PSPRS
DEFINED CONTRIBUTION COMMITTEE
MEETING
June 16, 2017

MINUTES

Present: Mr. William T. Buividas, Chairman, Trustee
         Mr. Jared A. Smout, Vice Chairman, Administrator
         Mr. Bryan N. Jeffries - Excused
         Mr. Ryan McKinnon
         Mr. Brian Moore
         Mr. William Thatcher
         Mr. Daren Wunderle

Others Present: Mr. Dave DeJonge, Deputy Administrator
                Mr. Jon Briney, Enterprise Systems Architect
                Mr. Mark Kordonsky, Managing Principal, SageView Advisory Group – via telephone
                Mr. Jake O'Shaughnessy, CFA, Managing Director, SageView Advisory Group
                Mr. Stuart Payment, Retirement Plan Consultant, SageView Advisory Group
                Mr. Jim Keeler, Nationwide
                Mr. Michael Galloway, CEO, Galloway Asset Management, LLC
                Ms. Nanette Eberhardt, COO, Galloway Asset Management, LLC

1. Call to Order; Pledge of Allegiance; Roll Call; Opening remarks.
   Mr. William T. Buividas
   Committee Chairman

   The meeting was called to order at 11:17 a.m. by Chairman Buividas which was followed by the
   Pledge of Allegiance and roll call.

2. Review, discussion and possible approval of the PSPRS Defined Contribution Committee
   Minutes from May 26, 2017.
   Mr. William T. Buividas

   MOTION: 1-6/16/17 At 11:19 a.m.
   Motion: To approve the PSPRS Defined Contribution Committee Minutes from
            the May 26, 2017 meeting.
   Moved by: Mr. Smout
   Seconded by: Mr. Wunderle
   Discussion: None
   In Favor: Unanimous
   Motion: Passes

3. Discussion and possible Action on the investment policy statement.
   Mr. William T. Buividas

   A red line version of the investment policy statement was discussed in order to flush out the plan
   purpose, the statement of responsibility, the general policy and the history of the Plans. Discussion
   was held regarding sentences/paragraphs that are necessary for inclusion. Additionally, changes,
   additions, corrections and deletions were reviewed. The members of the committee were polled
   as to the additions to the appendix and there was committee agreement.
4. Discussion and possible Action on the RFP for an Annuity Provider.

Mr. Dave DeJonge  
Deputy Administrator

Discussion occurred regarding the responses that have been received by the date of this meeting.

5. Update, discussion and possible Action on implementation progress with Nationwide Retirement Solutions.

Mr. John Briney  
Enterprise Systems Architect

A description was given as to the implementation process between Nationwide and PSPRS in order to have the website live on July 1, 2017. Discussion was held regarding a list of investment options and communications regarding same. Loan types and their provisions for the Supplemental DC Plan were reviewed. Revisions were discussed, established and accepted.

Please read Motion 4 under Agenda item 10 regarding Agenda item 5.

6. Update, discussion and possible Action on implementation progress with Public Safety Financial/Galloway.

Mr. John Briney

An update regarding the implementation progress between PSPSRS and Galloway Financial was presented. A viewing of two draft educational classes was held which will need to be reviewed by legal and compliance before going live. Comments and suggestions were given by the committee.

7. Discussion and possible Action on recommending the PSPDCRP plan document for adoption by the PSPRS Board of Trustees.

Mr. Jared A. Smout  
Administrator and Vice Chairman

A draft of the PSPDCRP plan document was reviewed by the committee members which allows for rollovers.

MOTION:2-6/16/17  
At 11:55 a.m.

Motion: To adopt the investment policy with revisions made today.

Moved by: Mr. Wunderle

Seconded by: Mr. Thatcher

Discussion: None

In Favor: Unanimous

Motion: Passes

MOTION:5-6/16/17  
At 1:17 p.m.

Motion: To recommend to the Board of Trustees to adopt the PSPDCRP new 401a plan document.

Moved by: Mr. Moore

Seconded by: Mr. Smout

Discussion: None

In Favor: Unanimous

Motion: Passes
8. Discussion and possible **Action** on the role and responsibilities of the committee.  

*Mr. William T. Buividas*

No discussion was held.

9. Discussion and possible **Recommendations** on legislative changes that may or may not need to occur regarding the DC plan.  

*Mr. William T. Buividas*

Discussion was held regarding a preliminary list for the next year’s proposed legislative changes.

10. The Arizona PSPRS Defined Contribution 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.

<table>
<thead>
<tr>
<th>MOTION:3-6/16/17</th>
<th>At 12:28 p.m.</th>
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<tbody>
<tr>
<td>Motion:</td>
<td>To recess Open Session and enter Executive Session.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. McKinnon</td>
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<tr>
<td>Seconded by:</td>
<td>Mr. Thatcher</td>
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<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>In Favor:</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Motion:</td>
<td>Passes</td>
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<table>
<thead>
<tr>
<th>MOTION:4-6/16/17</th>
<th>At 1:11 p.m.</th>
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</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>Regarding agenda item 5, we direct SageView to incorporate the language as discussed in Executive Session today and to allow the Chair to finalize the ASA with Nationwide and execute that document.</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Wunderle</td>
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<tr>
<td>Seconded by:</td>
<td>Mr. Moore</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>

11. 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 reply to the Call to the Public.

12. Schedule future meeting date(s).

The next meeting will be held on June 29, 2017 for interviews for annuity providers and to hold June 23, 2017 if needed to cull down the responses to the RFP for annuity providers.

The meeting was adjourned at 1:33 p.m.

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Mr. William T. Buividus, Chairman