

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM  
BOARD OF TRUSTEES MEETING**

**June 29, 2022**

**AGENDA**

**COVID-19 UPDATE**

Following the recommendations from the Centers for Disease Control and Prevention (CDC), to limit gatherings of people, as well as federal and state emergency declarations related to COVID-19, **physical attendance in the Board of Trustee Boardroom at 3010 E. Camelback Road, Phoenix, AZ 85016 will be limited to members of the Board and necessary staff only.**

A **copy of the agenda** for the meeting will be posted on the PSPRS website at least twenty-four hours in advance of the meeting. **To view the final agenda** and/or public meeting materials visit <http://www.psprs.com/about/board-of-trustees>, by scrolling to Board of Trustee Meetings, selecting “BOT Agendas” or “BOT Meeting Materials” in the box, and selecting the appropriate meeting date. The agenda is subject to revision up to 24 hours prior to the meeting.

**Interested members of the public and stakeholders may submit comments on any matter within the jurisdiction of the Board, including any item on the agenda for the June 29, 2022 PSPRS Board meeting, which will be done during the Call to the Public agenda item.**

Public comments can be submitted any time prior to the meeting to [PSPRSBoardMeetings@psprs.com](mailto:PSPRSBoardMeetings@psprs.com). Commenters may elect to have comments presented by Staff or present comment themselves either via phone or video through the live PSPRS Public Meeting Web stream: <http://www.psprs.com/about/board-of-trustees>. All Commenters shall submit their full name, phone number (if appearing by phone), affiliation (or, if none, indicate “member of the public”), Agenda item they wish to comment on, and their position for or against the item.

**NOTE:** For technological reasons, Commenters wishing to present public comments live to the Board during the meeting should indicate so in their email and submit their comment at least an hour before the meeting begins. Upon receipt of the comment and contact information, PSPRS Staff will facilitate the appearance and contact you, if necessary, before the Board meeting.

*The foregoing procedures notwithstanding, the Chair reserves the right to control the duration of comments or impose other constraints in the interest of maintaining an orderly meeting.*

**Media Contact or Agenda Materials:** Christian Palmer, Communications Director ([cpalmer@psprs.com](mailto:cpalmer@psprs.com))

The meeting will begin at 9:30 a.m. and continue until 3:00 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.

1. Call to Order; Pledge of Allegiance; Roll Call; Opening Remarks.

*Mr. Scott McCarty, 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, except Executive Session minutes, 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 normal retirement benefit of Armida Bittner.
- b. Acceptance of Elected Officials' Retirement Plan of termination of survivor benefit of Armida Bittner.
- c. Acceptance of Elected Officials' Retirement Plan of termination of early retirement benefit of Robert E. Eck Jr.
- d. Acceptance of Elected Officials' Retirement Plan of survivor benefit of Loy Evans.
- e. Acceptance of Elected Officials' Retirement Plan of termination of normal retirement benefit of Herschella Horton.
- f. Acceptance of Elected Officials' Retirement Plan of termination of normal retirement benefit of George Kirmse.
- g. Acceptance of Elected Officials' Retirement Plan of normal retirement benefit of Gilbert H. Lusk.
- h. Acceptance of Elected Officials' Retirement Plan of survivor benefit of Kenneth O'Dell.
- i. Acceptance of Elected Officials' Retirement Plan of early retirement benefit of Carl Seel.
- j. Acceptance of Transfer Between State Retirement Systems of David Halama.
- k. Acceptance of Transfer Between State Retirement Systems of Mikel Curtis.
- l. Acceptance of Transfer Between State Retirement Systems of William Watkins.

- m. Acceptance of Transfer Between State Retirement Systems of Brian McWilliams.
- n. Acceptance of Transfer Between State Retirement Systems of David Perkins.
- o. Acceptance of Transfer Between State Retirement Systems of Richard Burkmier.
- p. Acceptance of Transfer Between State Retirement Systems of Ian Murton.
- q. Acceptance of Transfer Between State Retirement Systems of Anthony Miller.
- r. Acceptance of Transfer Between State Retirement Systems of Justin Hornbeck.
- s. Acceptance of Transfer Between State Retirement Systems of Kay Wagstaff.
- t. Approval of the Executive Session Minutes of the May 26, 2022 and June 6, 2022 Meeting of the PSPRS Board of Trustees.
- u. Approval of the Minutes of the May 26, 2022 and June 6, 2022 Meeting of the PSPRS Board of Trustees.

*Mr. Scott McCarty*

- 4. Review, discussion and possible **Action** on pending and passed legislative actions and potential legislative proposals.

*Mr. Douglas Cole, HighGround, Inc.  
Ms. Dianne McCallister, Public Policy Partners, LLC*

- 5. Review, discussion and possible **Action** regarding non-paid contributions from South Tucson.

*Mr. Michael Townsend, Administrator*

**Report by Mr. Harry A. Papp, Chairman of the Investment Committee, regarding agenda item 6, which was discussed at the Investment Committee meeting held June 22, 2022, and possible Action on the Committee's recommendations to the Board regarding the same.**

- 6. Review and discussion and possible **Action** with respect to each of the following written Staff reports for the prior period:

*Mr. Mark Steed, Chief Investment Officer*

- a. Written report: Month-End and Fiscal Year-to-Date performance for the PSPRS Trust as of April 30, 2022.
- b. Written report: Firefighters and Peach Officers Cancer Insurance Program.
- c. Written report: Portfolio Risk as of April 30, 2022.
- d. Written report: Global Financial Market Developments.

