

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

October 31, 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
Mr. William Davis, Trustee
Mr. Jim Hacking, Administrator
Mr. Marty Anderson, Deputy Chief Investment Officer
Mr. Jared Smout, Deputy Administrator
Mr. Andrew Carriker, Chief Investment Counsel
Mr. Paul Corens, Portfolio Manager
Mr. Anton Orlich, Portfolio Manager
Mr. Mark Steed, Portfolio Manager
Ms. Michele Weigand, Senior Contracts Specialist
Ms. Ivy Voss, Assistant Attorney General
Ms. Bridget Feeley, Internal Audit and Compliance Officer
Mr. Marc Lieberman, Partner, Kutak Rock
Mr. Don Stracke, Senior Consultant, NEPC, LLC
Mr. Doug Cole, Highground
Ms. Dianne McAllister, Public Policy Partners
Mr. James Sillery, Buck Consulting
Mr. Mark Buis, Gabriel, Roeder, Smith & Company
Mr. Brian Murphy, Gabriel, Roeder, Smith & Company

1. Call to Order; Roll Call; Opening remarks.....Mr. Brian Tobin
.....Chairman

The meeting was called to order at 1:01 p.m. by Chairman Tobin.

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 normal benefit of William G. Baffert
 - b. Acceptance of Elected Officials Retirement Plan of acceptance of normal benefit of J. William Brammer
 - c. Acceptance of Elected Officials Retirement Plan of termination of survivor benefit of Roy Carson
 - d. Acceptance of Elected Officials Retirement Plan of normal benefit of Russell L. Clanagan

- e. Acceptance of Elected Officials Retirement Plan of survivor benefit of Nancy Dever
- f. Acceptance of Elected Officials Retirement Plan of normal benefit of Denise Gaumont
- g. Acceptance of Elected Officials Retirement Plan of normal benefit of Jesus R. Higuera
- h. Acceptance of Elected Officials Retirement Plan of survivor benefit of Mary Tenney
- i. Acceptance of Elected Officials Retirement Plan of survivor benefit of Joyce L. Thompson
- j. Acceptance of Transfer Between State Retirement Systems of Brian Mangis
- k. Acceptance of Transfer Between State Retirement Systems of Roger McEvoy
- l. Acceptance of Transfer Between State Retirement Systems of Mary Dolciame
- m. Acceptance of Transfer Between State Retirement Systems of Kelly McCoy
- n. Acceptance of Transfer Between State Retirement Systems of Mark Zimmerman
- o. Acceptance of Transfer Between State Retirement Systems of Cameron Scadden
- p. Acceptance of Transfer Between State Retirement Systems of Martin Lepird Jr.
- q. Acceptance of Transfer Between State Retirement Systems of Maria Cuevas
- r. Acceptance of Transfer Between State Retirement Systems of Cindy Spasoff
- s. Acceptance of Transfer Between State Retirement Systems of Elizabeth Lenzen
- t. Acceptance of Transfer Between State Retirement Systems of John Byrd
- u. Acceptance of Transfer Between State Retirement Systems of James Laubmeier
- v. Acceptance of Transfer Between State Retirement Systems of Ralph Nunez
- w. Acceptance of Transfer Between State Retirement Systems of Alan Pfohl
- x. Acceptance of Transfer Between State Retirement Systems of Herbert Groll Jr.
- y. Acceptance of Transfer Between State Retirement Systems of Troy Titzer
- z. Acceptance of Transfer Between State Retirement Systems of Michael Anderson
- aa. Acceptance of Transfer Between State Retirement Systems of Julie Anderson
- bb. Acceptance of Transfer Between State Retirement Systems of Michael Paul
- cc. Approval of the revised Amended and Restated Statement of Investment Policies in which non-material edits were made to correct errata.

MOTION: 10-23-12 At 1:02 p.m.

Motion: To accept the Consent Agenda as presented.

