



**DEFERRED COMPENSATION ADVISORY COMMITTEE
REGULAR 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 9:03 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.

NOTE: If you have any questions or concerns, please call Human Resources at (408) 535-1285.

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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. [DC Plan Hot Topics: Governmental Plans](#), 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.
5. Verbal update on the Deferred Compensation Plans [Revenue Reimbursement Report](#) for the period October 2019 to January 2020— Bishop Bastien, Voya, presented the report.
6. Review Voya [Quarterly Activity Report](#) 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 [Deferred Compensation Plans Second Quarter Financials for FY 2019-20](#) —Eric Lemon, Finance Department, presented.
*M.S.C. (Jason Santos/Roberto Pena) accepted the Deferred Comp Plans Second Quarter Financials.
9. Review and approve current [Watch List fund](#) —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 [Investment Performance Evaluation Report](#) 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 [Fiscal Year 2020-21 Operating Budget](#) 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 [approve recommendation](#) to prepare and finalize [consultant agreement](#) with Hyas Group— Amy Morton, Human Resources, presented the recommendation.
*M.S.C. (David Woolsey/Roberto Pena) accepted the recommendation.

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14. Review and approve [Fiscal Year 2020-21 Annual Work Plan](#)—ITEM DEFERRED until June
15. Review and approve proposed [Retreat Topics](#) —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.



Julia Cooper, Chair
Deferred Compensation Advisory Committee



