips

q. Acceptance of Transfer Between State Retirement Systems of Donald Hansen

r. Acceptance of Transfer Between State Retirement Systems of Petra Coronado

s. Acceptance of Transfer Between State Retirement Systems of John Grady

t. Acceptance of Transfer Between State Retirement Systems of Ted Direen

u. Acceptance of Transfer Between State Retirement Systems of Douglas Owens

v. Acceptance of Transfer Between State Retirement Systems of Kevin Brown

w. Acceptance of Transfer Between State Retirement Systems of Bruce Gillum

x. Acceptance of Transfer Between State Retirement Systems of Ryan Christian

y. Acceptance of Transfer Between State Retirement Systems of Darren Szczepanski

z. Acceptance of Transfer Between State Retirement Systems of Jeffrey Bell

aa. Acceptance of Transfer Between State Retirement Systems of Derrell Wiseman

bb. Acceptance of Transfer Between State Retirement Systems of Bradley Mihalik

cc. Acceptance of Transfer Between State Retirement Systems of Laurentino Terra III

dd. Acceptance of Transfer Between State Retirement Systems of James Carne

ee. Acceptance of Transfer Between State Retirement Systems of Timothy Hampton

ff. Acceptance of Transfer Between State Retirement Systems of Mike Valencia

gg. Acceptance of Transfer Between State Retirement Systems of Paul Wein

hh. Acceptance of Transfer Between State Retirement Systems of Kathleen McManamon

ii. Acceptance of Transfer Between State Retirement Systems of Eleuterio Fragoso

jj. Acceptance of Transfer Between State Retirement Systems of Kimberly Johnson

kk. Acceptance of Transfer Between State Retirement Systems of John Blaise

ll. Acceptance of Transfer Between State Retirement Systems of Andrew Lee

mm. Acceptance of Transfer Between State Retirement Systems of Jeffrey Tate

nn. Acceptance of Transfer Between State Retirement Systems of Alexander Watson

oo. Approval of Settlement Agreement between Corrections Officer Retirement Plan and John Martin
3. Appropriate **Action** regarding the Joinder Agreement with Sunsites Pearce Fire District

   **MOTION:  4-93-12** At 1:01 p.m.
   **Motion:** To approve the Consent Agenda as presented.
   **Moved by:** Mr. Ferguson
   **Seconded by:** Mr. McHenry
   **Discussion:** None
   **In Favor:** Unanimous
   **Motion:** Passes

4. Appropriate **Action** regarding the Minutes of the February 29, 2012 meeting of the PSPRS Board of Trustees and Minutes of the March 15, 2012 special meeting of the PSPRS Board of Trustees

   **MOTION:  4-94-12** At 1:02 p.m.
   **Motion:** To approve the Joinder Agreement with Sunsites Pearce Fire District.
   **Moved by:** Mr. Ferguson
   **Seconded by:** Mr. McHenry
   **Discussion:** None
   **In Favor:** Unanimous
   **Motion:** Passes

   **MOTION:  4-95-12** At 1:03 p.m.
   **Motion:** To approve the Minutes of the February 29, 2012 meeting of the PSPRS Board of Trustees and Minutes of the March 15, 2012 special meeting of the PSPRS Board of Trustees as presented.
   **Moved by:** Mr. Ferguson
   **Seconded by:** Mr. Petrenka
   **Discussion:** None
   **In Favor:** Unanimous
   **Motion:** Passes

---

Report by Mr. Richard Petrenka, Chairman of the Investment Committee regarding agenda items 5. through 9. which were discussed at the Investment Committee meeting held today, April 4, 2012, on or after 10:00 a.m., and possible Action on the Committee’s recommendations to the Board regarding same.

5. Report by Investment Department Staff and discussion regarding the Month Ended and Fiscal Year-to-Date performance/portfolio with an overview of the Public Equities asset class

   **Mr. Ryan Parham**
   **Chief Investment Officer**

   Mr. Parham reported that the overall investment return for month ending 2/29/12 was 1.91%. However, there was underperformance due to the legacy JV assets in the real estate portfolio. He added that the System is still underweight in fixed income and...
equities because it is taking time to work through the issues of the legacy real estate and the overweight in Arizona residential real estate assets. We do not want a fire sale with respect to those assets and the prognosis is positive that we will be able to reduce the Arizona real estate exposure going forward as market conditions improve. The new asset allocation targets will go a long way to help solve this situation. Those will be discussed later in the meeting.