Moved by: Mr. Petrenka

Seconded by: Mr. Ferguson

Discussion: None

In Favor: Unanimous

Motion: Passes

- 3. Appropriate **Action** regarding the Minutes of the September 19 and 20, 2012 Meeting of the PSPRS Board of Trustees Mr. Brian Tobin

MOTION: 10-24-12	At 1:02 p.m.
Motion:	To accept the Minutes of the September 19 and 20, 2012 Meeting of the PSPRS Board of Trustees as presented.
Moved by:	Mr. Ferguson
Seconded by:	<i>(indistinguishable)</i>
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

4. Presentation by Gabriel, Roeder, Smith & Company (GRS) representatives regarding the results of the FY 2012 actuarial valuations for the PSPRS, CORP and EORP
..... Mr. Mark Buis
..... Mr. Brian Murphy

The members of the Board of Trustees adopted an 8% investment return assumption for the June 30, 2012 valuation and given the recent COLA changes, it is suggested that the investment return assumption rate be lowered further from 8% to 7.50% over the next two years. (The Board has already adopted a 7.85% assumption for System FY'13.) Wage inflation should be lowered from 5% to 4.0% over the next two years. The contribution rates have changed since the last actuarial valuation as a result of the phase-in of prior investment losses for all plans (based on 7 year asset smoothing) and changes in actuarial assumptions and methods. These are somewhat offset by actuarial gains as a result of lower than expected pay increases.

The funding ratio as of 6/30/12 for PSPRS was 58.6%; for CORP it was 67.8% and for EORP it was 58.4%. Member data for the three plans was discussed. The total contribution requirement for CORP for FY'13 is 11.31% of payroll and for FY'14 it is 13.68% of payroll. The total contribution requirement for PSPRS for FY'13 is 27.18% of payroll and for FY'14 it is 30.44% of payroll. For EORP, the total contribution requirement (unsubsidized) for FY'13 is 36.44% and for FY'14 it is 39.62% of payroll. For the short term, employer contribution rates are expected to rise due to unfavorable investment performance for the years ending 6/30/08, 6/30/09, and 6/30/12. Asset smoothing helps reduce volatility of employer contribution rates. If market value had been used for determining the PSPRS employer contribution rate for employer FY'14 (based on System FY'12 valuation results) instead of using the actuarial value of assets, the employer contribution rate would be 35% instead of 30.44%. Recently enacted benefit changes for new hires will help lower the plans' liability in the long term.

Mr. Jim Anderson of Gabriel, Roeder, Smith & Company told the Board that, due to GASB changes, pension funding and accounting reports will be separate. Neither funding contribution rates nor methods are impacted by the new GASB rules. The new rules are intended to improve transparency and comparability. However, they may have just the opposite effect by producing confusion. Some requirements include recognition of a version of unfunded liability on each employer's balance sheet; use of the market value of assets, rather than actuarial value; more rigid amortization rules; and use of a single funding method. The effective date for the PSPRS Trust's use of GASB will begin after June 15, 2013 and for the Employers' Financial Statements beginning after June 15, 2014.

5. Presentation by the PSPRS' lobbyists from High Ground and Public Policy Partners with respect to their expectations for the 2013 legislative session.....Mr. Doug Cole

Mr. Hacking stated that he, Mr. Cole and Ms. McAllister have been meeting with employer groups, county supervisors, etc. regarding SB 1609 to update them regarding the legal challenges to the new law and the effect those challenges, if successful, will have of the Plans and on employer contribution requirements. Ms. McAllister added that some legislative leaders are considering possible legislation that would close the EORP and put "new hires" into a defined contribution plan. The final meeting of the Defined Contribution Study Committee is coming up in mid November.

6. Presentation and discussion of the summary of the results of the reviews of the Staff Compensation and Investment Department Incentive Compensation Program, the staff survey and the staff focus group discussions conducted by Buck Consulting and possible **Action** on recommendations with respect to same.....Mr. Andrew Rosen
.....Mr. James Sillery

Mr. Sillery from Buck Consulting reviewed of the results of the compensation study for the staff, the incentive plan for the investment staff and the employee opinion surveys. The overall finding was that salaries and total compensation comprised of 10%/90% (10% private and 90% public funds) are fully competitive with the market. The distribution of jobs and individuals are consistent with expectations. He also reported that the Investment staff is concerned about pay with reference to Wall Street endowments. Investment staff total pay is fully competitive. There is reasonableness and a rational basis between employee groups as to pay. No change is needed for the investment group. The Board needs to act on the proposed salary ranges for the next fiscal year budget based on pgs. 28, 29 of the Buck Consulting report.

