

**ARIZONA PSPRS
DEFINED CONTRIBUTION COMMITTEE
MEETING**

February 10, 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. Jim Mann, Executive Director, Fraternal Order of Police
Mr. Don Mineer, Local Board Training Coordinator

1. Call to Order, Roll Call, Opening remarks.

*Mr. William T. Buividas
Committee Chairman*

Chairman Buividas called the meeting to order at 1:23 P.M.

2. Discussion and possible **Action** on a Defined Contribution Investment Policy Statement.

Mr. William T. Buividas

Corrections were made to the draft of the Defined Contribution Investment Policy Statement which, when finalized, will be sent out later than the RFP will be sent. Discussion was held regarding Target Date Funds versus fixed accounts and DROP accounts defaulting into a Target Date Fund. Mr. Moore requested to go on record by stating he is concerned about a proprietary fixed account from a vendor being the default for DROP accounts on any kind of a target date fund. He would prefer a stable income fund with a multi-wrap provider. It was stated that the wording of this draft is too ambiguous and Mr. Jeffries said he was not ready to vote on the investment policy. The default investment for DROP is very important to discuss.

MOTION:1-2/10/17	At 1:55 p.m.
Motion:	Move that the Investment Policy Statement default option be the target date funds for Tiers 2 and 3 and that the default option for Tier 1 DROP money be a stable value or income fund for 12 months and if then no decision is made, it will roll over to the appropriate target date fund.
Moved by:	Mr. Moore
Seconded by:	Mr. Thatcher
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

MOTION:2-2/10/17	At 1:59 p.m.
Motion:	That the Board adopt the Investment Policy Statement with changes that our consultant has made knowing that we will revisit it in April.
Moved by:	Mr. Jeffries
Seconded by:	Mr. McKinnon
Discussion:	Some nomenclature will change with the April review.
In Favor:	Unanimous
Motion:	Passes

- Discussion and possible **Recommendations** regarding the development, finalization and release of the RFP for the Third-Party Administrator/Record Keeper.

Mr. William T. Buividas

In addition to the RFP both a cover letter and a questionnaire will be sent. Changes in the specific language and details of the cover letter and the questionnaire were discussed and were updated. Discussion was held as to the next steps needed in order to make a final decision as to the Third-Party Administrator/Record Keeper.

MOTION:3-2/10/17	At 2:58 p.m.
Motion:	To approve to send the RFP out based on all the elements we have agreed upon today by consensus.
Moved by:	Mr. Jeffries
Seconded by:	Mr. Wunderle
Discussion:	None
In Favor:	Unanimous
Motion:	Passes

- Discussion and possible **Action** on the role and responsibilities of the committee.

*Mr. William T. Buividas
Mr. Bryan N. Jeffries*

The committee is still developing their role and responsibilities.

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

Mr. William T. Buividas

The PSPRS Administrative Bill was dropped last week.

- 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.

Mr. Jim Mann, Executive Director of the FOP discussed possible legislative options regarding CORP and suggested a couple of changes for the RFP.

- Schedule future meeting date(s). (Currently scheduled for Tuesday, March 21, 2017.)

The next meeting is scheduled for Tuesday, March 21, 2017. There may be a meeting called prior to that date.

8. Adjournment.

The meeting was adjourned at 3:11 p.m.

Mr. William T. Buividas, Chairman