

# DEFERRED COMPENSATION ADVISORY COMMITTEE REGULAR MEETING

For information about this meeting, contact the Human Resources Department; by phone (408) 535-1285 or email <a href="https://hRbenefits@sanjoseca.gov">hRbenefits@sanjoseca.gov</a>.

Chair Julia Cooper called the meeting of the Deferred Compensation Advisory Committee to order at 9:03 a.m. on Monday, March 16, 2020, City Hall Tower, Room 1446 and Zoom Meeting

Roll Call:

Julia Cooper, Chair

City Manager's Representative

Roberto Peña

Management Employees' Representative

Jason Santos

Employees' Representative

David Woolsey

Police Representative

Absent:

Lee Wilcox

City Manager's Representative

Jamal Fountaine, Vice Chair

Firefighter Representative

Jaime Fonseca

Employees' Representative

Also Present:

Amy Morton

Human Resources

Melissa Lopez

Human Resources

Emily Hendon

Human Resources

Kirstin Belrose

Human Resources

Eric Lemon

Finance Staff

Tom Coughlin

**Buck Consultants** 

Bishop Bastien

Voya

Nancy Agaiby

Voya

Peter Ng

Voya

## APPROVAL OF MINUTES

1. December 9, 2019

\*M.S.C. (Roberto Pena/David Woolsey) approved the minutes for the Deferred Compensation Advisory Committee Meeting on December 9, 2019.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please call Human Resources at 408-535-1285 as soon as possible, but at least three business days before the meeting/event.



#### INFORMATIONAL ITEMS

- 2. Staff Update Amy Morton, Human Resources(HR), updated the committee on the following:
  - a. Reminded the committee their Form 700 is due.
- 3. Stable Value Renewal Rate— Amy Morton, Human Resources, advised that the crediting rate was increasing from 2.40% to 2.48% for the following quarter.
- 4. <u>DC Plan Hot Topics: Governmental Plans</u>, including update on the SECURE ACT and other related bills impacting 457 Plans —Tom Coughlin, Buck Consultants, provided the update. Staff will bring specific SECURE Act items for approval in June.
- Verbal update on the Deferred Compensation Plans <u>Revenue Reimbursement Report</u> for the period October 2019 to January 2020— Bishop Bastien, Voya, presented the report.
- 6. Review Voya <u>Quarterly Activity Report</u> for October 2019, November 2019, and December 2020 Bishop Bastien, Voya, presented the report. Staff and Voya will continue to work on revising these reports to ensure they are helpful and accurate.
- 7. Update on YTD Fund Performance Summary Bishop Bastien, Voya, presented the report.

### DISCUSSION/ACTION ITEMS

- 8. Review, discuss and accept the <u>Deferred Compensation Plans Second Quarter Financials for FY 2019-20</u>—Eric Lemon, Finance Department, presented.
  - \*M.S.C. (Jason Santos/Roberto Pena) accepted the Deferred Comp Plans Second Quarter Financials.
- Review and approve current <u>Watch List fund</u> —Tom Coughlin, Buck Consultants, presented
  the recommendation and advised the DCAC to consider moving to offering one large cap
  growth product.
  - \*M.S.C. (David Woolsey/Jason Santos) accepted the recommendation and will review further in June
- 10. Review, discuss, and approve recommendations on administrative fee structure and exhibits provided by Voya —Tom Coughlin, Buck Consultants, presented the recommendation. The committee directed Voya and Staff to change the plans to NAV, change all funds to zero revenue share if available, and implement fee leveling. The DCAC advised Voya and Staff to keep or apply the 13 basis point DAC to all applicable funds, including Stable Value Fund. Voya was tasked to bring back further analysis regarding impact of revenue sharing and fund expense on flat dollar amounts.
  - \*M.S.C. (Julia Cooper/Roberto Pena) accepted the report.
- 11. Review and accept <u>Investment Performance Evaluation Report</u> for Period ending December 31, 2019.—Tom Coughlin, Buck Consultants, presented the report.
  - \*M.S.C. (Roberto Pena/ Jason Santos) accepted the report.
- 12. Review and approve <u>Fiscal Year 2020-21 Operating Budget</u> and Exhibits— Emily Hendon, Human Resources, presented the recommendation. DCAC asked Staff to update the name of the external audit firm in the memo.
  - \*M.S.C. (David Woolsey/Jason Santos) accepted the recommendation.
- 13. Review and <u>approve recommendation</u> to prepare and finalize <u>consultant agreement</u> with Hyas Group— Amy Morton, Human Resources, presented the recommendation.
  - \*M.S.C. (David Woolsey/Roberto Pena) accepted the recommendation.



Deferred Compensation Advisory Committee March 16, 2020

- 14. Review and approve Fiscal Year 2020-21 Annual Work Plan—ITEM DEFERRED until June
- 15. Review and approve proposed <u>Retreat Topics</u> —Amy Morton, Human Resources, presented the recommended topics. DCAC requested staff to add a COVID-19 market/recovery topic to the retreat.
  - \*M.S.C. (Roberto Pena/David Woolsey) accepted the recommendation.
- 16. Conduct annual election of DCAC Chair and Vice Chair for the period beginning April 1, 2020 through March 30, 2021 ITEM DEFERRED until June

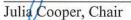
#### NEXT MEETING

Next Regular Committee Meeting, Monday, June 15, 2020, City Hall Tower, Room T-1446, 9:00 a.m.

Annual Retreat immediately following the Regular Meeting. Planned to conclude by 3pm. Lunch will be provided.

## **OPEN FORUM**

The meeting was adjourned at 9:53am.



Deferred Compensation Advisory Committee