MOTION: 10-25-12	At 2:25 p.m.
Motion:	To accept the proposed salary range guidelines as presented by Buck Consulting.
Moved by:	Mr. McHenry
Seconded by:	Mr. Petrenka
Discussion:	Mr. Kingry said that this report should be presented to ADOA in order to show the work and the rationale for the salary ranges.
In Favor:	Unanimous
Motion:	Passes

Mr. Sillery described the current Investment Staff Incentive Compensation Plan and market practices. He recommended staying with the current 90% public and 10% private benchmarks. He discussed the 80% quantitative and 20% qualitative portions that apply to the performance reviews for the investment staff members. He suggested adding discretionary input to the performance appraisal. Though no major changes are necessary, most plans become activated when policy benchmark is achieved and they will have a maximum that can be paid out which typically ranges from 50 to 150 basis points from the benchmark. Now PSPRS activates the plan at benchmark and pays out maximum at 50 basis points. Buck suggests a move to 100 basis points which is consistent to what he has seen in the market. Also, it is common for pension funds to measure performance over both long and short terms such as 1,3 and 5 years and the

suggestion was made to go from 1 and 3 years to 1,3, and 5 years to take out volatility and to be consistent with the market place. It was also suggested PSPRS develop a risk adjusted metric and have the 80% quantitative part divided into 40% pure benchmark and 40% as risk adjusted and phase this in after a testing period. He also discussed how to handle periods of negative returns and he suggested that the way in which this is addressed currently is fine and should be left as is.

The Employee Engagement Survey was 83% positive yet more progress needs to be made through better communication. The market based pay system works well. He suggested formalizing cross function communication and focusing on a more meaningful performance management processes.

Mr. Hacking and the Investment Department staff are to meet and confer to develop any changes that should be made in the Incentive Compensation Plan, taking into account the suggestions from Buck. These would go into effect prior to the start of System FY'14. Any changes would have to be acted on by the Board prior to July 1, 2013. The Operations, Governance Policy and Audit Committee and Mr. Hacking were asked to develop recommendations as to how to move forward with the changes that were indicated in the Employee Engagement Survey.

7. 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.

No one from the public wished to speak.

8. Discussion and consultation with legal counsel and Staff 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, including matters involving BNY Mellon, judges Thompson and Hall, retired judges Fields and Lankford, retired police officers Rappleyea and Everson, active police officers Parker, Griego, Manganiello and Robles, Cross, the Pivotal Group, the Seldins, Bank of America 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 34.

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 attorneys on any matter listed on the agenda, including:

- a. Discussion regarding the annual review of the performance of the Administrator James Hacking by the Board of Trustees and Appropriate **Action** regarding same, as authorized by A.R.S. § 38-431.03(A)(1)
- b. Status report from Ben Cooper of Steptoe & Johnson LLP regarding the four (4) lawsuits challenging provisions of Senate Bill 1609, which lawsuits involve judges Thompson and Hall, retired judges Fields and Lankford, retired police officers Rappleyea and Everson, and police officers Parker, Griego, Manganiello and Robles, as authorized by A.R.S. § 38-431.03(A)(4).
- c. 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 Trust and Plans' contracts and investments, including legal matters concerning the Trust's custodians, lenders, securities lending agents, investment contracts, vendors, advisors, investment managers or joint venturers (as well as any investments managed by the Trust's investment managers or joint venturers). 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, against or involving (or issues concerning) BNY Mellon, Stroh Ranch Development, The Pivotal Group, Bank of America, and/or Millard and Scott Seldin. Discussion may also include the Trust's negotiations regarding disposition of its joint venture real estate portfolios, as authorized by A.R.S. § 38-431.03(A)(7).
- d. Discussion and consultation with legal counsel and Staff regarding ongoing or threatened legal action involving the Plans or Trust not otherwise referenced above, including internal investigations, public record requests, and actual or potential litigation and claims based on contract, tort or statute, including the one involving Jack Cross, pursuant to A.R.S. §§ 38-431.03(A) (2), (3) and (4).

