CITY OF LOS ANGELES
BOARD OF DEFERRED COMPENSATION ADMINISTRATION

ADOPTED MINUTES
SPECIAL MEETING SEPTEMBER 6, 2016 - 9:00 A.M.
700 E. TEMPLE STREET, ROOM 350

BOARD MEMBERS:

Present:	**Not Present:**
John R. Mumma, Chairperson	Robert Schoonover
Michael Amerian, Vice-Chairperson	
Cliff Cannon, First Provisional Chair	
Raymond Ciranna, Second Provisional Chair	
Wendy G. Macy, Third Provisional Chair	
Thomas Moutes	
Linda P. Le	
Don Thomas	

Staff:

Personnel:	Gregory Dion	Steven Montagna	Esther Chang
	Ana Chavez	Matthew Vong	Daniel Powell
	Angela Yin		

City Attorney:	Curtis Kidder

1. CALL TO ORDER

John Mumma called the meeting to order at 9:05 a.m.

2. PUBLIC COMMENTS

None.

3. MINUTES

A motion was made by Raymond Ciranna, seconded by Tom Moutes, to approve the July 19, 2016 meeting minutes; the motion was unanimously adopted.

Mr. Mumma moved the agenda forward to discuss Item 5.

4. BOARD REPORT 16-25: DEFERRED COMPENSATION PLAN REQUEST FOR PROPOSAL THIRD PARTY ADMINISTRATOR SELECTION

Steven Montagna indicated the Board, at its July meeting, reviewed the recommendations of the RFP review panel for Third-Party-Adminstrative (TPA) services and requested report backs on a number of items. He stated staff would walk through those items as indicated in the staff report.

Wendy Young-Carter from Segal Consulting provided a high level overview of the processes that occur in a potential Third Party Administrator (TPA) transition as well as the considerations for a successful transition. She stated that TPA transitions are common, standardized and institutionalized practices that provide plans with opportunities to examine, reengineer, improve and eliminate certain administrative processes and procedures. She stated that the complexities of a TPA transition need to be carefully considered and monitored, and she emphasized the importance of following a reasonable transition timeline. She stated that most large plans like the City's usually aim to complete the contract and RFP process within a year. She stated that a transition could be completed in less time, but six to eight months is an optimal transitional timeframe for a plan of the City's size as it provides enough time to approach the transition from a careful and thoughtful perspective. She indicated that additional time may also be critical for reengineering or improving plan processes.

Ms. Young-Carter stated the importance of holding a "meeting of the minds" so that a newly formed Plan Sponsor and TPA partnership can spend time ensuring that their goals and methodologies are aligned, come to an agreement on a transition timeline, and establish the footing and foundation for the ongoing service relationship. She recommended several in-person meetings occur in addition to conference calls. She indicated there was not only a conversion team on the assuming service provider's side but also an experienced and professional de-conversion team on the outgoing service provider's side. She stated the City's local service office would also be involved in the transition so Plan participant goals are continually kept in focus.

Ms. Young-Carter presented the City's strengths in the face of a TPA transition and explained that the City's unbundled investment structure would preserve the investment options offered, thereby making the transition experience smoother for participants. She indicated that both third party entities possess the same Schwab brokerage window the Plan offers, so there would be no need to retitle assets. She stated the City does not possess third-party-managed investment accounts and would instead refer to an investment manager for discretionary management services, which further reduces the complexity of the transition from a participant's perspective.

Ms. Young-Carter presented the City's potential challenges in a transition, which included payroll complexities and data limitations. She indicated that transitioning at a slow and measured pace is beneficial since payroll contains many deadlines and transactions that must be monitored carefully. She indicated that it was important the assuming record keeper understands all the City's highly customized processes, and she stressed the importance of avoiding unnecessary changes in the participant experience. She stated that the City would need to transfer loan balances and amortization information so participants could make their loan repayments on time. She noted that Roth contributions and demographic data limitations on the auto-enrollment feature also require additional care.

Ms. Young-Carter discussed participant communications. She stated that a change in record keeper would result in a new Plan website and changes to information familiar to participants, so it is important to inform participants that little action is required of them during the TPA transition. She stated that participants may need to change their login information to access online accounts, but they would not need to select new investment options or make changes to their contributions as all of their account information, including loans, transfer over. She stated that a transition is an excellent time to improve custom processes and distribute crucial Plan information to participants. She stated extra care is needed to be taken with retirees, since they are often remote and not easily exposed to new Plan information. She stated that communications to the retirees should be customized to address their specific needs, since they would likely be facing the transition with some trepidation.