6. Presentation by Investment Department Staff, and Albourne America LLC representatives and discussion and possible Action regarding an investment of up to $20 million in Brookfield Brazilian Capital Partners, L.P. or appropriate feeders, blockers, or associated or parallel funds of same managed by Brookfield Asset Management Private Institutional Capital Advisors Latam Ltd. 

Mr. Paul Corens, Senior Investment Analyst
Mr. Lincoln Smith, Albourne America, LLC

Mr. Corens stated that this is a real asset investment opportunity. The parent company, Brookfield Asset Management Private Institutional Capital Advisors Latam Ltd., has 10 years of experience in Brazil. Brazil is the seventh largest global economy with growing demand and growing opportunities for investments in infrastructure, timber, agriculture, mining materials, and storage. Staff and Albourne America recommend this investment. It will help diversify our real assets portfolio.

Mr. Lincoln Smith added that the focus of Brookfield Brazilian Capital Partners is supply chain mechanisms. They own and run 25% of these investments and the rest they run alongside of their limited partners. 20% of the funding can be utilized outside of Brazil.

**MOTION: 4-96-12** At 1:20 p.m.

**Motion:** To accept the recommendation of the Investment Committee to invest up to $20 million in Brookfield Brazilian Capital Partners, L.P. or appropriate feeders, blockers, or associated or parallel funds of same managed by Brookfield Asset Management Private Institutional Capital Advisors Latam Ltd.

**Moved by:** Mr. Petrenka
**Seconded by:** Mr.
**Discussion:** None
**In Favor:** Unanimous
**Motion:** Passes

7. Presentation by Investment Department Staff, and NEPC, LLC representatives and discussion and possible Action regarding an investment of up to $40 million in Stark Mortgage Opportunities Fund L.P., or appropriate feeders, blockers, or associated or parallel funds of same managed by Stark Onshore Management LLC.

Mr. Mark Steed, Lead Investment Analyst
Mr. Allan Martin, Partner, NEPC, LLC

Mr. Steed informed the Board that this is a customized portfolio where PSPRS and a possible additional partner will invest in mortgage backed securities, most of which will
be residential. This is good market timing since currently there is a supply/demand imbalance.

Mr. Stracke discussed the due diligence conducted by NEPC and indicated that they concur with Staff's recommendation regarding this investment. It will be added to the PSPRS opportunistic bucket. They like the mortgage backed security markets where, for technical reasons, prices have dropped significantly. This is not based on housing prices and with the prices of these securities, there is a fair amount of cushion. It is a risk adjusted investment and the Stark team has returned 19% per year.

**MOTION: 4-97-12**

At 1:26 p.m.

**Motion:** To accept the recommendation of the Investment Committee to invest up to $40 million in Stark Mortgage Opportunities Fund L.P., or appropriate feeders, blockers, or associated or parallel funds of same managed by Stark Onshore Management LLC

**Moved by:** Mr. Petrenka

**Seconded by:** Mr.

**Discussion:** None

**In Favor:** Unanimous

**Motion:** Passes

8. Presentation by Investment Department Staff and discussion and possible Action regarding approval for opening a Business Market Rate savings account at Wells Fargo Bank, N.A., with a balance not to exceed $100 million, to manage monthly cash flows

Mr. Mark Selfridge

Senior Investment Analyst

Mr. Selfridge said the rate at Wells Fargo Bank, N.A. is a higher rate than we have been getting at BNY Mellon. The increased funds will be used for excess cash and upcoming capital calls.

**MOTION: 4-98-12**

At 1:29 p.m.

**Motion:** To accept the recommendation of the Investment Committee to approve the opening of a Business Market Rate savings account as Wells Fargo Bank, N.A. with a balance not to exceed $100 million, to manage monthly cash flows.