MOTION: 10-26-12 At 2:52 p.m.

Motion: To recess Open Session and enter Executive Session.

Moved by: Mr. Kingry

Seconded by: Mr. Davis

Discussion: None

In Favor: Unanimous

Motion: Passes

- 9. **Report by Mr. Richard Petrenka, Chairman of the Investment Committee, regarding agenda items 9. through 15. which were discussed at the Investment Committee meeting held today, October 31, 2012, on or after 10:00 a.m., and possible Action on the Committee's recommendations to the Board regarding same.**

Report by Investment Department Staff and discussion regarding the Month Ended and Fiscal Year-to-Date performance of the portfolio.....Mr. Marty Anderson
Deputy CIO

Mr. Anderson reported that, for the month of September, the total fund was up 1.35% versus the benchmark which was up 1.77%. On a Fiscal Year-to-Date basis, the total fund was up 3.68% and the benchmark was up 4.27%. Every asset class and index is positive for the quarter. Private equity is waiting for the performance report from the manager, but it is anticipated to that the performance will be positive. There are indications that the real estate portfolio is beginning to reflect gains associated with an upturn in the values of the System's residential real estate holdings. A discussion was held regarding how to handle the real estate portfolio in the future.

10. Discussion and possible **Action to Re-affirm** the Custody Agreement by and between the Arizona PSPRS Trust and The Bank of New York Mellon.....Mr. Marty Anderson

MOTION: 10-27-12 At 3:52 p.m.
Motion: To **Re-affirm** the Custody Agreement by and between the Arizona PSPRS Trust and The Bank of New York Mellon.
Moved by: Mr. Petrenka
Seconded by: (Recommended by the Investment Committee)
Discussion: None
In Favor: Unanimous
Motion: Passes

11. Discussion and possible **Action to Re-affirm** the Custody Agreement by and between the Fire Fighter and Peace Officer Cancer Insurance Policy Program and the Bank of New York Mellon.....Mr. Marty Anderson

MOTION: 10-28-12 At 3:53 p.m.
Motion: To **Re-affirm** the Custody Agreement by and between the Fire Fighter and Peace Officer Cancer Insurance Policy Program and the Bank of New York Mellon.
Moved by: Mr. Petrenka
Seconded by: (Recommended by the Investment Committee)
Discussion: None
In Favor: Unanimous
Motion: Passes

12. Presentation by Investment Department Staff and Wellington Hedge Management LLC representatives and possible discussion regarding Emerging Markets Debt, a sub-asset class within the Fixed Income Portfolio, and the Trust's investment with Iguazu Partners, L.P.....Mr. Mark Steed
.....Portfolio Manager
.....Ms. Maura Neely, Vice President, Investment Director
.....Mr. Scott Geary, Vice President, Business Development Manager

This item was tabled until the November meeting.

13. Manager Selection Report by Investment Department Staff, and possible discussion regarding, the approval of a \$10 million loan to DT Commercial, LLC, an Arizona limited liability company, a wholly-owned subsidiary of DTR1, LLC, which is managed by Desert Troon Limited, LLC.....Mr. Marty Anderson

The Manager Selection Report was included in the materials mailed to the members of the Board of Trustees.

- 14. Manager Selection Report by Investment Department Staff and possible discussion regarding investment in a separately managed account of up to \$75 million in a strategy replicating the Cross Border Equity Fund strategy managed by The Emerging Sovereign Group, subject to final Staff and / or legal due diligence.....Mr. Anton Orlich
.....Portfolio Manager

Mr. Orlich reported that this is the first active manager to be presented. The Emerging Sovereign Group investing equity long/short was founded in 2007. Its Cross Border Equity Fund (CBE) was founded in 2004. CBE is a separately managed group. It uses bottom up fundamental processes and has a low net exposure. It does not invest in commodity stocks and hedges out currency effects. They capture the upside and avoid the down side of the market.