Mr. Mumma inquired about targeted transition management for discontented participants. Ms. Young-Carter stated that the City's local service office would address the needs of participants who find change unsettling. She stated it was critical to clearly communicate to participants the upcoming changes and improvements but also the many aspects of their experience that would remain unchanged. Wendy Macy asked Ms. Young-Carter if she could recommend a transition timeline. Ms. Young-Carter replied that twelve months would ideally include a six month timeframe in which careful planning and pre-work would initiate the process and get both parties on board and involved. She stated that the actual implementation would begin at the seventh or eighth month mark and advance into the following months. Cliff Cannon asked for more detail on her recommendation for providing customization and extra attention to retirees during the transition. Mrs. Young-Carter replied that retirees do not hear information through word-of-mouth in the City workplace and are more likely to be taking distributions, so they may be concerned about receiving their checks on time. She stated that retirees often live outside the city, so they may be remote and feel less connected to the Plan. She indicated that it is helpful to tell retirees that they will not experience any major changes. Don Thomas asked whether there would be any complications around the City's investment fund managed by Voya. Ms. Young-Carter replied that the advantage of an unbundled structure is that underlying investment managers can be changed easily. Steven Montagna stated that the City would have to go through a process, as the Plan has done multiple times, to select the investment manager for the fund, but participants would not necessarily recognize the change.

Mr. Montagna and Ms. Young-Carter presented report back items regarding the Request for Proposal (RFP) and took questions from the Board. Mr. Montagna stated that the revisions made in the table scores did not change the point differential between the two vendors. Ms. Young-Carter discussed document imaging and its benefits to the

Plan's administration. She stated that paper processing of documents has become less common since the new ability to scan, track and store files electronically enhances the flexibility, speed and accuracy of processing. She stated that document imaging allows for remote and quick access to relevant information, a higher level of control over the access, location and organization of sensitive documents, and effective monitoring of pending participant transactions. She emphasized the importance of storing confidential documents securely and discussed the security protocols and disaster recovery capabilities of both firms. She stated that both Voya and Empower confidentially maintain participant data and have robust, industry standard security and disaster recovery policies in place. She stated that both of the firms undergo a SSAE audit, where a high-level security review of disaster recovery protocols, password security, and safety of offices is conducted. She stated that both firms' participant calls would be successfully transferred to back-up call centers. She indicated that if a weather-related disaster disrupts the servicing of the Plan, processes like workflow imaging would allow individuals to access files and conduct business once the systems are up again, which could be almost instantaneous. She stated that both firms would also provide free credit monitoring for participants if a data breach occurs. Linda P. Le asked whether there is a history of data breaches for either firm. Ms. Young-Carter replied that both firms indicated they have not had a significant security failure. Mr. Cannon asked about off site operations locations. Mrs. Young-Carter replied that both firms possess back-up sites and that they both conduct disaster recovery tests periodically to ensure they'd be able to switch over call centers and resume business if a disaster occurs.

Mr. Mumma asked for a follow up on Empower's potential $150/hour data transfer fee noted in the RFP. Mr. Montagna stated that staff asked Empower whether the fee was authorized under the current contract, but Empower did not provide a response yet. Mr. Mumma asked whether a new contract with Voya would include a similar fee. Mr. Montagna replied that staff would closely examine the language regarding the responsibilities of the assuming record keeper during the contract construction. Mr. Mumma asked if the transfer fee was a standard fee. Ms. Young-Carter replied that it was not uncommon for firms to include fees for data transfers above a certain volume. Lisa Tilley of Empower Retirement explained that Empower did not have all the relevant information yet, but that Empower would soon provide information to the City for review. She further stated that Empower's legal team is reviewing the contract to determine what is due from contractual standpoints and will provide information to the City later in the week. Ms. Le asked if a transition cost usually exists on the receiving firm's side. Ms. Young-Carter indicated it did not. Ms. Le asked if there were any additional communications related costs for the potential transition. Ms. Young-Carter stated that all of the communications costs are already built into the assuming record keeper's implementation start-up costs.

