City of VALLEJO California

AGENDA SPECIAL MEETING 457 DEFERRED COMPENSATION PLAN, 401(a) DEFINED CONTRIBUTION PLAN, AND RETIREMENT HEALTH SAVINGS PROGRAM COMMITTEE 10:00 A.M. SEPTEMBER 13, 2021

COMMITTEE MEMBERS
Michael Nichelini, Chair
Anne Cardwell
Mark Love
Rekha Nayar
Bonnie Mirante
Kevin Brown
James Olson

PUBLIC COMMENT: Members of the Public may provide public comments during the 457 Deferred Compensation Plan, 401(a) Defined Contribution Plan and Retirment Health Savings Committee Meeting via ZOOM:

(https://ZoomRegular.Cityofvallejo.net)
Option to join by phone
Dial (669) 900-6833
Enter Meeting ID: 914 0075 0676#
Press *9 to digitally raise your hand from the phone.
Press *6 to unmute/mute from your phone.
For additional instructions on how to speak during public comment, please visit, www.cityofvallejo.net/publiccomment

VIEW THE MEETING:

You may participate in this public meeting via Zoom:

- Join the Zoom webinar: https://ZoomRegular.Cityofvallejo.net

This AGENDA contains a brief general description of each item to be considered. The posting of the recommended actions does not indicate what action may be taken. If comments come to the 457 Deferred Compensation Plan, 401(a) Defined Contribution Plan and Retirment Health Savings Committee meeting without prior notice and are not listed on the AGENDA, no specific answers or response should be expected at this meeting per State law.

Pursuant to the Government Code Section 54954.3 (The Brown Act), members of the public shall be afforded the opportunity to speak on any agenda item of interest to them provided they are first recognized by the presiding officer. Members of the public wishing to be so recognized are requested to submit a completed speaker card to the Executive Secretary of the Committee prior to the consideration of the item.

Those wishing to address the 457 Deferred Compensation Plan, 401(a) Defined Contribution Plan and Retirment Health Savings Committee on any matter for which another opportunity to speak is not provided on the AGENDA but which is within the jurisdiction of the Deferred Compensation Committee to resolve may come forward to the podium during the "COMMUNITY FORUM" portion of the AGENDA.

Members of the public have the right to speak on any item on this agenda. Those wishing to address the 457 Deferred Compensation Plan, 401(a) Defined Contribution Plan and Retirment Health Savings Committee are limited to either three minutes for consent calendar items or five minutes for action items, consistent with the time allowed to public speakers at City Council meetings as set forth in the Vallejo Municipal Code Chapter 2.02.

Notice of Availability of Public Records: All public records relating to an open session item, which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to a majority of the commissioners will be available for public inspection at the City Clerk's Office, 555 Santa Clara Street, 3rd Floor, Vallejo, CA at the same time that the public records are distributed or made available to the commissioners. Such documents may also be available on the City of Vallejo website at http://www.cityofvallejo.net subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (707) 648-4527.

Want more City Information - Members of the public can:
Like us on Facebook (www.facebook.com/cityofvallejo)
Sign up to receive City Communications via e-mail (www.cityofvallejo.net/living/connect)
Sign up to receive City updates and get connected with your neighbors on Nextdoor (www.nextdoor.com)

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Human Resources Department at Human.Resources@cityofvallejo.net Notification at least 48 hours prior to a meeting will enable the City to make reasonable arrangements to ensure accessibility to that meeting. [28 CFR.35.102.35.104 ADA Title II]

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

4. ROLL CALL

5. REPORTS

A. Report from Secretary to the Deferred Compensation Plan, 401(a) Defined Contribution Plan, and Retirement Health Savings Program Committee
B. Introduction of new Committee members-Attachment A

6. COMMUNITY FORUM

Due to the Coronavirus emergency, all board and commission meetings will be held via teleconference. Members of the public may provide public comments during the Deferred Compensation Plan, 401(1) Defined Contribution Plan, and Retirement Health Savings Program Committee Meeting via ZOOM. Members of the public interested in participating or observing the meeting may either click the link above or type the link into an internet browser. You will be taken to the internet platform where the meeting is being held. To make comments via Zoom please visit:

https://ZoomRegular.Cityofvallejo.net

Option to join by phone:
Dial (669) 900-6833
Enter Meeting ID: 914 0075 0676#
Press *9 to digitally raise your hand on the phone.
Press *6 to mute and unmute from your phone.

7. CONSENT CALENDAR AND APPROVAL OF AGENDA

A. Approval of Minutes
Recommendation: Approval of the minutes from the March 5, 2020, April 14, 2020, May 28, 2020, June 4, 2020, June 11, 2020, June 17, 2020, August 4, 2020, and August 17, 2021 meetings.

8. PRESENTATION

A. Presentation by Lenora Jenkins & Chad Parilla, MissionSquare
Presentation: 45 minute presentation, Lenora Jenkins & Chad Parilla, introduction and review of the transfer completion, rebranding from ICMA-RC to MissionSquare. Partnership with SS&C and strategic marketing review. Present and discuss options for Committee and participant education. Introduction to Financial Wellness site.

B. Presentation by Vincent Galindo, Consultant, Hyas Group
Presentation: Discussion and possible action: Optional SECURE Act provisions. Fiduciary education session.

9. ACTION ITEM(S)

Due to the Coronavirus emergency, all board and commission meetings will be held via teleconference. Members of the public may provide public comments during the Deferred Compensation Plan, 401(1) Defined Contribution Plan, and Retirement Health Savings Program Committee Meeting via ZOOM. Members of the public interested in participating or observing the meeting may either click the link above or type the link into an internet browser. You will be taken to the internet platform where the meeting is being held. To make comments via Zoom please visit:

https://ZoomRegular.Cityofvallejo.net

Option to join by phone:
Dial (669) 900-6833
Enter Meeting ID: 914 0075 0676#
Press *9 to digitally raise your hand on the phone.
Press *6 to mute/unmute from your phone.

A. Approve New Members
Recommendation: Approve new members to the Committee (Attachment A)

B. Selection of New Chair and Vice Chair
Recommendation: Select a new Chair & Vice Chair by vote. Length of term is one year from September 2021 to September 2022.

C. Reconfirm use of consultant
Recommendation: Determine whether to continue with Hyas Group, solicit an RFP for new consultants or discontinue use of a consultant.

D. Committee and Paricipant Education
Recommendation: Discuss scheduling of educational presentations.

E. Discuss meeting schedule
Recommendation: Discuss days and times of regular meetings going forward.

10. FUTURE AGENDA ITEMS

A. Discussion of Agenda Items for Future Meetings

11. ADJOURNMENT

ADDITIONAL CITY INFORMATION
Members of the public can:
Like us on Facebook (www.facebook.com/cityofvallejo)
Sign up to receive City Communications via e-mail (www.cityofvallejo.net/living/connect)
Sign up to receive City updates and get connected with your neighbors on Nextdoor (www.nextdoor.com)

I, Sarah Brannick, Executive Secretary, do hereby certify that we have caused a true copy of the above notice and agenda to be delivered to each of the members of the *Deferred Compensation Plan, 401(1) Defined Contribution Plan, and Retirement Health Savings Program Committee*, at the time and in the manner prescribed by law and that this agenda was posted at City Hall, 555 Santa Clara Street, CA at 1:00 p.m., Wednesday, September 8, 2021.