Mr. Stracke added that, following exhaustive research, NEPC supports the recommendation. CBE is appropriately categorized, it is part of the plan for that asset class, and there is sufficient space in the asset class for this investment.

- 15. Manager Selection Report by Investment Department Staff and possible discussion regarding an investment of up to \$75 million in Emerging Sovereign Group's Country Macro Event Fund or any appropriate feeder, blocker, affiliated or parallel fund of the same, subject to final Staff and / or legal due diligence.....Mr. Mark Steed

This is the same manager as above and CBE will be co-mingled.

- 16. Report by the System's Internal Audit and Compliance Officer and discussion regarding investment compliance, holdings and transactions as of June 30, 2012.....
.....Ms. Bridget Feeley
.....Internal Audit and Compliance Officer

The portfolio as of 9/30/12 is in compliance with investment policy. Staff has signed off on all appropriate approvals.

Presentation by Mr. Gregory Ferguson, Chairman of the Operations, Governance Policy and Audit Committee regarding agenda items 17. through 29. which were discussed at the Operations, Governance Policy and Audit Committee meeting held today, October 31, 2012, on or after 11:00 a.m., and possible Action on the Committee's recommendations to the Board regarding same.

- 17. Presentation of the Month-to-Date Budget Report for FY 2012 and possible **Action** on sameMr. John Hendricks
.....Manager of Finance and Accounting

There are changes to the budget which include adding a separate line item for the Board of Trustee expenses and adding another line item for the amount spent last year for litigation.

18. Discussion and possible **Action** regarding amendments to the FY 2013 PSPRS Administrative Budget to identify separately Board related expenditures and to add an expenditure for litigation related expenses.....Mr. Jim Hacking
Administrator

MOTION: 10-29-12	At 4:10 p.m.
Motion:	To amend the budget by adding a line item for Board-related expenses and adding \$588,986 for litigation; that will bring the total for the FY'13 budget to \$10,020,318.52.
Moved by:	Mr. Ferguson
Seconded by:	(Recommended by the Operations, Governance Policy and Audit Committee)
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

19. 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

The written update was in the meeting book for the members of the Board.

20. Presentation of the "Requests for Local Board Rehearing" Report for the current month.....Mr. Jim Hacking

The written update was in the meeting book for the members of the Board.

21. Review, discussion and possible **Action** regarding the October 2012 Kutak Rock and other law firms' billings for legal services performed in September 2012.....Mr. Jim Hacking

MOTION: 10-30-12	At 4:13 p.m.
Motion:	To approve the October 2012 Kutak Rock and other law firms' billings of \$75,914.18 for legal services performed in September 2012.
Moved by:	Mr. Ferguson
Seconded by:	(Recommended by the Operations, Governance Policy and Audit Committee)
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

22. Presentation of potential items to be included in an administrative amendments bill for the 2013 legislative session.....Mr. Jared Smout
.....Deputy Administrator

The amendments that are under discussion would clarify some existing ambiguities and make the PSPRS statutes more consistent.

23. Status report and appropriate **Action** regarding possible changes to the Firefighter and Peace Officer Cancer Insurance Policy Program to allow greater retiree participation and extend the coverage period for all claims to two years.....Mr. Jared A. Smout

Following analysis by our actuaries, we feel it is prudent to extend the coverage period from eighteen months to two years.

MOTION: 10-31-12	At 4:17 p.m.
Motion:	To extend the coverage period in the Firefighter and Peace Officer Cancer Insurance Policy Program from eighteen months to two years.
Moved by:	Mr. McHenry
Seconded by:	Mr. Ferguson
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

24. Review, discussion and appropriate **Action** on policies regarding the acceptance of Pre-tax Payroll Deduction Agreement (PDA) payments for service purchases in PSPRS, EORP and CORPMr. Jared A. Smout

Tabled until next month.

