

**PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM**

**BOARD OF TRUSTEES OPERATIONS, GOVERNANCE POLICY AND AUDIT COMMITTEE MEETING**

**November 17, 2022**

**MINUTES**

Present: Mr. Dean Scheinert, Committee Chairman, Trustee  
Mr. Alan Maguire, Trustee  
Mr. Nate Weber, Trustee – remote  
Mr. Brian Moore, Trustee

Others Present: Mr. Michael Townsend, Administrator  
Ms. Claudia Martinez, Executive Assistant  
Ms. Jane Anderson, Communications Officer  
Bret Parke, Esq., Assistant Administrator/General Counsel  
Mr. Michael Ajamie, Chief Technology Officer – remote  
Mr. John Moorman, Chief Financial Officer  
Ms. Dianne McCallister, Public Policy Partners, LLC. – remote  
Mr. Scott McCarty, Trustee – remote  
Ms. Rajee Mohan, Jr. IT Systems Engineer

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

*Mr. Dean Scheinert, Committee Chairman*

The meeting was called to order by Committee Chairman Scheinert at 1:58 P.M. The Pledge of Allegiance was recited and roll was called.

**2. 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 (H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for a later date for further consideration and possible recommendations to the Board of Trustees.**

There was no response to the Call to the Public.

**3. Review and/or appropriate Action for approval of 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 Operations, Governance Policy and Audit Committee.**

- a. **Administrator update.**
- b. **Year to Date Budget Report.**
- c. **Law Firms' Billings for Legal Services.**
- d. **Local Board Rehearing Report.**
- e. **Employer Outreach Report.**
- f. **Communications Efforts Report.**
- g. **Human Resources update.**
- h. **Bi-monthly IT update.**
- i. **Approval of the Operations, Governance Policy and Audit Committee Minutes from October 18, 2022.**

*Mr. Dean Scheinert*

Reports a through i were provided and Mr. Townsend detailed the Administrator update.

**Moved by:** Mr. Alan Maguire

**Second by:** Mr. Brian Moore

**Time:** 2:04 P.M.

**Motion:** Approval of the Minutes as presented.

**Discussion:** None.

**Vote:** 4 – 0 Passed

**4. Update, discussion and possible Action on recommendations to the Board of Trustees regarding actuarial audit quotes.**

*Mr. Michael Smarik, Deputy Administrator*

Actuarial audit quote presentation was provided by Mr. Townsend. Presentation included a breakdown of the different types of levels for an audit, actions taken and staff's recommendation. Mr. Scheinert inquired on the process and previous audits completed. Mr. Maguire commented on the importance and process of the audit. Mr. Moore inquired on the reoccurrence.

**Moved by:** Mr. Alan Maguire

**Second by:** Mr. Brian Moore

**Time:** 2:10 P.M.

**Motion:** Recommend that the Board of Trustees direct staff to contract with Segal to perform the replication audit of the Actuarial Services associated with the June 30, 2022 Actuarial Valuations prepared by Foster & Foster.

**Discussion:** None.

**Vote:** 4 – 0 Passed

**5. Update and discussion regarding the Cancer Insurance Program.**

*Mr. Michael Townsend, Administrator*

Presentation regarding the Cancer Insurance Program was provided by Mr. Townsend. Mr. Townsend advised the item was placed on the agenda due to the direction given by the Board. Presentation included a list of recent changes, current process and future considerations. Mr. Scheinert and Mr. Moore commented and/or inquired on the continued coverage after the "free period". Mr. Moore commented on the remarks he has received from retirees regarding the retiree eligibility changes.

**6. Update, discussion and possible Action on recommendation to the Board of Trustees regarding the FY2023 legislative list.**

*Mr. Michael Townsend*

Update on the legislative list was provided by Mr. Townsend. Update included a detailed list of the legislative items with staff recommendations and Advisory Committee meeting comments. Mr. Moore asked for clarification on the election options under item 1. Mr. Weber expressed his concerns with item 1. Ms. McCallister commented on background for item 7. Mr. Maguire commented on how item 7 could prevent future mistakes. Committee inquired on item 13 and the mechanics thereof.

**Moved by:** Mr. Alan Maguire

**Second by:** Mr. Brian Moore

**Time:** 3:08 P.M.

**Motion:** Recommend to the Board of Trustees to approve the 2023 PSPRS legislative agenda as presented for the Board to further review.

**Discussion:** Mr. Maguire advised that option b under item 1 could be an administrative change and done under the administrative bill. Mr. Maguire expressed that item 7 could be a policy change. Mr. Moore expressed his preference of option a under legislative item no. 1. Mr. Weber requested both options a and b to be presented to the Board as options. Mr. Weber also inquired on the path for item 6. Mr. Parke replied to the procedural questions asked.

**Amended Motion:** Recommend to the Board of Trustees to approve the 2023 PSPRS legislative agenda with both options a and b for item 1.

**Time:** 3:16 P.M.

**Vote:** 4 – 0 Passed

**7. Update, discussion and possible Action on recommendations to the Board of Trustees regarding the FY2022 Audit.**

*Mr. John Moorman, Chief Financial Officer*

Mr. Moorman provided an update on the progress of the FY2022 Audit and advised the ACFR should be ready in early December.

8. **The PSPRS Operations, Governance Policy and Audit Committee 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) (3), including to receive legal advice from the Committee’s attorneys on any matter listed on the agenda.**

The Committee did not vote to go into Executive Session.

9. **Schedule future meeting date(s). (Calendared for Tuesday, December 13, 2022 at 10:00 AM)**

Next meeting is calendared for December 13, 2022 at 10:00 AM.

10. **Adjournment.**

**Moved by:** Mr. Brian Moore  
**Second by:** Mr. Alan Maguire  
**Time:** 3:20 PM.  
**Motion:** To adjourn meeting.  
**Discussion:** None.  
**Vote:** 4 – 0 Passed

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**Mr. Dean Scheinert, Committee Chairman**