**Moved by:** Mr. Petrenka

**Seconded by:** Mr.

**Discussion:** None

**In Favor:** Unanimous

**Motion:** Passes

9. Presentation by Investment Department Staff and NEPC, LLC representatives and discussion and possible Action regarding the approval of certain proposed revisions to the Asset Allocation targets, which are stated in Appendix I Asset Allocation Policy, and replacing and superseding those targets

Mr. Ryan Parham

Mr. Allan Martin

Partner, NEPC, LLC
The presentation was made by Mr. Allan Martin. Asset allocation targets are established to be long term goals. The changes we contemplate take into account the liquidity requirements that have resulted from the change in behavior of PSPRS members in reaction to the recent pension reform legislation and the prospect for continuing negative cash flow. The pension reform bill generated a wave of retirements but the positions vacated have not been refilled by employers due to current economic and budgetary conditions. That is what has caused us to have to take into account a higher liquidity requirement in developing the new asset allocation targets.

Mr. Anderson stated that the actuaries have rerun their analysis of data because of the change in assumptions that resulted from the change in behavior of our members. We simply have to preserve more of our liquid assets so that capital calls can be answered and the monthly payroll accommodated.

Mr. Martin said the job of NEPC is to walk the Board through the asset allocation discussion, which will include discussion of benchmarks, ranges, liquidity, projections, and risk factor analysis. Today’s goal is to determine at a high level, how much the Board wishes to have in real assets. The history of capital markets was discussed. In the most recent period, there has been significant decline in interest rates and assumed rates of return. Yields for treasury and global bonds are lower. Capital markets with attractive risk returns include credit markets, distressed assets and emerging markets.

We will use November 30, 2011 market data for setting the assumptions. This process includes determining permissible asset classes and weighting constraints; expected returns and risk assumptions; and correlation assumptions (the similarity/dissimilarity between asset class returns) based on historic data and current trends. Diversification reduces the overall volatility of the portfolio.

According to Mr. Martin, over the next three to five years, NEPC expects a 3% rate of inflation. The members of the Board asked what would happen with a 6% inflation rate projection. Mr. Martin presented the five to seven year compounding indexed return and volatility forecasts for asset classes. This was followed by a discussion of the current asset allocation mix versus the proposed mix to achieve a thirty year expected return of approximately 8% without any manager added value. The proposed mix in asset allocation as determined by NEPC and Staff produces one-half a percent higher expected return than the current mix and better Sharpe ratios, but with slightly higher volatility (11.4% versus 10.8%). To complete the above mentioned proposed asset allocation, NEPC looked at the current portfolio volatility for each asset class and then reviewed several different economic cases including an expanding economy, an over-extended economy, stagflation and recession.

Ms. Stein requested further analysis regarding our original targets. She suggested looking at other public funds that are more equity oriented than is PSPRS. Mr. Davis asked for more information on the risk parity component that the new allocation will provide. This agenda item will be continued next month with more information to be provided.

10. Status report regarding proposed 2012 legislation and possible Action .................................................................

................................................................................................................................................................................. Mr. Jared Smout
Mr. John Kaites of Public Policy Partners told the Board that SB 1115 and SB 1116 were signed last week by the Governor. He also reported that, with respect to HB 2571, the so-called Personnel Reform bill, there will be a stakeholder meeting at 11 a.m. next Wednesday in the Governor’s conference room to discuss a compromise amendment to accommodate the needs of the retirement systems. An amendment drafted by the retirement systems has been sent to the Governor’s office for staff review and that should be the focus of the discussion on Wednesday. Mr. Tobin thanked Mr. Doug Cole of HighGround and Mr. Kaites and Ms. Dianne McAllister of Public Policy Partners for their work on SB 1115 and SB 1116.

11. Report by Investment Department Staff and Walton Street Capital, L.L.C. representatives and discussion regarding the System’s investment in Walton Street Mexico Fund I-Q, L.P

Mr. Ryan Parham
Mr. Sandor Valner and Federico Martin Del Campo

The representatives of Walton Street Mexico Fund I-Q returned to present an update for the Board and to summarize the expectations and performance of the fund. In 2008 they closed on $50 million in investments. Mr. Sandor Valner and Mr. Diego Gutierrez told the Board that in 2009 and 2010 the fund experienced negative growth. But this period was shorter than that experience in the U.S. generally and that now they are doing well. Security is a real issue of course in 20 counties out of the country’s 2300 counties and that security issue does affect tourism and second homes but retail is not affected. We have learned to live with this and the country as a whole is doing well. Mexican debt is trading at 150 basis points above the U.S. in terms of yield and the yield on transactions is more than 150 basis points above that of the U.S. The good news is that Walton Street did not invest a lot in 2009 and 2010 and controlled the related expenses for that period. The Fund now has two transactions pending and in the last four years many of Walton Street’s competitors have left Mexico. A few of their transactions were summarized as were their opportunities and the value of their assets.