Sarah Brannick, Executive Secretary

ATTACHMENT A

DEFERRED COMPENSATION COMMITTEE

MEMBER LIST

City Manager or Designee: Anne Cardwell, main member, or Felicia Flores, alternate

Director of Human Resources or Designee: Mark Love, main member, or Stephanie Sifuentes, alternate

Director of Finance or Designee: Rekha Nayar, main member, or Allen French, alternate

Representative for CAMP: Bonnie Mirante, main member, or Brisa Long, alternate

Representative for IAFF: Kevin Brown, main member, or Jonathan Alberti, alternate

Representative for IBEW: James Olson, main member, or Nick Rolley, alternate

Representative for VPOA: Michael Nichelini, main member, or Jared Jaksch, alternate

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

03/05/2020

Attendees: Anne Cardwell, Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, Mike Nichelini, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo

Absent: Scott Yates, William Stockman, John Ha, Rekha Nayar, Benjamin Hill, Mat Mustard, Janval Macor

1) Establish Committee Framework
   - The members discussed the roles and commitments of the Chair/Vice Chair
   - Aaron Sage elected as Chairperson and Mike Nichelini elected Vice Chairperson
   - Sarah Brannick is the Secretary and Valerie Fisher will take notes, HR to send meeting invites
   - Heather to confirm with legal on whether the meetings are open or not (Brown Act)
   - Noted that it was important that the Committee members representing groups be the vehicle for communication between the employees they represent and the committee

2) Review of Charter
   - Some comments were made to correct the charter document (Vallejo Police Officers' Association, change section II first sentence to "one individual from the…", add Attachment A, page 2 second sentence typo to replace "for" instead of "of")
   - Committee decided to table a review of the Charter during the meeting and asks members to review and send comments before next meeting
   - Although Charter states the meetings will be quarterly, the initial review of proposal will require more frequent at first. The Committee decided on the first Thursday of the month at 10 am. HR to send the invites

3) Overview of Committee Purpose & Proposal Review Project by Vince Galindo
   - Mr. Galindo provided an overview of his background and the work of Hyas Group
   - The group discussed the fiduciary responsibility, potential costs, and potential cost savings
   - The Committee discussed options for reviewing and evaluating the proposals.
   - Mr. Galindo provided a sample of a scoring sheet and the committee requested an overview explanation on factors that were considered in his scoring of a sample RFP response

4) Committee Action Planning
   - The Committee confirmed that the goal of the review is to narrow the number of PRF finalists to three or four with presentations manageable within one day

- The Committee considered determiners like whether the vendors were currently working with the city, the dedication to Public Sector clients, use of third party relationships, use of proprietary options, service/education hours and other factors
- It was determined that the Committee would like additional time to review the proposals and meet for an additional meeting before making the decision on which vendors to invite for demonstration. In addition, the Committee should send any questions and make any suggestions to the scoring format before the next meeting.
- Date for next meeting set for 3/19/2020 with the change to a new vendor demonstration day of 4/16/2020

____

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

____

SARAH BRANNICK, EXECUTIVE SECRETARY

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

04/14/2020

Attendees: Sara Brannick, Sara Castro, James Olson, Heather Ruiz, JV Macor, Kevin Brown, Aaron Sage, Vincent Galindo, Anne Cardwell, Benjamin Hill, Andrew Kirchner

Absent: Valerie Fisher, William Stockman, Scott Yates, John Ha, Mat Mustard, Mike Nichelini, Jonathan Alberti

1) CARES Act
    - Vincent Galindo gave an overview of the Act and plan options to assist participants through the financial crisis
    - Discussion about the groups affected by the crisis and what qualifies them. The first group is those diagnosed with COVID-19, or a participant whose spouse or dependents are diagnosed. The second group is those not diagnosed but who have incurred financial harm, loss of business, etc. as a result of COVID-19 or the ensuing financial fallout. This is information is to be provided to the employer by the participant by means of a self-certification indicator on the form
    - Discussion regarding CRD (coronavirus-related distribution) and how it differs from normal distribution, including further provisions of the CRD; each of the options discussed was permissible but not mandatory
    - Maximum that can be taken out under the CARES Act has increased to $100,000 or $100%, whichever is lower; no 10% withdrawal penalty; no mandatory 20% withholding upon payout; tax burden can be spread over three years; distribution can be paid back over three years
    - Committee members and Vincent Galindo discuss the risks and benefits of adopting each option, and doing so now versus doing so at a later time; risks include seeing account balances, which ideally should remain relatively high, drop; it goes against the conventional wisdom that people should have rainy day funds, so participant returns next emergency to their retirement plan—group agreed that this is a true rainy day; there are also administrative challenges related to paying back funds, as well as potential resulting public relations risks
    - Discussion of how other area cities are moving forward; per Vincent Galindo, 50-60% of cities are moving forward with adopting these provisions, and 40-50% of cities are taking a wait and see approach; Vincent Galindo recommends we adopt provisions
    - Committee discussed term for CRD distributions—for calendar year 2020; loan feature—for 180 days
    - Motion to adopt the provisions by Kevin Brown; motion seconded by James Olson; motion passed. The City is adopting all provisions discussed.

2) Update on RFP Process
    - The Committee discussed how to decide which vendors to move forward with interviewing; Aaron Sage stated he was comfortable to move forward based on Vincent Galindo's ranking of each vendor
    - Motion to adopt this scoring method as Committee's official scoring method – motion passed
    - Aaron Sage moved that the Committee interview the top four—1) ICMA, 2) Mass Mutual, 3) Nationwide, 4) VALIC/AIG—motion passed
    - Committee decided to vote on dates for presentations via email; Sarah Brannick to send email
    - Discussion regarding how formatting, duration and scheduling of the presentations by vendors and debrief by Committee afterward
    - Aaron Sage suggested we break the meetings into two half days

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

SARAH BRANNICK, EXECUTIVE SECRETARY

City of VALLEJO California

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

05/28/2020

Attendees: Anne Cardwell, Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, Mike Nichelini, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo, William Stockman, Jon Alberti

Absent: Scott Yates, John Ha, Rekha Nayar, Benjamin Hill, Mat Mustard, Janval Macor

The meeting was conducted via Zoom due to the COVID pandemic.

1) Opening/Overview
   - Vincent Galindo/Hyas provided an opening to the group, advising that the four vendors selected are prepared to address a number of issues, including being sole or one of two vendors selected.
   - Mr. Galindo identified that committee members could use the provided rate sheets, sample list of questions, and take notes, but that the format for the presentations is more conversational than formal. Members can ask questions.
   - Mr. Galindo identified that he will be the lead and open the discussion with each vendor.
2) Session 1 - Presentation VALIC/AIG
   - The AIG Team presented an overview of their Team, their organization, and outlined some of their main goals and plans for implementation, if selected. Some of the items discussed were plans to provide a comprehensive digital experience, protect data, plan communication, and have outcome driven educational programs.
   - The AIG Team discussed the transition and blackout periods and also their HRA administered by Gallagher Benefit Solutions.
   - AIG discussed the mapping process, numbers of investments options/types, and fees.
   - Additional questions were asked and answered, including questions regarding communications, employee online access, ancillary programs, Roth options, and the mobile app.
   - AIG stated that they declined to quote for anything other than as a single provider.
3) Session 2 - Presentation ICMA RC
   - The ICMA RC Team presented an overview of their Team, their organization, and outlined some of their main goals and plans for implementation, if selected. Some of the items discussed were plans to provide employee engagement resources, options available to employees online, employer administrative online features, data security, and their transition experience.
   - The ICMA RC Team discussed the transition and blackout periods.
   - Information was discussed on the mapping process, numbers of investments options/types, and pricing. ICMA RC does not sell outside products. ICMA RC stated that they would cover the charges for AIG and Mass Mutual, if they are selected, to make the participants whole.

ICMA RC offers to provide second pricing structure if a 2-vendor transition is the final option.

- The issue of a rumor that ICMA RC is anti-union was raised by a committee member. ICMA RC Team denied the rumor and spent time discussing that ICMA RC is not part of the regular ICMA organization, supports safety via a scholarship for line of duty death survivors, and can provide the committee with union leaders as references. While ICMA RC pays to use the name, they are separate, and it is the mission of ICMA RC to serve public agencies and all public employees.

4) Wrap up

- Mr. Galindo provided the opportunity to discuss any questions. In response to inquiries, he provided an overview of "floor rate" in general terms. He also provided information on how guaranteed minimum and stability funds work, as well as the difference in what an insurance company as a provider could offer versus non-insurance.
- It was noted that AIG did not make any offer similar to ICMA RC to pay for charges made by the other vendors during a transition process.

____

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

____

SARAH BRANNICK, EXECUTIVE SECRETARY

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

06/4/2020

Attendees: Anne Cardwell, Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo, William Stockman, Jon Alberti

Absent: Scott Yates, John Ha, Rekha Nayar, Benjamin Hill, Mat Mustard, Janval Macor, Mike Nichelini

The meeting was conducted via Zoom due to the COVID pandemic.