25. Report on the FY 2012 financial status of the PSPRS-administered PlansMr. Jim Hacking

Mr. Hacking reported that the total net revenue in FY 2012 was \$524.8 million. Expenditures for benefits were \$701.6 million.

26. Review, discussion and appropriate **Action** regarding Board of Trustee and Committee duties.....Ms. Bridget Feeley

The Open items that will be addressed in the near future are: 1)providing an annual report regarding Board of Trustee training; 2)conducting a study of the relationship between assets and liabilities of the Plans and Trust not less than every three years; 3) assuring that funds are deposited and held by a qualified bank/trustee; 4)breaking out Board of Trustee expenses so they can be tracked against investment income; 5) establishing a time frame for periodic review of the implementation of the undertakings that make up the Strategic Plan; and 6)having the Operations, Governance Policy and Audit Committee review of the scope of the engagement letter for the external auditor.

27. Review, discussion and appropriate **Action** regarding reporting on the progress of the strategic plan..... Ms. Bridget Feeley

MOTION: 10-32-12	At 4:25 p.m.
Motion:	To present semi-annually a tracking report on the implementation of the undertakings contained in the strategic plan.
Moved by:	Mr. Ferguson
Seconded by:	(Recommended by the Operations, Governance Policy and Audit Committee)
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

28. Status report on inquiry into the options available for producing electronic Board of Trustee meeting materials.....Mr. Tom Willard
System Development Manager
Mr. Sam Meier
IT Network manager

Mr. Ferguson asked the members of the Board if anyone was opposed to having electronic materials instead of paper materials. They were asked about their preferences regarding the form of the electronic mailings and they discussed the cost and efficiency of electronic presentations.

29. Report, discussion and possible **Action** regarding amendment to the PSPRS Governance Manual providing the Chairman of the Board with specific authority to appoint Vice Chairmen for the Investment and Operations, Governance Policy and Audit Committees and any future committees of the Board.....Mr. Jim Hacking

The Board agreed with Mr. Ferguson’s preferred that each committee should choose its own vice chairman; therefore, no change was needed to the Governance Manual.

30. Report and possible **Action** on FY 2013 Compliance and Internal Audit Plan..... Ms. Bridget Feeley

Ms. Feeley stated that the Internal Audit Plan was updated for October. The Action Implementation Log will be presented quarterly and once a recommendation is implemented, it will drop off of the log. The Investment Fee Report was pushed back to a later date.

31. Discussion and possible **Action** to extend the NEPC Investment Consulting Engagement ContractMr. Jim Hacking

Tabled until next month.

32. Discussion regarding the annual review of the performance of the Administrator James Hacking by the Board of Trustees and Appropriate **Action** regarding same.....Mr. Brian Tobin

This agenda item was conducted during Executive Session.

- 33. Review, discussion and appropriate **Action** regarding Board of Trustee education Ms. Bridget Feeley

The Board of Trustees is to receive the training and expense reports annually. It was decided that no action was needed.

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

No requests were made by the Board of Trustees.

- 34.a. Discussion and appropriate **Action** regarding Tentative Board of Trustees Meeting Dates for 2013.....Mr. Brian Tobin

MOTION: 10-33-12	At 4:44 p.m.
Motion:	To approve as amended. The Tentative Board of Trustees Meeting Dates for 2013 were revised as follows: the meeting scheduled for April 3, 2013 was changed to March 27, 2013; the meeting scheduled for October 30, 2013 was changed to October 23, 2013; and the meeting scheduled for November 27, 2013 will be held on November 20, 2013.
Moved by:	No motion
Seconded by:	No second
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

- 35. **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.

Members of the public did not respond to the Call to the Public.

- 36. **Set the next meeting date. (Currently scheduled for Wednesday, November 28, 2012.)**

- 37. **Adjournment**

The meeting was adjourned at 4:46 p.m.

Brian P. 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