- e. Written report: Executed Transactions during prior period.

**Report by Mr. Dean Scheinert, Chairman of the Operations, Governance Policy and Audit Committee, regarding agenda items 7 through 13, which were discussed at the Operations, Governance Policy and Audit Committee meeting held June 22, 2022, and possible *Action* on the Committee's recommendations to the Board regarding the same.**

- 7. Review and discussion: Staff operation reports.  
*Mr. Michael Townsend*
- a. Administrator Update.
- b. Written report: Year to Date Budget.
- c. Written report: Law Firms' Billings for Legal Services.
- d. Written report: Local Board Rehearing.
- e. Written report: Communication Efforts.
- f. Written report: Human Resource update.
- 8. Review, discussion and possible **Action** regarding the PAFR (Popular Annual Financial Report).  
*Mr. John Moorman, Chief Financial Officer*
- 9. Review, discussion and possible **Action** regarding the GASB reports.  
*Mr. John Moorman*
- 10. Presentation and discussion on Member Services staffing impacts on operations.  
*Mr. Robert Ortega, Member Services Director*
- 11. Review, discussion and possible **Action** regarding the 2023 legislative list.  
*Mr. Michael Townsend*
- 12. Presentation and discussion regarding the PSPRS FY 2021/22 Annual Risk Assessment.  
*Ms. Cathleen Davis, Chief Internal Auditor*
- 13. Presentation, discussion and possible **Action** regarding adoption of the PSPRS FY 2022/23 proposed Annual Audit Plan.  
*Ms. Cathleen Davis*

**Report by Mr. Kenny Tims, Chairman of the Advisory Committee, regarding agenda items 14 through 18, which were discussed at the Advisory Committee meeting held June 27, 2022, and possible *Action* on the Committee's recommendations to the Board regarding the same.**

14. Review and discussion regarding funding policy updates, including changes related to SB1085.  
*Mr. Michael Townsend*
15. Update, review and discussion regarding the DROP interest calculations.  
*Mr. Michael Townsend*
16. Update, review and discussion regarding the Tier 2 member rates and refund process.  
*Mr. Michael Townsend*
17. Review and discussion regarding the FY2023 legislative list.  
*Mr. Michael Townsend*
18. Update, review and discussion regarding the Pension Administration System (PAS).  
*Mr. Michael Smarik, Deputy Administrator*

**Report by Mr. Brian Moore, Chairman of the Defined Contribution Committee, regarding agenda item 19, pertaining to the Defined Contribution Committee, and possible Board *Action* regarding the same.**

19. Update, discussion and possible **Action** regarding the potential extension of the DC Record Keeper contract.  
*Mr. Brian Moore*
20. Review, discussion and possible **Action** regarding the System's Administrator performance evaluation and employment agreement.  
*Mr. Scott McCarty*
21. Discussion and appropriate **Action** regarding Board of Trustee member requests to participate in training, educational and due diligence opportunities.  
*Mr. Scott McCarty*
22. Discussion and consultation with legal counsel and Staff and possible **Action** regarding 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. 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 23.
23. **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 for legal advice with the attorney pertaining to pending and passed legislative actions, and consideration of potential legislative proposals, including Agenda Item No. 4, as authorized by A.R.S. § 38-431.03(A) (3).
  - b. Discussion and consultation for legal advice with the attorney pertaining to South Tucson non-paid contributions, including Agenda Item No. 5, as authorized by A.R.S. § 38-431.03(A) (3).
  - c. Discussion and consultation for legal advice with the attorney pertaining to DROP (deferred retirement option plan) interest calculations, including Agenda Item No. 15, as authorized by A.R.S. § 38-431.03 (A) (3).
  - d. Discussion and consultation for legal advice with the attorney pertaining to Request for Hearing, Notice of Claim, and Formal Demand under A.R.S. § 12-821.01 from legal counsel for a group of PSPRS members, as authorized by A.R.S. §§ 38-431.03(A) (3) and (4).
  - e. Discussion and consultation for legal advice with the attorney pertaining to joinder agreements and to Hualapai Tribe Fire's joinder request, as authorized by A.R.S. §§ 38-431.03(A) (3), (4) and (6).
  - f. Discussion and consultation for legal advice with the attorney pertaining to the Biltmore Lake developments, as authorized by A.R.S. § 38-431.03 (A) (3).
  - g. Discussion and consultation with legal counsel regarding the purchase, sale or lease of real property as well as potential contractual negotiations related to real property, as authorized by A.R.S. §§ 38-431.03(A) (2), (3), (4) and (7).
  - h. Discussion and consultation for legal advice with the attorney pertaining to the performance evaluation and employment agreement of the System's Administrator, including Agenda Item No. 20, as authorized by A.R.S. §§ 38-431.03(A)(1), (3) and (4).
24. Possible discussion and **Action** on future meeting dates and/or future agenda items. (Next meeting is currently scheduled for Wednesday, August 24, 2022.)
25. Adjournment.

**Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Claudia Martinez, Executive Assistant, or Cheryl Cohen, Executive Assistant, at (602) 255-5575. Requests should be made as early as possible to arrange the accommodation.**