1) Session 3 – Presentation Mass Mutual (formerly Hartford)
   - The Mass Mutual Team presented an overview of their Team, their organization, and outlined some of their main goals and plans for implementation, if selected. Some of the items discussed were their new platform, employee engagement services, focus on surveying after employee contacts for quality assurance, and data security.
   - The Mass Mutual Team discussed the transition, blackout periods, and also their RHS administered by Employee Benefits Solutions in a concurrent but separate system (no integration between Mass and EBS online systems).
   - Mass Mutual acknowledge that they had servicing issues with the City of Vallejo in the past when buy out happened with Hartford.
   - Mass Mutual stated that there was no choice for a multivendor quote as that is against their philosophy.
   - They discussed that their staff is not commission based, the only bonuses are for customer satisfaction. They do not have selling incentive and do not sell any ancillary products.
2) Discussion between presentations
   - Vincent Galindo offered an explanation on the term of "put," with a discussion on required wait periods after noticing.
3) Session 4 - Presentation Nationwide
   - The Nationwide Team presented an overview of their Team, their organization, and outlined some of their main goals and plans for implementation, if selected. They identified the Nationwide difference is to use 3 pillars as an integrated approach to being retirement ready .
   - Nationwide discussed their employee engagement strategies, including social targeting, and a variety of education/planning resources.
   - The Nationwide Team discussed the transition process, their transition experience, and how a VEBA plan would work in place of the current RHS plan accounts.
   - Nationwide provided information on how their pricing might differ if the decision is to proceed with a two-vendor option.

- Additional questions were asked and answered, including questions regarding the availability of a Roth option and length of contract for one vendor versus dual vendor options.

4) Wrap up
   - Mr. Galindo provided the opportunity to discuss any questions. The committee had a discussion about length of contract and what items within the terms might be negotiable. Another discussion item was the option to seek good exit terms in a contract with a vendor if a longer term is sought. The group discussed a suggestion to take a blind vote at the start of the next meeting.

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

SARAH BRANNICK, EXECUTIVE SECRETARY

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

06/11/2020

Attendees: Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo, Jon Alberti

Absent: Anne Cardwell, Scott Yates, John Ha, Rekha Nayar, Benjamin Hill, Mat Mustard, Janval Macor, Mike Nichelini, William Stockman

The meeting was conducted via Zoom due to the COVID pandemic.

1) Identifying Next Steps
   - While it was identified that the committee will need to vote to select the new vendor, it was also noted that representatives from a few of the departments/groups were not present; the decision would not happen at this meeting. Ms. Ruiz confirmed that the selection would be made by a majority vote of the committee.
   - Committee members voiced thoughts that it would be good to have more of the terms explained in greater detail, be able to ask additional questions, voice concerns, etc., before making a decision.
   - Mr. Galindo explained that many items are decisions to be made after the selection of the vendor. The focus and review now should be towards those areas that are not negotiable and in areas that are variable between the vendors, including RHS integration, technology options/use, and data security.
   - It was confirmed that the process going forward would be for the committee to make the selection of the vendor, Mr. Galindo would handle negotiations, and the final decision on the contract would be by Council approval.
   - Mr. Galindo advised that the committee can wait to decide but also warned and reminded the group that the current vendor contracts include put noticing timeframes.

2) Discussion/Further Information
   - Besides the presentations, the committee referenced the rating chart, proposals, and proposal summary information by Hyas during their discussions.
   - Some of the terms, concepts and issues discussed included: proprietary fund and open architecture (investments) structure and how decisions there affect pricing, the aspects that are options that the committee can decide on once the vendor is selected, investment mapping, how fees are charged/the basis for fees, prior lack of fee transparency and the consolidation to one vendor to significantly reduce fees, what is a self-directed brokerage account, additional financial planning services and added fees for services, pros and cons of

a vendor using incentives or allowing additional sales with their representatives, and how managed accounts work.

- Mr. Galindo provided some examples of how fees can be calculated using basis point for the fund and record keeping fees.
- The committee recapped each of the presenting vendors' plans for RHS and talked about the benefits to the employees of selecting a vendor that can provide the RHS in-house.
- The committee spent some time discussing the importance of employee outreach to help them understand why the decision was made to consolidate the plans and to help with a smooth transition process.

____

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

____

SARAH BRANNICK, EXECUTIVE SECRETARY

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

06/17/2020

Attendees: Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo, Jon Alberti, William Stockman, Mike Nichelini, Anne Cardwell

Absent: Scott Yates, John Ha, Rekha Nayar, Benjamin Hill, Mat Mustard, Janval Macor

The meeting was conducted via Zoom due to the COVID pandemic.

1) Discussion and Deliberation on Vendors
   - It was asked and confirmed that each of the four vendors can make the Roth feature and Self Directed Brokerage Accounts available. However, these are options that the committee will have to decide on.
   - Mr. Galindo reviewed his role as the consultant in the process. He provided the overview, and now the committee must decide between the four capable options. It was suggested that the committee focus on the things that are not negotiable that set the vendors apart.
   - The voting members of the committee were provided with an online blind survey, with discussion continuing pending the results.
   - The subject of one versus two vendors was discussed, with Mike Nichelini making a motion and rescinding a motion to select only one vendor. While it was agreed that the best pricing may come from using only only vendor, there might be other considerations.
   - The committee had a discussion regarding credit rating structure, insurance company versus other corporate structure, and floor rates and stable value.
   - Ms. Brannick read the ranking of the votes as received in IT. 1st place ICMA RC, 2nd Nationwide, 3rd Mass Mutual, 4th VALIC (AIG).
   - It was suggested that the discussion continue with consideration for both ICMA RC and Nationwide, especially since both have agreed to work with two vendors and since the committee has not yet decided on that factor.
   - While it was suggested to take another vote with just the two top vendors, the committee instead continued in discussion on factors to consider. Issues raised included Nationwide has the better floor rate over the ten year term and more individuals are currently in Nationwide than ICMA RC. Mr. Galindo reminded the group that some items are negotiable and that it would be good to consider those things that aren't. Examples include RHS integration, cybersecurity, technology and planning tools, client focus, general fund offering, and actual vendor Team staff.
   - Mike Nichelini made a motion, and it was seconded by James Olson, to selection ICMA RC as the sole deferred compensation vendor. A vote of the committee members was held with all approving and Kevin Brown opposing the decision.

- Ms. Ruiz asked for other items that the committee would ask Mr. Galindo to request during negotiations. Items included additional advice at no additional cost, remove the tiers from financial planning, change structure on the managed accounts to 75/25, take away the roll over option, ask for more annual days of onsite education, more favorable terms for the city exiting the contact, want the 10 year pricing for 5 year term of contract with the option for 5 year renewal, and base any bonus for representatives on city goals.

2) Next Steps
- Mr. Galindo stated that the committee will need to meet again next, in about three weeks, to make decisions on design features.
- The estimated timeframe for transition would be the end of September or into October.
- It was noted that the next steps were conditional on Council approval of the contract. The RFP had included a copy of the City's professional services contract, so the vendors should be fully aware of the contracting requirements.

____

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

____

SARAH BRANNICK, EXECUTIVE SECRETARY

DEFERRED COMPENSATION COMMITTEE

MEETING MINUTES VIA TELECONFERENCE

08/4/2020

Attendees: Heather Ruiz, Sarah Brannick, Valerie Fisher, Kevin Brown, James Olson, Aaron Sage, Andrew Kirchner, Vince Galindo, Mike Nichelini, Anne Cardwell, Janval Macor, Benjamin Hill

Absent: Scott Yates, John Ha, Rekha Nayar, Mat Mustard

The meeting was conducted via Zoom due to the COVID pandemic.

1) Investment Menu & Mapping Review

   Mr. Galindo provided an overview of the investment menu and mapping. He identified that the decisions are fully in the committee's hands and that Hyas has no incentive in the decision (Hyas, as a fiduciary, is totally objective and has to make recommendations in the participants' best interest). ICMA RC will agree to the proposed the mapping strategy with like-typed from the old to new (bonds to bonds, etc.) for each vendor, including the new line up for ICMA RC current members.

