

**ARIZONA PSPRS  
DEFINED CONTRIBUTION COMMITTEE  
MEETING**

**March 30, 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 - Excused  
Mr. William Thatcher  
Mr. Daren Wunderle

Others Present: Mr. John Briney, Enterprise Systems Architect  
Mr. Christian Palmer, Communications Director

1. Call to Order; Pledge of Allegiance; Roll Call; Opening remarks.

*Mr. William T. Buividas  
Committee Chairman*

The meeting was called to order at 10:00 a.m. by Chairman Buividas and then the Pledge of Allegiance was recited.

2. Interview of Third-Party Administrator/Record Keeper finalists.

*Mr. William T. Buividas*

The members of the committee reviewed questions for the finalists and discussed those that needed clarification.

Presentations were given by Empower Financial Group and questions were asked by the committee members. Information was obtained regarding technical capabilities, the background of the company's staff members who were visiting PSPRS, security, record keeping, resources, fees, how to direct member participants questions as to information, information describing tools to help each person manage their plan, customer service, account representatives, educational tools and implementation process.

In a discussion regarding the role of education between Empower and PSPRS, there were questions and responses concerning the method of sending customized messages and how to individualize the computer program for a realistic view of what is needed for retirement and for creating a budget. Questions from members of the committee included information regarding education about DROP options, the Empower clearinghouse, how will they manage resources to cover the entire state and the quality of their portfolio.

Lincoln Financial Group presented information regarding the role of their staff members, their experience with public safety as advisors and guides, communication and educational strategy.

Committee members asked and received information regarding member services education, approaches for PSPRS members, motivation, types in investors and types of guidance that might be applicable. Lincoln presenters discussed specifics regarding plans for accomplishing their communication and education strategy as were steps for engaging members through their retirement process. Questions and answers were asked about Lincoln's role in the opt-out process, technology, security of their computer system, ownership of their computer system, the number of

defined contribution plans on which they have worked, the transition process and how they plan communication regarding pensions that include social security.

The history of VOYA Financial Advisors was summarized and the theme of "Built for Retirement" was described which included, information regarding tailored solutions, technology, face-to-face information, initial and later fees, accountability, appropriate level of education and communication. Their staff meets annually with the focus on strategy for the coming year and they meet with the plans quarterly and, if needed, throughout the year. Discussion was held concerning the role of a Registered Investment Advisor. There will be a plan manager in Phoenix. The visual aspect of their website was presented and the plan health tool was a topic regarding different aspects of the plan's members. Model portfolios presented on their website can be changed by the plan advisor.

The members of the committee inquired regarding VOYA's experience with DROP roll-overs and retention. Methods of retention were discussed.

3. Discussion and possible **Action** regarding the selection of the Third-Party Administrator/Record Keeper.

*Mr. William T. Buividas*

A discussion was held regarding presentation materials and the information included in the presentations. Concerns of the committee members were topics of discussion as was weighting of the concerns.

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

*William T. Buividas*

To be discussed on March 31, 2017.

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

*Mr. William T. Buividas*

To be discussed on March 31, 2017.

6. 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 Call to the Public

7. Schedule future meeting date(s).

To be discussed on March 31, 2017.

8. Adjournment.

The meeting was recessed at 4:44 p.m.

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Mr. William T. Buividas, Chairman