City of South San Francisco
Human Resources Department

Action Minutes of the Deferred Compensation Committee Meeting

December 12, 2012

Agenda Item	Notes	Action Taken
Call To Order:		Kathy Mount called meeting to order at 10:05 a.m.
Roll Call/Chair's Comment:	**Committee Members present:** Mike Brosnan – Police Susie Choi - Finance Imelda Mangubat – PW/WQCP Frank McAuley – PW Kathy Mount – HR Anthony Ottoboni - Fire Alan Patrick – Parks and Recreation Jim Steele - Finance Terry White - PW **Committee Members not present:** William Gablin, Police **Others in attendance:** Brion Beetz, Kirsten Charzuk, GW Life Retirement Services Paul Hackleman, Bill Tugaw – SST Benefits Consulting	
Oral Communications/Public Comment:	None.	
Agenda Review:	No changes	
Agenda Items:		
1. Motion to approve Minutes of September 12, 2012 Regular Meeting	Member Steele moved to approve; Member Ottoboni seconded.	Motion unanimously carried.
3. Investment Guidance and Advice Education (Great West)	Great West reviewed with the Committee the Realty Investing Stats as of 12-3-12 and Reality Investing Advisory Services documents. Kathy Mount commented about the significant gender difference in the number of participants using the Managed Accounts feature of the plan. Great West and SST agreed to look at this issue and bring back suggestions	No action taken by the committee.

	for increasing the rate of involvement by women.	
4. Annual Plan review – Demographics (Great West)	Great West reviewed with the Committee the Plan Review document. Terry White asked if this could be provided in advance of the meeting so there was time to review it before the meeting, and Great West agreed to provide it around two weeks beforehand to HR. HR will distribute it to the committee.	No action taken by the committee.
5. Report on Status of PARS Distributions/RSI	SST reported that there were only 29 participants who could not be located out of a total of nearly 1,000. Brion Beetz complimented Sylvia Portillo on her efforts to obtain contact information for these participants. Bill Tugaw said we are almost finished with the transfer of all outstanding funds from PARS to other vehicles, and that the last portion was in HR waiting for action. SST will report on the final outcome of the transfer at the March 2013 meeting.	No action taken by the committee.
6. Update of Documents posted on Intranet.	Great West will work with Sylvia Portillo and Paul Hackleman to identify the documents that need to be placed on the intranet.	No action taken by the committee.
7. SEP (Self Employed) IRA Rollover (Great West)	Great West reported that a policy decision needed to be made about whether the Plan would accept funds from accounts like SEP IRA, which are pre-tax amounts that employees might want to rollover into the Plan. There was also discussion about permitting post-tax contributions such as Roth IRAs to be rolled over into the Plan. Brion Beetz was not sure if Great West's system could handle contributions of Roth IRAs from other sources, but will check into it.	Motion to permit pre tax IRA type contributions to be rolled over into the Plan, and to permit post-tax Roth IRA type contributions to be rolled over into the Plan provided that the Great West accounting system can handle them, was made by

		Mike Brosnan and seconded by Alan Patrick. The motion carried unanimously.
8. Legislative Update (SST/Great West)	SST and Great West discussed the impending fiscal cliff issues and potential changes that might impact individuals. They also discussed the possible impact on the plan of a change to the normal retirement age as required by PEPRA. No changes to the existing Plan are required by the PEPRA, but HR will send the current and anticipated retirement tier information to Great West so they can begin to think about how to implement the impact of an increased normal retirement age on the 457 catch-up provisions.	No action taken by the committee.
9. Roth Communication (SST)	As the Roth option was added to the Plan in an earlier meeting, the only issue was when implementation would begin.	No action taken by the committee.
10. Revenue and Expenditures by fund FY 12-13	Jim Steele presented the Revenue and Expenditure by fund for the fiscal year 2012-13. Kathy Mount asked if he could provide a breakdown of all expenditures in future reports. The Committee discussed how to approve individual expenditures and agreed that consistent with typical practices so long as an invoice falls into a budgeted area and is not in an unexpected amount it can be approved by the HR Director. The approved invoices will then appear with the quarterly Revenue and Expenditures report for the Committee review.	No action taken by the committee.
11. Survey Results (Great West)	Great West reported that they received only 10 results which is not a statistically significant number. The survey results were reviewed, but given the low numbers no conclusions were drawn from them. The	No action taken by the committee.