   The committee discussed cost items. Mr. Galindo provided an overview of expense cost ratio figures and calculations. He advised that any new Roth features are offered without an additional fee. However, there are some items that would have a fee at an individual level, including loans and self-brokerage accounts.

   Included in the calculations is the anticipated revenue sharing/administrative fees. The purpose of these funds that are designated for administrative costs would be to provide ongoing education for the committee. The fund would allow costs for a consultant and educational opportunities, including annual conference attendance.

   When reviewing the information, it was noted that there would be so much less in fees (significant cost savings to plan participants) in moving to the proposed plan. Mr. Galindo confirmed that the City's decision to proceed through an RFP process and move to a one-vendor system has allowed the competitive process to yield large savings for the employees.

   The committee discussed the approach to reviewing and finalizing a decision on the mapping plan. There was some voiced concern that the City had mismanaged employee interest in the past and therefore was more confident in a decision to use the professional consultant's recommendations for mapping. It was discussed that this meeting was the forum to review the proposal and ask questions or share concerns, as committee members representing their employee groups. Mr. Galindo reminded the group that the committee may make changes to the fund line up at future meetings as well; the process would be ongoing as the committee reviewed fund performance. It was felt that the Hyas group could provide a more knowledgeable review at this time and until the committee had more opportunity for education.

Mike Nichelini made a motion, and Heather Ruiz seconded, to accept the mapping as proposed. Aaron Sage took a poll of the committee. The motion passed unanimously.

The committee next discussed the issue of the estimated $17,000 fee that AIG would be assessing. ICMA RC has agreed to absorb this charge as one of the options, but they will figure those additional costs into the fees that will be charged over the years. The committee will need to decide between charging that only to AIG members at the time of transfer or over all participants over time. Mr. Galindo stated that the current conversion to one vendor was expected to save about $500,000, so that the amount over time and split between all employees is not much. Committee members expressed that the employees with AIG did not ask for the consolidation and therefore it might be a better decision to spread the cost over all employees and over a longer period of time. Mr. Galindo explained that ICMA RC is proposing to change the proposal to 2.5 basis points (0.025%) to absorb the AIG fees.

Mike Nichelini made a motion, and Kevin Brown seconded, that the committee accept 2.5 basis points as proposed by ICMA RC to pay AIG the estimated $17,000 fee. Aaron Sage took a poll of the committee. The motion passed unanimously.

A discussion about the administrative fee and fund use began. The amount of an annual plan-related budget currently planned is $50,000. The proposed amount should cover a consultant to assist the committee and committee costs (for example, attendance at external educational events). The committee can determine to use a consultant or not, use Hyas or enter a new RFP process. The current term of the Hyas agreement is only through the conversion. Mr. Galindo estimated that the consultant fees might be $30,000 - $40,000 and would include about 10 trainings/meetings. The committee expressed that it would be important to send more than one member to the educational conferences and Mr. Galindo confirmed that the estimate could likely support up to three members. The committee discussed how the funding was held (City or ICMA RC) and who administers it. While the committee could control the approval of funds, the City Human Resources could act as secretary.

Mike Nichelini made a motion, and Heather Ruiz seconded, that the amount budgeted for the administrative fund be $50,000, administered by the committee, and with the Human Resources department providing secretarial tasks. Aaron Sage took a poll of the committee. The motion passed unanimously.

The committee discussed the options on how the administrative fund might be held and administered. The amounts could be held by the City or by the plan, with control by the committee and secretarial administration with HR. While the HR and Finance team representatives were not aware of an issue of having the plan hold the funds, their departments would prefer to hold within the City, but would not oppose a motion for the plan to hold for the first year. Some committee members expressed that while they understood the inconvenience to having the plan hold the funds, they felt it would build trust.

Mike Nichelini made a motion, seconded by Aaron Sage, to have the administrative fund held in the plan with ICMA RC, controlled by the committee, with secretarial support provided by the City's Human Resources department. Aaron Sage took a poll of the committee. The motion passed unanimously.

2) Target Date Portfolios

Mr. Galindo asked that the committee decide on the mapping to the target date funds: either based on asset allocation or only based on their age. Committee members expressed their preference to have the funds mapped like to like as currently is and then to use the educational opportunities for employees, allowing them to later change if they elect to.

Heather Ruiz made a motion, and Mike Nichelini seconded, to continue to map the target date portfolio participant funding in like to like plan terms. Aaron Sage took a poll of the committee. The motion passed unanimously.

3) Review of Plan Features

Mr. Galindo reviewed the plan features that the committee will need to decide to make available or not within the plan. The information on the items was available in prior materials and discussed previously. The features to review were loans, self-directed brokerage, Roth, managed accounts, life insurance and the default fund. The committee reviewed their thoughts on each, including costs, benefits, and liability (if any).

It was confirmed that the City's payroll system could handle the additional set up of a Roth option.

Mike Nichelini made a motion, seconded by Kevin Brown, to accept the features of loans, self-directed brokerage, Roth, and managed account and not offer life insurance. Aaron Sage polled the committee. The motion passed unanimously.

Mr. Galindo provided an overview of the options for a decision by the committee on a default fund. The committee could elect a very safe fund or select something with age appropriate investing. Selecting a default based on age has been viewed as a safe harbor. The default fund is used when an employee enrolls without selecting investment options immediately with the enrollment.

Heather Ruiz made a motion, and Kevin Brown seconded, to select the age appropriate target date fund plan as the default. Mike Nichelini, as Chair after Aaron's departure, took a poll of the committee. The motion passed unanimously.

4) Liquidity Restrictions

Mr. Galindo advised that during the process with AIG, he had run across an issue. He is working with AIG as their understanding is that their contract is with individuals rather than the City. If AIG determines all agreements are with the individual employees, then the Plan Document will need to be amended. Hyas Group can assist with this. This is fairly common with past transitions and they do not see an issue.

5) Investment Policy Statement
   Mr. Galindo advised that he would be preparing a new policy statement.

6) Next Steps
   - Finalizing contract with ICMA RC and move through the Council approval process
   - Select dates for kick off meetings
   - Heather Ruiz provided the City approval for Hyas to advise vendors of the selection to move forward with the cancellation
   - Confirmed that the announcement phase would include message from City to all active, separated, and retired account holders. Mr. Galindo to formally request current account holder contact information for City distributed notices.

____

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

____

SARAH BRANNICK, EXECUTIVE SECRETARY

457 DEFERRED COMPENSATION PLAN, 401(a) DEFINED CONTRIBUTION PLAN, AND RETIREMENT HEALTH SAVINGGS PROGRAM COMMITTEE SPECIAL MEETING MINUTES VIA TELECONFERENCE 11:00 A.M. AUGUST 17, 2021

1. CALL TO ORDER

The meeting was called to order by Secretary Brannick at 11:07 a.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Committee Members Present: Chair Nichelini, Cardwell, Love, Nayar, Olson, Brown, and Long (alternate for Mirante)
Alternate Members Present: Flores, Sifuentes, and French
Absent: Committee Member Mirante and Alternates Alberti, Jaksch, and Rolley
Staff Present: Assistant City Attorney Bhatt, City Clerk Abrahamson, Secretary Brannick, Chief Innovation Officer Ashraf, and Sr. Personnel Analyst Fisher.

4. COMMUNITY FORUM

Speakers: None.

5. PRESENTATION

Presentation by Dawn Abrahamson, City Clerk, and Meera Bhatt, Assistant City Attorney II

Presentation**:** The Committee Members and Alternates present received the training presentation covering the Brown Act, Decorum & Code of Ethics and Rosenberg's Rules of Order Training.

6. FUTURE AGENDA ITEMS

A. Discussion of Agenda Items for Future Meetings

Future agenda items discussed were:

- Committee meeting of September 13, 2021 to include all Agenda items as had been planned for the July 12, 2021 meeting that was cancelled

7. ADJOURNMENT

Moved by Committee Member Cardwell, seconded by Committee Member Brown, and approved unanimously by all Committee Members present.

The meeting adjourned at 12:18 p.m.

