PSPRS
DEFINED CONTRIBUTION COMMITTEE
MEETING

September 8, 2017

MINUTES

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

Others Present: Mr. Dave DeJonge, Deputy Administrator
Mr. John Briney, Enterprise Systems Architect
Ms. Ivy Voss, Assistant Attorney General
Mr. Christian Palmer, Communications Director
Mr. Mark Kordonsky, Managing Principal, SageView Advisory Group – via telephone
Mr. Stuart Payment, Retirement Plan Consultant, SageView Advisory Group – via telephone
Mr. Jim Keeler, Nationwide
Mr. Michael Galloway, CEO, Galloway Asset Management, LLC
Ms. Nanette Eberhardt, Galloway Asset Management, LLC
Mr. Pierre Brachet, CFA, 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 June 29, 2017.

   Mr. William T. Buividas

   MOTION: 1-9/8/17
   Motion: To approve the PSPRS Defined Contribution Committee Minutes from
   the June 29, 2017 meeting.
   Moved by: Mr. Moore
   Seconded by: Mr. Thatcher
   Discussion: None
   In Favor: Unanimous
   Motion: Passes

3. Update, discussion and possible Action on current allocations.

   Mr. Mark H. Kordonsky
   Principal & Chief Risk Officer
   SageView Advisory Group
The current balance in the program is $16,687,218. The amounts in various sectors and asset classes were reviewed. A conversation regarding education of stakeholders for them to better understand how to appropriately move funds, the most effective processing and timing of applicable reports for the Plan and of the committee’s fiduciary responsibility to keep assets in the Plan.

4. Update, discussion and possible Action on enrollment of Tier 2 members into PSPDCRP.  
   Mr. John Briney  
   Enterprise Systems Architect

Out of 2,705 accounts, there are 2,216 accounts receiving contributions into the 401(a) plan. 33 employers have not yet set up contribution accounts to Nationwide. In order to reach out, Nationwide staff are communicating with employers every day. Details as to how they contact members within PSPDCRP were reviewed.

5. Update on the Tier 3 enrollment process.  
   Mr. William T. Buividas

Within the next few days, Tier 3 enrollment will be live. The members of the committee viewed three videos regarding how to make plan elections. The first video includes general information about Tier 3, the second video has information about the defined benefit plan option and the third one includes facts regarding the defined contribution plan option. A review of the required paperwork necessary to acknowledge the type of decision each member has made which includes a summary of benefits and requirements. If an enrollment decision is not made within 90 days, the member will be irrevocably enrolled in the defined benefit plan for those hired by a PSPRS employer.

Wording, enhancements and clarifications to the enrollment paperwork were reviewed as was the process of communication with new enrollees throughout this process and the tracking of each employer. The importance of employer training and their responsibility to communicate with employees regarding correct information was discussed with an emphasis on small employers making correct information available to employees and their staff. Suggestions were presented in order to improve communication with the employers.

6. Update, discussion and possible Action on implementation progress with Nationwide Retirement Solutions.  
   Mr. Jim Keeler  
   Program Director  
   Nationwide Retirement Solutions

An update as to the balance in the assets of the plans, communication efforts and updates in the DROP procedures were presented. Improvements to the DROP website and educational efforts to keep the DROP money in the Plan were other topics of discussion.

7. Discussion and possible Action on the role and responsibilities of the committee.  
   Mr. William T. Buividas

There were no additions to the role and responsibilities of the committee.

8. Discussion and possible Recommendations on legislative changes that may or may not need to occur regarding the DC plan.  
   Mr. William T. Buividas

Several ideas were suggested for possible future legislative changes.
9. Update, discussion and possible Action on implementation progress with Public Safety 
Financial/Galloway.

Mr. Michael Galloway, CEO 
Galloway Asset Management, LLC

Progress as to training in order to implement educational efforts for employers and employees were 
discussed as were suggestions for improvements. Mr. Galloway stated having board and 
committee members present for the training sessions is very helpful. Summaries were presented 
regarding the number of people attending the training seminars and the requests to meet with a 
financial advisor. Recent training sessions and communication efforts were described.

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:2-9/8/17</th>
<th>At 2:13 p.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motion:</td>
<td>To recess Open Session and enter Executive Session</td>
</tr>
<tr>
<td>Moved by:</td>
<td>Mr. Smout</td>
</tr>
<tr>
<td>Seconded by:</td>
<td>Mr. Wunderle</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 response to the Call to the Public.

12. Schedule future meeting date(s).

The date of the next meeting will be discussed in the future.


The meeting was adjourned at 3:13 p.m.