



VEBA ADVISORY COMMITTEE REGULAR MEETING

For information about this meeting, contact the Human Resources Department;
by phone (408) 535-1285 or email HRbenefits@sanjoseca.gov.

Staff called the meeting of the VEBA Advisory Committee to order at 1:02pm on Monday,
March 18, 2019, City Hall, Committee Room 120

Roll Call:

Elsa Cordova	City Manager's Representative
Ben Lam	Police Representative
CJ Ryan	Employee's Representative
Laura Almaguer	Employee's Representative

Absent:

Patrick Chung	Firefighter Representative
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Also Present:

Amy Morton	Human Resources
Emily Hendon	Human Resources
Jennifer Schembri	Human Resources
Cheryl Parkman	Employee Relations
Randi Perry	Employee Relations
Bishop Bastien	Voya
Peter Ng	Voya
Barry Witt	Federated Employee/Public

ANNOUNCEMENTS

APPROVAL OF MINUTES

***M.S.C.** (Elsa Cordova/ Ben Lam) approved the minutes for the VEBA Advisory Committee Meeting on December 10, 2018.

***M.S.C.** (Elsa Cordova/ CJ Ryan) approved the minutes for the VEBA Advisory Committee Meeting on January 30, 2019.

INFORMATIONAL ITEMS

3. Staff Update— Amy Morton, Human Resources, updated the committee on the following items:

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- a) Informed the committee that the tax documents were successfully sent to outside council for filing.
 - b) Welcomed Laura Almaguer as a new member.
 - c) Informed the committee the Rules of Order have been finalized and posted.
4. Update on YTD Fund Performance Summary — Bishop Bastien, Voya, presented the report and advised the committee that there have been recent language changes due to TASC agreeing to stop the 20 basis point fee. Staff and Voya were directed to verify the records on whether TASC was authorized to collect fees above the \$2/month.
 5. Verbal update on the Deferred Compensation Plans Revenue Reimbursement Report for the period November 2018 to January 2019 — Bishop Bastien, Voya, presented the report.
 6. Review Cost/Fee Analysis prepared by Voya comparing Deferred Compensation Plans to VEBA Plans — Bishop Bastien, Voya, presented the draft document, noting that there were still items to be clarified. Barry Witt, employee, questioned how the Fund Fees were explained and Bishop confirmed he will clarify in future meeting.
 7. Review Reconciliation Summary and Trust Statement for October 1, 2018 to December 31, 2018 — Bishop Bastien, Voya, presented the reports for both Sworn and Federated plans and identified an ending balance difference was due to pending transactions.
 8. Verbal update on current fee disclosures— Bishop Bastien, Voya, explained that Voya is working with TASC to create a fee disclosure document and will update the committee when it becomes available. Ben Lam, committee member, requested that Staff do all they can to get TASC to do a fee disclosure.
 9. Review and discuss participant inquiries and City response to VEBA related fees— Amy Morton, Human Resources, informed the committee that both participant complaints/inquiries were responded to and responses have been sent to them for review.

DISCUSSION/ACTION ITEMS

10. Elect a Chair and Vice-Chair- Committee

***M.S.C.** (Ben Lam/Elsa Cordova) accepted the committee's decision to elect CJ Ryan as Chair and Patrick Chung as Vice-Chair.

11. Review, discuss and accept the VEBA Plans Second Quarter Financials for FY 2018-19 — Hein Myat, Finance Department, presented the report.

***M.S.C.** (Elsa Cordova/CJ Ryan) accepted the VEBA Plans Second Quarter Financials for FY 2018-19.

12. Review, discuss, and accept the VEBA Budget and exhibits for Fiscal Year 2019-2020 — Amy Morton, Human Resources, presented the report and recommendation.

***M.S.C.** (Elsa Cordova/Ben Lam) accepted the VEBA Budget and exhibits for Fiscal Year 2019-2020 and requested staff look at fees to offset the shortage of revenue. Ben Lam also requested that Staff do as much modeling/forecasting as possible to identify the earliest pay off date for the loan from the City's General Fund.

13. Review and approve Reserve Policy — Amy Morton, Human Resources, presented the recommendation.

***M.S.C.** (Laura Almaguer /Ben Lam) accepted the recommended reserve policy and Staff advised the committee that they will work with Risk Management to reduce the retention/deductible fee on the policy if possible.

14. Review, discuss, and direct Staff regarding Investment Consulting Services July 1, 2019 through June 30, 2020. — Amy Morton, Human Resources, presented the results of the Request for Quote.



***M.S.C.** (Elsa Cordova/Ben Lam) accepted the committee's recommendation to enter into a one-year agreement with HYAS group for Investment Consulting services and authorized CJ Ryan, Chair, to work with Staff and HYAS Group to negotiate and enter into contract.

NEXT MEETING

Next Regular Committee Meeting, June 17, 2019, City Hall, Tower-550, 1:00p.

NOTE: Staff informed the committee that they may need to reschedule this meeting time.

***M.S.C.** (Ben Lam/Elsa Cordova) authorized Staff to reschedule as needed.

OPEN FORUM/PUBLIC COMMENT

The meeting adjourned at 3:58pm

No audio recording available due to technical failure.