MICHAEL NICHELINI, CHAIRPERSON

ATTEST:

SARAH BRANNICK, EXECUTIVE SECRETARY

2021 Mid Year plan review & education strategy

Date: July 12, 2021

Presented by: Mission Square

MissionSquare RETIREMENT

ICMA-RC is becoming

MissionSquare RETIREMENT

Why we're rebranding

From its beginning almost 50 years ago, the mission of ICMA-RC has been to help those who serve their communities build retirement security. Though our mission has never changed, the company has grown and evolved.

Over the years, we have expanded to support the retirement planning needs of all employees who dedicate their lives to serving their communities, including state and local government employees as well as teachers and school administrators, health care workers, and not-for-profit employees.

Our new name and brand reflect the company's values as we continue to advance our services to help community-focused employees thrive in retirement.

We remain the same mission based, nonstock, nonprofit company focused on delivering results-oriented retirement plans, education, investments, and advice.

ICMA-RC is becoming

MissionSquare RETIREMENT

Brand name transition timeline

As ICMA-RC progresses on our transition to **MissionSquare Retirement**, we are committed to keeping you informed about our planned activities.

Below is a snapshot of key communications that will be sent to our clients and participants between now and June 2021, and some reminders that you as a plan sponsor may want to consider. In June, the MissionSquare Retirement team will provide you with an update to this timeline that will highlight upcoming communications and activities in the third quarter of 2021. Please reach out to MissionSquareRetirement@icmarc.org if you have any questions.

Upcoming communications:

ICMA-RC is becoming MissionSquare RETIREMENT

Early April: First quarter statements to include message brand name

Mid-April: *RealizeRetirement® Monthly* e-newsletter article, Account Access message, EZLink message, and email message for plan sponsors

Late April: *Employer Bulletin* e-newsletter sent to plan sponsors

April 2021

Early May: *RealizeRetirement® Monthly* e-newsletter sent to participants

Late May: *Employer Bulletin* e-newsletter sent to plan sponsors

May 2021

ICMA-RC is now MissionSquare RETIREMENT

Mid-June: Messages for plan sponsors via EZLink and for participants via Account Access

Mid-June: Updated messaging and marketing materials in plan sponsor toolkit

June 2021

Key reminders for plan sponsors:

1. Scan and review your HR systems, intranet, and benefits sites for ICMA-RC mentions and links that need to be updated.
2. Set up email address rules (i.e., filters that might block missionsq.org).
3. Rest assured that we'll keep you and your participants informed along the way.

2021 strategic communications and financial education

MissionSquare
RETIREMENT

Our approach

Serve more employees

Deliver the right products, services, and solutions

Provide positive experiences

Promote long-term financial wellness

Strategic outreach

We are accessible and committed to our communities

Data-driven solutions

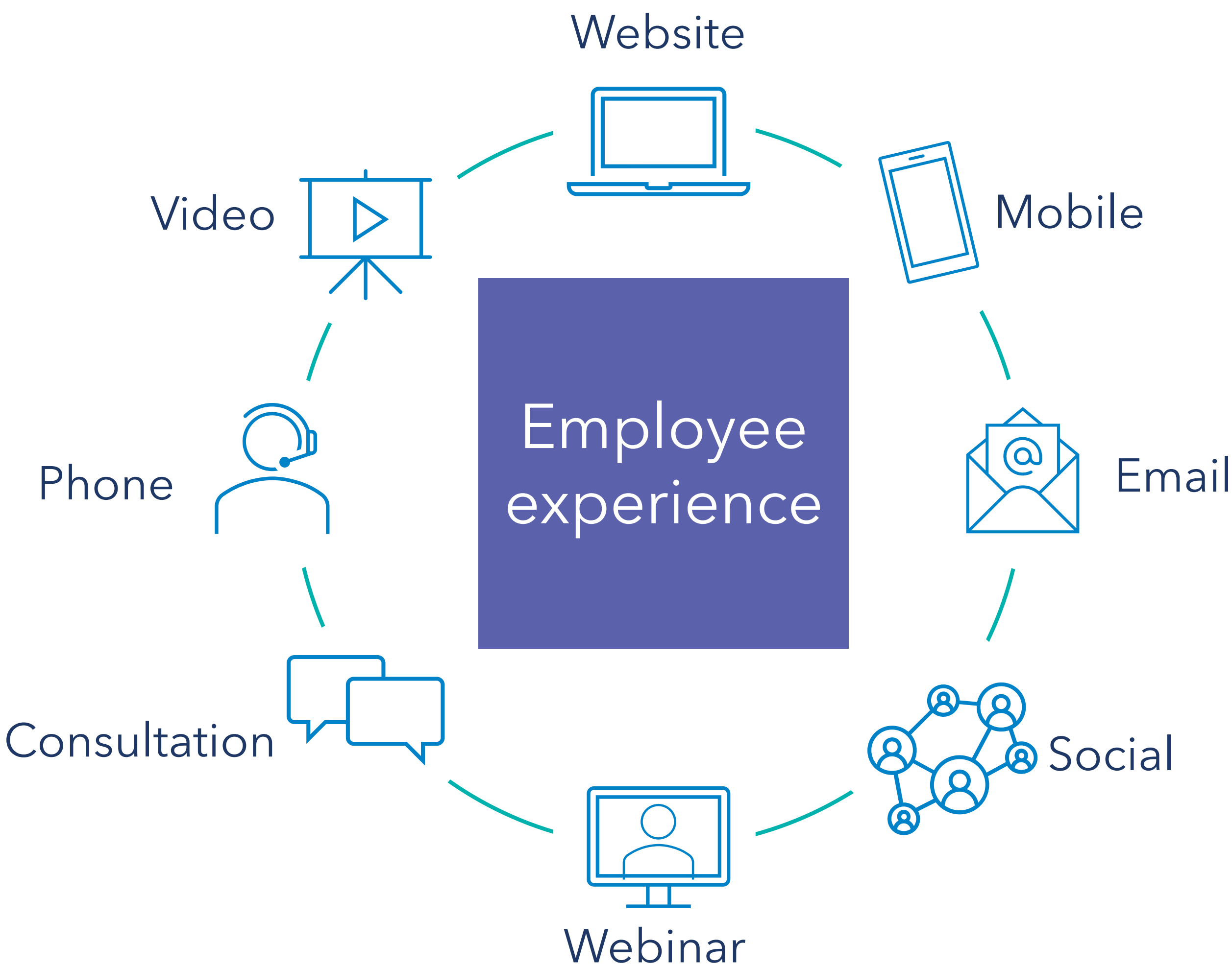
Personalized retirement journey

Long-term financial wellness education

Holistic engagement and outcomes

Multi-channel experience

We champion outcomes through holistic engagement



Targeted monthly campaigns

January – Resolve to save

Savings strategies to launch the new year right and improve retirement outlook

February – Family finances

Family planning and prioritization including finances, beneficiaries, and education

March – Financial education

Holistic resources to help overcome savings and income challenges

April – Energize your goals

Review and revive retirement goals with tips to stay focused and organized

- RealizeRetirement® e-Newsletter
- Dynamic personalized campaigns*
- Retirement Plans Specialist workshops and appointments
- Financial planning webinars
- Guided Pathways® Advisory Services

* Personalized, targeted messages along the retirement journey.

Targeted monthly campaigns

May – Honoring public service

Celebrates the dedicated service of public employees

June – Savings tune-up

Mid-year financial check-in and summertime savings tips

July – Financial freedom

Education and tools to stay on track for financial freedom in retirement

August – Simplify your savings

Simple steps to make saving easier, including account consolidation and tools

- RealizeRetirement® e-Newsletter
- Dynamic personalized campaigns*
- Retirement Plans Specialist workshops and appointments
- Financial planning webinars
- Guided Pathways® Advisory Services

* Personalized, targeted messages along the retirement journey.

Targeted monthly campaigns

September – Smart investing

Investing appropriately to meet objectives, risk and time horizon

October – Maximize your benefits

Features and benefits that take you to and through retirement

November – Thankful for saving

Celebrates saving and coaches best practices for tax planning and saving

December – Road to retirement

Focuses on holistic retirement planning and results

- RealizeRetirement® e-Newsletter
- Dynamic personalized campaigns*
- Retirement Plans Specialist workshops and appointments
- Financial planning webinars
- Guided Pathways® Advisory Services

* Personalized, targeted messages along the retirement journey.