	committee agreed to continue this issue to a future meeting where the provider performance will be addressed, and decided at that time how to create greater incentives for participant participation in the survey.	
12. Terms of Committee Members/Pending Retirement (Committee)	Kathy Mount reported that she sent a proposed method for assigning terms to individuals and there was no adverse opinion. However, this matter will be deferred to the next meeting for a fuller discussion in conjunction with consideration of the new by-laws.	Deferred to March 2013 meeting.
13. By-Laws Term of office (Committee)	Matter deferred to next meeting	Deferred to March 2013 meeting.
14. Loan parameters (Great West/SST/Committee)	As the Committee has already approved loans in concept, Great West posed a number of questions about implementation of the loans that needed to be answered by the Committee. The Committee reviewed the Loan Set-Up Checklist provided by Great West and established loan parameters as follows: 1. How many outstanding loans at one time allowed? **One.** 2. Minimum loan amount? **$25,000.** 3. Loan person? **HR** 4. One or two step loans? **One.** 5. Mortgage paperwork review required? **No.** 6. Debit order for loans? **Yes, pro rata.** 7. Debit method for money types? **Yes, pro rata.** 8. Refinancing feature offered? **No.**	Motion to approve made by Amy Mangubat and seconded by Jim Steele. The motion carried unanimously.

	9. Pre-pay tolerance. **Yes, $1.** 10. Full pre-pay prior to maturity at any time: **Yes**. 11. Interest rate on loans. **Prime plus 1%.** 12. Next three payroll dates and frequency. **Great West to confirm with payroll.** 13. Auto loans and loan modeling on web site? **Yes, and automate all loans in the PSC.** 14. Loan terms - general purpose or home or both types? **Both types.** 15. Loans in months or years? **Full years.** 16. Loan required before Hardship distribution must be taken? **Loans must be taken before hardship distribution unless the participant can establish that taking a loan would not be possible given their financial situation.**	
15. Finalize Participant Education Plan (Great West)	Great West reviewed Participant Educational and Communication Plan	No action taken by the committee.
16. Finalize Communication Plan (Great West	Great West reviewed Participant Educational and Communication Plan	No action taken by the committee.
17. Future Educational Sessions A. Mutual Fund Graduate School B. Minimum Distribution Requirements C. DB/DC Coordination – March 2013 D. Target Date Funds	Paul Hackleman recommended that the Committee keep the DB/DC Coordination on the agenda for Committee education in March 2013, and that the Mutual Fund Graduate School occur in June 2013 in conjunction with the annual mutual fund review. Other topics deferred to a future date.	No action taken by the committee.
18. March Meeting (2013 Dates) A. Excess Reserves Policy	Paul Hackleman suggested the following meeting dates for 2013,	No action taken by the

B. Annual Investment/IPS Review C. Annual Provider Review	which were agreeable to the Committee: March 20, 2013 June 19, 2013 September 18, 2013 December 11, 2013 Kathy Mount suggested we start earlier since the meetings are tending to run long and the Committee agreed to start the meetings at 930 and end at 1230. The Committee members expressed their appreciation that lunch was brought in given the length of the meeting, and would like that practice to continue.	committee.
19. NAGDCA Highlights/SST Summary document (Committee Attendees/SST)	SST reviewed the highlights of the NAGDCA conference. Committee members provided feedback on their experiences as first time participants in the conference. At upcoming meetings the Committee will discuss whether it makes sense to send further participants to future NAGDCA conferences.	No action taken by the committee.
Items from Committee	None.	No action taken by the committee.
Adjournment:	Susie Choi moved to adjourn; seconded by Amy Mangubat.	Motion carried unanimously. Meeting adjourned at 12:35 p.m.