12. 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.

There were no responses to the Call to the Public.

13. Discussion and consultation with legal counsel and Staff regarding proposed legislation, ongoing, contemplated or threatened legal action involving the 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 Bank of America, BNY Mellon, judges Thompson and Hall, retired judges Fields and Lankford, Huggins, retired police officers Rappleyea and Everson, Cross, Martin, the Pivotal Group, APEX Capital Management 1, U.S. Bank, the Seldins, and Stroh Ranch Development. 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 28 of the agenda.

14. 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 obtain legal advice from the Board’s attorney on any matter listed on the agenda, including:

a. Discussion regarding the filling of the position of In-house Investment Counsel.

b. Status report from Ben Cooper of Steptoe & Johnson LLP regarding the three (3) lawsuits challenging provisions of Senate Bill 1609, which lawsuits involve judges Thompson and Hall, retired judges Fields and Lankford, and retired police officers Rappleyea and Everson.

c. Discussion with Marc R. Lieberman of Kutak Rock LLP regarding the settlement in the John Martin v. Corrections Officers Retirement Plan lawsuit.

d. Discussion of the Administration’s personnel reform initiative (HB2571).

e. Discussion with legal counsel (and possible recommendation to the Board of Trustees) about legal developments, claims and issues (including settlement discussions) involving investment-related public record requests as well as the Plans’ contracts and investments, including legal matters concerning the Plans’ custodians, lenders, securities lending agents, investment contracts, vendors, advisors, investment managers or joint ventured (as well as any investments managed by the Plans’ investment managers or joint ventured). The Board may vote to discuss these matters, wholly or in part, in Executive Session pursuant to A.R.S. §§ 38-431.03(A) (2), (3), (4) & (7). Matters discussed may include claims or potential claims by or against (or issues concerning) Bank of America, BNY Mellon, Stroh Ranch Development, The Pivotal Group, Apex Capital Management 1, U.S. Bank and/or Millard and Scott Seldin.

f. Discussion and consultation with legal counsel and Staff regarding ongoing or threatened legal action involving the Plans not otherwise referenced above, including internal investigations, public record requests, and actual or potential litigation and claims based on contract, tort or statute, including those involving Huggins & Cross, pursuant to A.R.S. §§ 38-431.03(A) (2), (3) and (4).

**MOTION: 4-99-12** At 3:05 p.m.

Motion: To recess Open Session and enter Executive Session for agenda item 28 a through f.

Moved by: Mr. Ferguson
Seconded by: Mr. Davis
Discussion: None
In Favor: Unanimous
Motion: Passes
15. Report by NEPC representative(s) on the Second Fiscal Quarter (Fourth Calendar Quarter) Performance of the System

The report on the Second Fiscal Quarter (Fourth Calendar Quarter) performance of the System was given by Mr. Don Stracke. The market environment for the fourth quarter period ended December 2011 was strong. Lower equity exposure resulted in the underperformance of the portfolio. This will make it even more difficult to achieve the assumed rate of return for this fiscal year (8%). Over the last twelve months, the Fund has gained $68 million and as of December 31, 2011 the assets totaled $6.5 billion. For the last two years, return has lagged but volatility is low. A discussion was held regarding highlights of asset classes and updates were provided regarding the investments made in the fourth quarter. The members of the Board requested looking at longer time periods in order to compare asset class performance to the benchmarks.

A summary of asset growth was presented to the Board and there was a discussion of fund allocations. Due to the overweight in real estate, it is hard to get to target weights in the more liquid fixed income and equity asset classes. PSPRS has less equity than the average public fund and more GTA, real estate, fixed income and alternatives.

Excess returns of the total Fund from December 2003 to December 2011 were reviewed as were the impact of managers, asset allocation, beta strategy, and the performance of domestic equity.

16. Report by Investment Department Staff representatives and discussion regarding risk associated with certain Portfolio Exposures.

Mr. Stalder presented highlights of regional exposures. Exposure to India and emerging markets is increasing as is exposure to emerging market currencies (reported in dollars).