2021 financial planning webinars

ICMA RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

GUIDED PATHWAYS® SERVICES

2021 CFP® WEBINARS

ICMA-RC's Certified Financial Planner™ professionals provide clear and personalized guidance to those who serve our communities toward a more secure and confident financial future.

Our webinars:

- Reinforce our commitment to offering financial wellness tools and resources
- Help meet participants' education needs as they journey to and, just as importantly, through retirement

For the schedule of topics and to sign up for webinars, visit www.icmarc.org/cfpwebinars.

2021 CFP® Financial Planning Webinars Schedule

All times are Eastern time.

JANUARY		
Roth IRA Basics	January 12	1 p.m.
Financial Planning Basics	January 19	1 p.m.
Spend Like There IS a Tomorrow	January 26	1 p.m.
FEBRUARY		
Investment Basics	February 3	1 p.m.
Control What you Can — Investing Do's and Don'ts	February 9	1 p.m.
Social Security	February 17	2 p.m.
MARCH		
Financial Planning Basics	March 2	1 p.m.
Investment Basics	March 9	1 p.m.
Women and Retirement	March 24	1 p.m.
APRIL		
Retirement Basics	April 6	1 p.m.
Roth IRA Basics	April 14	1 p.m.
Women and Money	April 21	1 p.m.
MAY		
Planning for Long-Term Care	May 4	4 p.m.
Social Security	May 11	1 p.m.
Your 10-Question Retiree Guide	May 19	4 p.m.
JUNE		
Financial Planning Basics	June 8	1 p.m.
Spend Like There IS a Tomorrow	June 15	3 p.m.
Investment Basics	June 22	1 p.m.
JULY		
College Planning	July 6	1 p.m.
Retirement Income Planning	July 13	3 p.m.
Retirement Basics	July 21	4 p.m.
AUGUST		
Your 10-Question Retiree Guide	August 3	1 p.m.
Planning for Long-Term Care	August 18	1 p.m.
Roth IRA Basics	August 24	4 p.m.
SEPTEMBER		
Your 10-Question Retiree Guide	September 7	1 p.m.
College Planning	September 14	4 p.m.
Your 10-Question Retiree Guide	September 23	3 p.m.
OCTOBER		
Spend Like There IS a Tomorrow	October 5	1 p.m.
Financial Planning Basics	October 12	2 p.m.
Investment Basics	October 27	4 p.m.
NOVEMBER		
Your 10-Question Retiree Guide	November 3	1 p.m.
Retirement Income Planning	November 9	1 p.m.
DECEMBER		
Roth IRA Basics	December 1	1 p.m.
Retirement Basics	December 7	1 p.m.

Disclosure: Please note that webinar presenters, content, and dates and times are subject to change.

Please refer to www.icmarc.org/cfpwebinars for the most current schedule and to sign up.

ICMA RETIREMENT CORPORATION | 777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
TEL: 202-962-4600 | FAX: 202-962-4601 | TOLL FREE: 800-669-7400 | WWW.ICMARC.ORG

AC: 50342-0121

ICMA-RC's CERTIFIED FINANCIAL PLANNER™ professionals provide clear and personalized guidance to those who serve our communities toward a more secure and confident financial future.

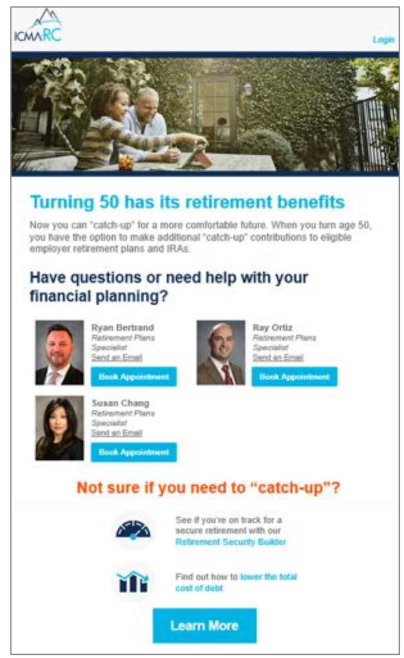
Our webinars:

- Reinforce our commitment to offering financial wellness tools and resources
- Help meet participants' education needs as they journey to and, just as importantly, through retirement

For the schedule of topics and to sign up for webinars, visit www.icmarc.org/cfpwebinars

Dynamic personalized campaigns

Engage participants at key life stage moments along the retirement journey using personalized interactions



Social media

Share timely and seasonal content featuring our RealizeRetirement Monthly articles, videos, online resources, and tools

RealizeRetirement Monthly

"5 Great Tax Breaks for College Students and Parents"

RealizeRetirement Monthly

"How Working from Home May Change Your Taxes"

Navigating the retirement journey

Engage | Build | Realize

Increase participation
Join your plan

Encourage savings
Save More

Investment education*
Invest wisely

Improve retirement readiness
Be ready to retire

Support and retain assets
Live well in retirement

* Investment education does not assure a profit or protect against market loss.

YTD Review

Investment education

Featured initiatives

- Your Saving & Investing Goals webinar
- Save & Invest Smart campaign

93

Representative appointments*

8 /74

Rep Webinars/ attendees*

* Data as of 7.12.21

Financial planning

Featured initiatives

- Scheduled webinars
- Appointments

1

CFP appointment

GUIDED PATHWAYS® EXPANDS FINANCIAL PLANNING SERVICES TO MEET YOUR PARTICIPANTS' NEEDS

ICMA-RC is expanding its Guided Pathways® Services to better serve your participants.

We asked separated participants why they left their former employers' retirement plan and here's what they said...

- 68% Access to an outside advisor*
- 68% Consolidating their assets*
- 65% The performance of their investments*

Your participants will experience greater access to services and features they've deemed most important to them, including:

- One-on-one consultations with an ICMA-RC Certified Financial Planner™ professional
- Easy access to educational webinars from our CFP® professionals
- Financial plans and Social Security Analyzer reports
- Retention and rollover support to consolidate their assets
- Access to extensive online resources in our Retirement Education Center
- Appointments with their ICMA-RC Retirement Plans Specialist

Our enhanced services seek to retain participants.

* Percentages are based on results from survey of separated participants conducted by ICMA-RC from January 2019 to June 2019.

AC: 46333-1120-W2506

Please see the following page for a full list of participant services.
If you have questions or would like more information, please contact your ICMA-RC representative.

ICMA RETIREMENT CORPORATION | 777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
TEL: 202-962-4600 | FAX: 202-962-4601 | TOLL FREE: 800-326-7272 | WWW.ICMARC.ORG

