



DEFERRED COMPENSATION ADVISORY COMMITTEE SPECIAL MEETING

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

Chair Julia Cooper called the meeting of the Deferred Compensation Advisory Committee to order at 9:02 a.m. on Monday March 20, 2017, City Hall, W-120.

Roll Call:

Julia Cooper, Chair	City Manager's Representative
Jamal Fountaine, Vice Chair	Firefighter Representative
Donna Busse	Management Employees' Representative
Daniel Earl	Employees' Representative
Jon Reger	Employees' Representative
David Woolsey	Police Representative*
Julie Edmond-Mares	City Manager's Representative

*David Woolsey had not taken his oath when he voted, his seat is considered vacant under San José Municipal Code section 2.08.050.A.9. Therefore, his vote does not count. Items 3, 5, 6, 8 will be reviewed and re-voted on in the June meeting. Items that the member did not motion on will remain approved as there were enough votes without his vote counting.

Absent:

Jamal Fountaine

Also Present:

Emily Hendon	Human Resources
Amy Morton	Human Resources
Kaya Zavagno	Human Resources
Grace Martinez	Finance Staff
Jennifer Ye	Finance Staff
Tim Healy	City Council
Don Eibsen	Buck Consultants
Tyler Barondeau	Buck Consultants
Michelle Williams	Voya
Jason Polonsky	Voya
Tony Camp	Voya
Paul Buren	Voya
Peter Ng	Voya
Yolanda Dominguez	Voya
Eric Leavitt	Empower Retirement
Kim McCormick	Grant Thornton

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1. APPROVAL OF MINUTES

***M.S.C.** (Donna Busse/Daniel Earl) approved the minutes for the Deferred Compensation Advisory Committee Meeting on December 12, 2016.

DISCUSSION/ACTION ITEMS

2. Reviewed, discussed and accepted the Deferred Compensation Plans 2nd Quarter Financials for FY 2016-17 Jennifer Ye, Finance Department, presented the report.

***M.S.C.** (Julie Edmonds-Mares/Jon Reger) approved the Deferred Compensation Plans 2nd Quarter Financials for FY 2016-2017

3. Reviewed and accepted the Deferred Compensation Audit for FY 2015-16 prepared by Grant Thornton. Grace Martinez, Finance Department, presented the report.

***M.S.C.** (David Woolsey/Julie Edmonds-Mares) approved the Deferred Compensation Audit for FY 2015-16

4. Reviewed and accepted the External Auditor's Report -- Report to Those Charged with Governance for the Year Ended June 30, 2016 and Supplemental Memo— Grant Thornton. Kim McCormick of Grant Thornton presented the report, and Jennifer Ye, Finance Department, presented the memo.

***M.S.C.** (Julie Edmonds-Mares/Donna Busse) approved the Report to Those Charged with Governance for the Year Ended June 30, 2016 and Supplemental Memo

5. Reviewed and accepted Update on 2013 Deferred Compensation internal audit results and status—Emily Hendon, Human Resources, presented the report.

***M.S.C.** (David Woolsey/Daniel Earl) approved the Update on 2013 Deferred Compensation internal audit results and status

6. Reviewed, discussed, and accepted the Deferred Compensation Budget and exhibits for Fiscal Year 2017-2018—Emily Hendon, Human Resources, presented the report.

***M.S.C.** (Donna Busse/David Woolsey) approved the Deferred Compensation Budget and exhibits for Fiscal Year 2017-2018

7. Reviewed and accepted Investment Performance Evaluation Report—Donald Eibsen, Buck Consultants. Donald Eibsen and Tyler Barondeau, Buck Consultants, presented the report.

***M.S.C.** (Jon Reger/Daniel Earl) approved the Investment Performance Evaluation Report



8. Reviewed and accepted the update to the 2017 Investment Policy Statement—Don Eibsen, Buck Consultants. Donald Eibsen and Tyler Barondeau, Buck Consultants, presented the update.

***M.S.C.** (David Woosley/Donna Busse) approved the update to the 2017 Investment Policy Statement

9. There was no Watch List.

INFORMATIONAL ITEMS

10. Staff Update—Amy Morton introduced Voya Representative Yolanda Dominguez and reminded staff to complete Form 700 and Ethics training.
11. Staff Stable Value Renewal Rate — Amy Morton presented the update; the renewal rate increased from 2.36% to 2.63%.
12. Reserve Policy — Amy Morton presented the update.
13. Deferred Compensation Plans Revenue Reimbursement Report for the period November 2016 to January 2017—Michelle Williams, Voya, presented the report.
14. Annual Plan Review & Performance Standards for 2016—Michelle Williams presented the reports.
15. Overview of Voya Stable Value Fund and Voya Portfolio Review October through December 2016—Tony Camp, Voya, and Paul Buren, Voya, presented the reports.
16. Legislative and Regulatory Update—Don Eibsen presented the update.
17. Voya Monthly Activity Reports for November 2016, December 2016, and January 2017—Michelle Williams, Voya, presented the reports.
18. YTD Fund Performance Summary—Michelle Williams, Voya, presented the summary.

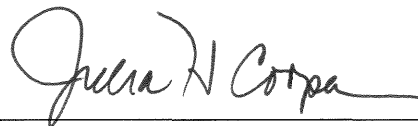
RETREAT

1. Participant Data and Strategies to increase participation, contributions, retention, use of online tools, and beneficiaries on file—Jason Polonsky, Voya, presented the report. Strategies include a quarterly Voya email campaign and flyers/postcard at Human Resources front desk.
2. Review Investment Policy—Don Eibsen presented the policy.
3. Reducing Number of Investment Options, Fee Implications, and Demographics of Affected Participants—Don Eibsen, and Michelle Williams presented the reports. To be further discussed in upcoming meeting with recommendations



4. Fiduciary Training, including review of status of the Department of Labor's fiduciary regulations and any impact upon the plan —David Woolsey motioned and Donna Busse seconded to move this item to the upcoming DCAC Meeting on June 19, 2017.
5. Review RFP Process and Timelines —Amy Morton presented the report.

The meeting was adjourned at 2:25 p.m.



Julia Cooper, Chair
Deferred Compensation Advisory Committee