17. Report by the System’s Internal Audit and Compliance Officer and discussion regarding investment compliance, holdings and transactions as of March 31, 2012.

Mr. Lieberman stated that a written report is in the information presented to the Board of Trustees and that no serious compliance issues were reported. This report is essentially the same as the one presented last month.

Presentation by Mr. Gregory Ferguson, Chairman of the Operations, Governance Policy and Audit Committee regarding agenda items 18 through 28, which were discussed at the Operations, Governance Policy and Audit Committee meeting held today, April 4, 2012, on or after 11:00 a.m., and possible Action on the Committee’s recommendations to the Board regarding same.

18. Presentation of the Month-to-Date Budget Report for FY 2012 and possible Action on same
Mr. Ferguson stated the executive summary was sent to the Board of Trustees in their folders. Building expenses, litigation expenses and legal expenses for the Investment Department are over budget and the latter is likely to continue until the in-house investment counsel is on staff.

19. Status report on the filling of vacant staff positions and possible legislation that may affect the filling of vacant positions

Mr. Jared Smout
Deputy Administrator

The only vacant position is that of the in-house investment counsel.

20. Written update on the progress of the Local Board Training Program and discussion and possible Action regarding the same

Mr. Robert Ortega
Local Board Training Coordinator and Human Resources Manager

Mr. Don Mineer
Local Board Training Specialist

A written report by Mr. Ortega is in the folder given to the members of the Board.

21. Review, discussion and possible Action regarding the March 2012 Kutak Rock (and other law firm) billings for legal services performed in February 2012

Mr. Ferguson stated that the Operations, Governance Policy and Audit Committee recommended approval of the billings as presented.

<table>
<thead>
<tr>
<th>MOTION: 4-100-12</th>
<th>At 4:20 p.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To approve the March 2012 Kutak Rock (and other law firms) billings for legal services performed in February 2012 as presented.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Ferguson</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr.</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
</tr>
</tbody>
</table>

22. Discussion and possible Action regarding the setting of the employer paid premium for FY 2013 for the Fire Fighter and Peace Officer Cancer Insurance Plan

Mr. Ferguson stated that the Operations, Governance Policy and Audit Committee recommended approval of the billings as presented.

<table>
<thead>
<tr>
<th>MOTION: 4-101-12</th>
<th>At 4:21 p.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To set the employer paid premium for FY 2013 for the Fire Fighter and Peace Officer Cancer Insurance Plan at $50 per participant.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Ferguson</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr.</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
</tr>
</tbody>
</table>
Mr. Ferguson stated that more information regarding the Fire Fighter and Peace Officer Cancer Insurance Plan will be discussed in the Operations, Governance Policy and Audit Committee meeting next month.

23. Status report, discussion and possible Action regarding fiduciary insurance for the PSPRS Board of Trustees. Mr. Jared Smout

To be continued next month.

24. Status report on the legal challenges to the various provisions of SB 1609 Mr. Jared Smout

This was discussed in Executive Session.

25. Report, discussion and possible Action regarding changes to the Charters contained in the Public Safety Personnel Retirement System Governance Manual Mr. Jared Smout

Changes in the Charters will be presented when review of the entire governance manual has been completed by the Operations, Governance Policy & Audit Committee.

26. Status report on the Public Safety Personnel Retirement System staff compensation review Mr. Jared Smout

Tabled due to HB 2571.

27. Status report on the FY 2012 Internal Audit Plan Ms. Bridget Feeley

A written report is in the Board materials.

28. Discussion and possible Action with respect to the method of reporting work/findings recommended by the Internal Audit and Compliance Officer Ms. Bridget Feeley

Tabled until the next meeting.

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

No requests for training were stated.

30. 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.
There were no responses to the Call to the Public.

31. Set the next meeting date. (Currently scheduled for Wednesday, April 25, 2012.)

32. Adjournment

The meeting was adjourned at 5:02 p.m.

___________________________________  
Brian Tobin, Chairman

_________________________________  
Gregory Ferguson, Trustee,  
Vice Chairman

Randie A. Stein, Trustee

_________________________________  
Jeff Allen McHenry, Trustee

Richard J. Petrenka, Trustee

_________________________________  
Lauren Kingry, Trustee

William C. Davis, Trustee