ICMA-RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

*

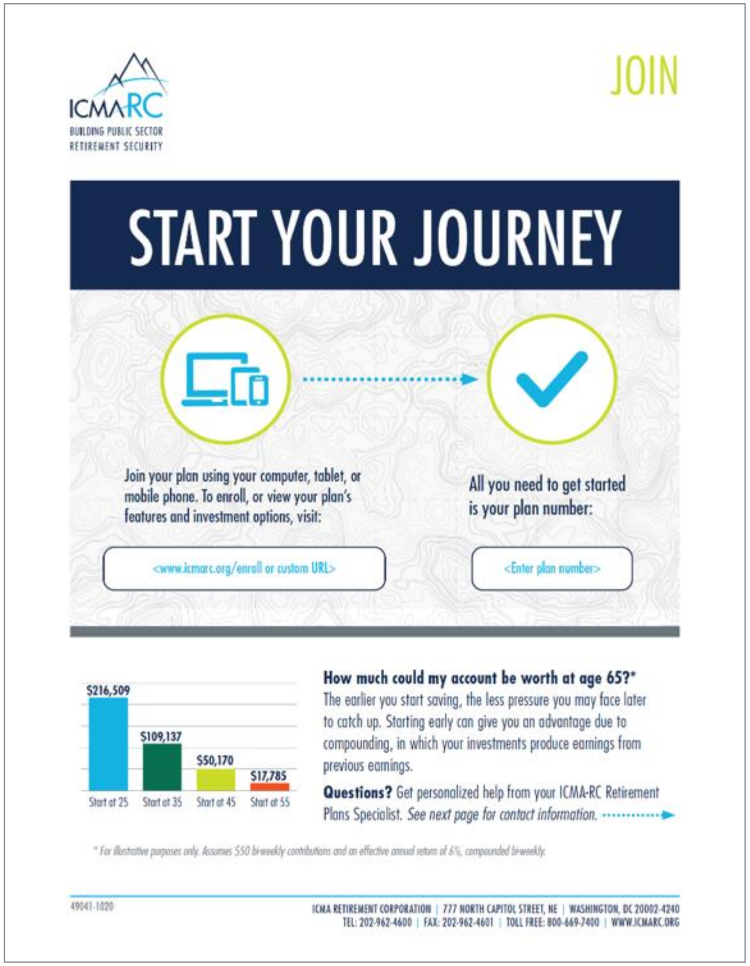
Plan participation

Featured initiatives

- Start Your Journey campaign
- New employee orientations
- Transition Meetings

39

plan enrollments*



* 2019 versus 2020

Plan saving

Featured initiatives

- Saving More campaign
- Online deferrals

$657,041	$493,088
457 savings rate per pay-period*	plan roll-ins*

* 2019 versus 2020

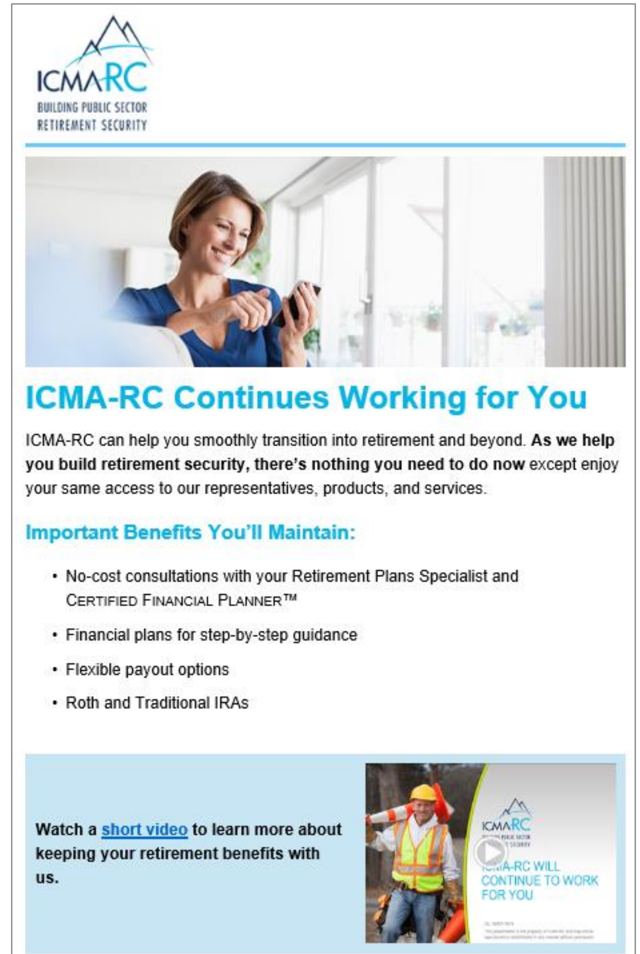
Plan retention

Featured initiatives

- We Continue Working for You campaign
- Retirement Plans Specialist appointments

$1,605,582

plan rollouts*


ICMA-RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY

ICMA-RC Continues Working for You

ICMA-RC can help you smoothly transition into retirement and beyond. **As we help you build retirement security, there's nothing you need to do now** except enjoy your same access to our representatives, products, and services.

Important Benefits You'll Maintain:

- No-cost consultations with your Retirement Plans Specialist and CERTIFIED FINANCIAL PLANNER™
- Financial plans for step-by-step guidance
- Flexible payout options
- Roth and Traditional IRAs

Watch a short video to learn more about keeping your retirement benefits with us.

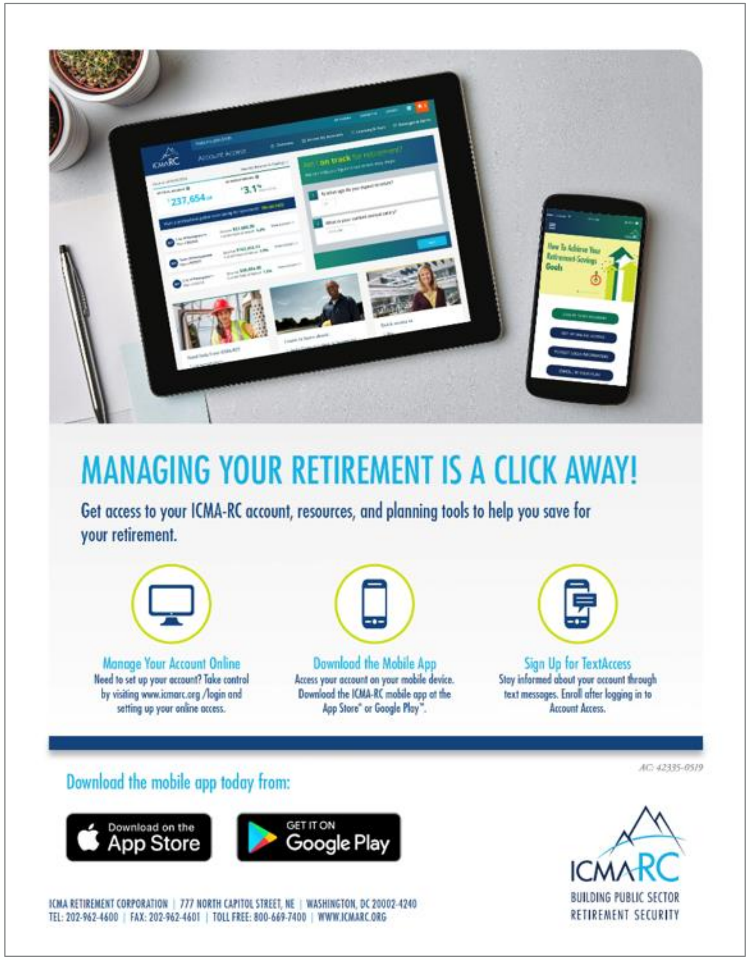
Plan engagement

Featured initiatives

- Saving More campaign
- Managing Your Retirement campaign
- Account Access tips

2,335
mobile app access*

9,142
account access*



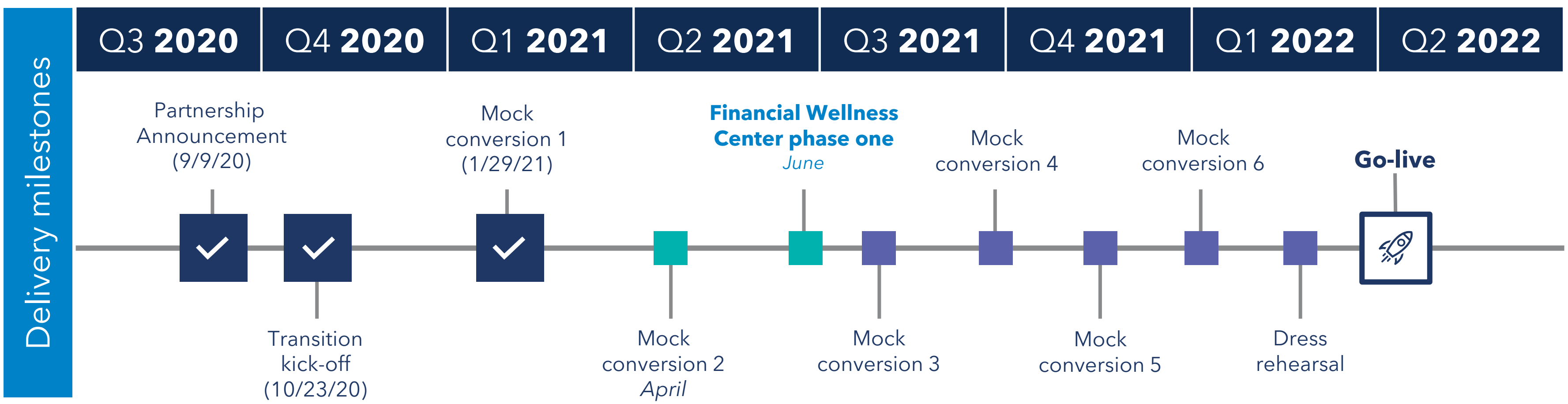
* Q1 2021 / 401 plan statistics

SS&C Partnership

Learn about our enhanced experience

MissionSquare
RETIREMENT

Implementation timeline overview



Key questions ahead of the new platform implementation

How are you ensuring a **smooth transition**?

