

**MINUTES OF THE SEPTEMBER 14, 2012  
403B RETIREMENT SECURITY PLAN INVESTMENT REVIEW COMMITTEE  
SCOTTSDALE HEALTHCARE**

- CALL TO ORDER      The meeting was called to order by Carol Henderson in the Training & Development Room A (9201 E Mountain View Rd. Suite 140) at 9:30 a.m.
- PRESENT              Michael Biddick, Debi Ewing, Steve Frederick, Mary Gossett, Darrell Hargis, Steve Hartland, Carol Henderson, Ellen Koukoudeas, Kathleen Martinez, Carlos Najarro, Esther Rojas, Brian Steines, Eric Summers.
- GUESTS              Frank Picarelli, Sonia New, Jess Kravitz, Jason Tuscher via phone (Prudential).
- ABSENT
- INTRODUCTION      Carol Henderson called the meeting to order. Carol asked for approval of the June 15, 2012 minutes, minutes were approved unanimously.
- INVESTMENT  
PERFORMANCE      Frank presented a brief analysis of the 403(b) funds for the third quarter 2012. Please refer to the analysis report for an in-depth report of fund performance.
- A discussion took place as to whether to retain Neuberger Berman Socially Resp A fund in the plan or to replace it. This fund is a 2 star fund which has underperformed for the last 3 years. Carlos Najarro proposed to keep fund in plan for another quarter for further discussions. Debi Ewing felt fund has underperformed consistently and should not be retained in plan. Carol called for a vote on whether to keep fund in plan or remove from plan. Motion to remove fund from 403(B) plan was passed by vote majority with a motion to have proper fund mapping into T. Rowe Price Dividend Growth (?). Motion passed unanimously.
- Ellen Koukoudeas made a motion to eliminate the Janis Overseas S fund from plan. Debi Ewing seconded motion. Motion passed unanimously.
- A motion to leave all sector funds as is for now was made by (?). Motion passed unanimously.
- A motion to keep natural resource fund on "Watch List" was made and passed unanimously.

GENERAL  
DISCUSSION

Carol provided some plan statistics:

Between March – September the number of employees in plan decreased from 4,268 to 4,121. Average contributions did increase from 7.83% to 8.05%.

Full time employee participants have decreased from 3224 to 3116. Average contribution has increased from 7.42% to 7.56% with average age increased from 45 to 46.

Part-time and on-call staff current active participants went up from 49.98% to 50.05%. Average contribution went up 9.10% to 9.55%. The average age went up from 44 to 45.

Plan hardship loans per pay period went up from \$164K to \$166K per pay period.

MISCELLANEOUS

Jess Kravitz indicated a series of meetings were held throughout the month of June regarding Income Flex fund with approximately 600 attendees. An additional second round of informational meetings will be starting next week. Revenue sharing so far for this fund is at \$1.575 million.

Mary Gossett reported she reached out to some current committee members whose participation term is close to ending to see who is interested in continued participation. Six to Seven additional members are needed in committee and only a total of four have responded. Please reach out to co-workers who would be interested in serving in this committee. Frank suggested reaching out to retirees also.


ADJOURNMENT

Carol Henderson adjourned meeting at 10:55 AM.

NEXT MEETING

Tuesday, December 11, 2012 @9:30 AM.

Respectfully submitted,



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Carol Henderson  
Vice President, Human Resources