How are you **managing changes coming** for participants and plan sponsors?

How are you **preparing clients**?

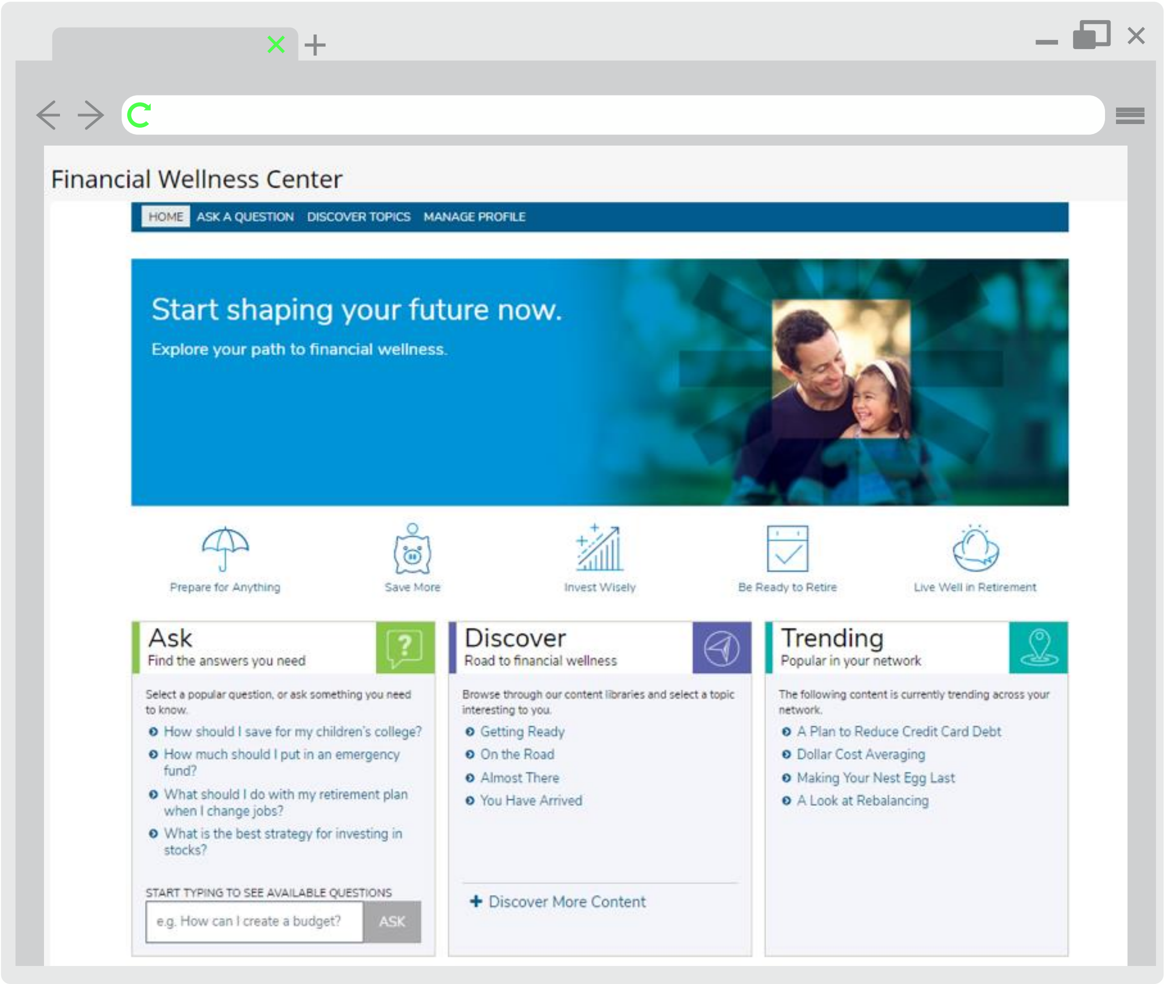
Enhanced participant experience

Core benefits

Client specific gateway pages	Financial Wellness Center	Participant website with expanded capabilities

Financial Wellness Center

Dynamic online platform to educate, engage and create personalized experiences for our participants.



Targeting financial wellness needs

Enhanced plan sponsor experience

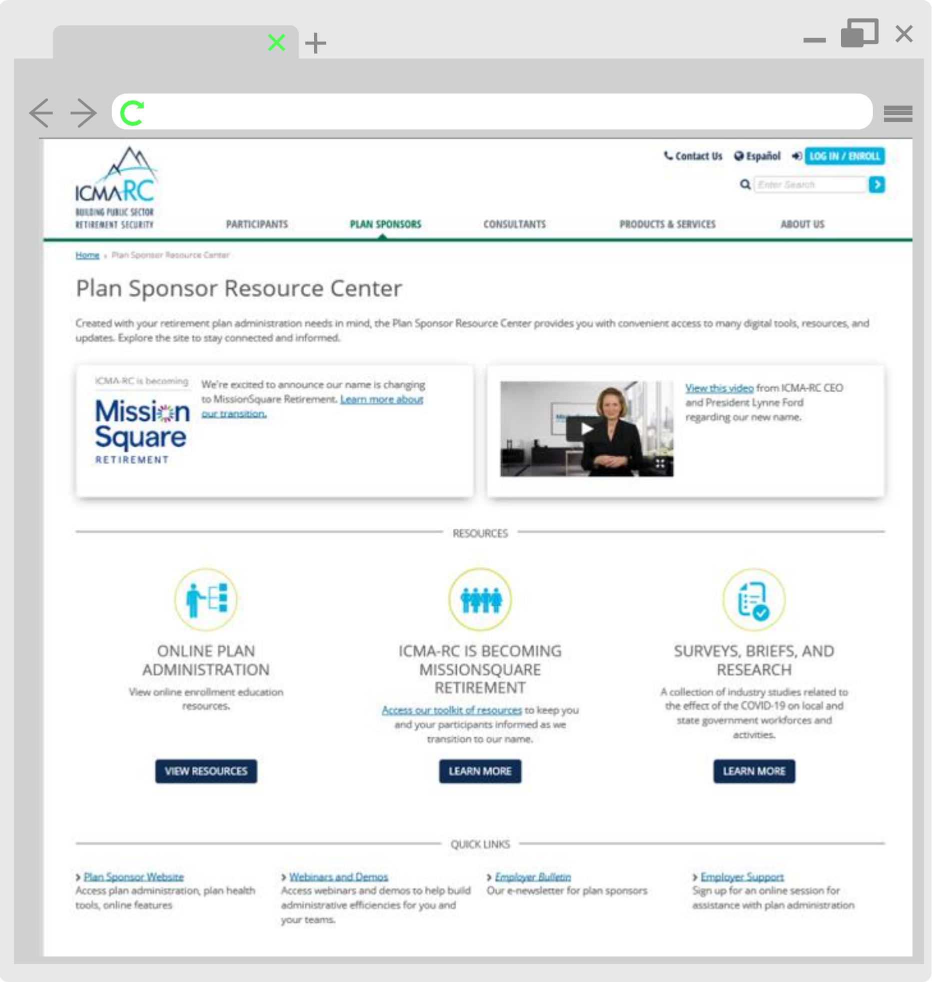
Core benefits

Payroll management features	Plan reporting	Plan health dashboard

Plan Sponsor Resource Center

www.icmarc.org/plansponsorresourcecenter

- Relevant content on our most important initiatives
  - Branding
  - Strategic partnership
  - MissionSquare Research Institute
- Links to newsletters, webinars, and plan sponsor website
- Accessible, no user ID or password needed



Staying informed

Washington Perspective overview

Plan Sponsor and Participant resource centers

Employer Bulletin

Thank you

MissionSquare
RETIREMENT