Mr. Montagna stated that after consulting with Board Counsel, it was determined that new information could not be included in the report regarding Voya's ability to conduct special contribution processing as that may constitute a bid enhancement. Mr. Montagna concluded his presentation by discussing both firms' websites and mobile applications.

The Board allowed the competing firm 45 minutes to conduct a presentation/discussion. Before the bidder presentations began, Board Counsel Curtis Kidder stated that the presentations were to be a summary of information already provided in the RFP and that there should not be new information or betterments provided during the presentations as well as the question-and-answer portion of the presentations.

Empower Retirement

John Borne, Vice President of Government Markets with Empower thanked the Board and discussed Empower's organizational background and capabilities, technology, and service team. He stated that when Empower first partnered with the City seventeen years ago, they were the eighteenth largest record keeper, but have since grown to be the second largest record keeper in terms of overall participants. He stated that Empower ranked number one in 457 participants and assets, with one out of every three 457 participants currently served by Empower. He stated Empower was also number one with states and was currently in partnership with 24 states. He stated Empower works with 108 public sector plan sponsors in California and just over 9,200 government employers across the country, both directly and through state relationships. He stated 11 of the 24 acquired states transitioned to Empower from Voya over the last ten years, and the only four government plans Empower lost to Voya have come directly back after one contract term. He stated that those plans are the City of Austin, City of Baltimore, South Carolina, and Minnesota. He stated that when Minnesota went to bid, Voya priced at $1.5 million/year less expensive than Empower, which encouraged Minnesota to move their plan over to them. He stated Minnesota's feedback to Empower showed that immediately following the RFP, Voya began trying to place product in the program, which Minnesota did not allow. He stated they also asked for pricing concessions and there were also multiple security data concerns with the plan. He indicated Minnesota saw the trajectory both companies were on and decided to move their plan back to Empower, with a price increase, five years later.

Mr. Cannon asked whether Empower had permanently lost any public plans to Voya. Mr. Borne replied that there have not been plans in the government sector and no plans over $100 million in assets that have moved to Voya and not returned. Mr. Borne stated that while Empower has all of their participants on one server based system, the competing firm has their participants records spread out over three systems. He indicated that maintaining one record keeping system is challenging enough, but maintaining three could become a growing problem. Mr. Borne stated that Empower has been with the City's plan through two of the greatest recessions in market history, and although participants' accounts were down more than 30% at the time, Empower was the only publicly traded insurance company that did not receive a downgrade.

Mr. Borne stated that the City's calculator is a very comprehensive tool that has been well-received by participants. He stated, however, that Empower's NextGen platform is based on behavioral finance and designed to breed participant engagement. He stated that an individual's percentage retirement goal and daily countdown to retirement could be viewed on Empower's mobile app and easily accessed anywhere. He indicated that individuals may customize and save their retirement goals, contribution rate, and replacement income percentage options as well as input outside assets such as social security. He stated that many other calculators set a defaulted 6% rate of return, but their calculator does not. He noted that 22% of the City's participants are 100% invested in the Stable Value fund, and indicated that the likelihood that they are going to get a 6% rate of return is unrealistic. He stated that once a participant logs in, a simulation immediately runs, which tells participants with 80 to 90% probability their retirement income based on investments. He stated that their tool is designed to encourage individuals to focus on long-term monthly retirement income replacement rather than simply account balance. He stated that their tool allows users to personalize their goals based on their healthcare states and costs, and it also accounts for gender mortality assumptions. He indicated that a "How Do I Compare Tool" leads to higher savings rates by allowing users to compare their balance and savings rate to other users' in similar age and income brackets. He stated that Empower's unique tools have been well-received, and have led to driving higher savings rates.

Bruce Dale, Assistant Vice President Government Markets with Empower, discussed the differences between Empower's and Voya's record keeping systems. He provided a detailed description of a typical mainframe system and noted the disadvantage of the leased Omni Plus system requiring additional customization to fit specific plans, which may be costly. He stated that Empower has a unique server-based record keeping system that houses social security numbers in one secure place. He stated their system is online, real-time so there are no overnight batch processes occurring. He indicated that Empower also owns, maintains, and updates their system. He stated that Empower uses a fast and powerful computer that processes over a million transactions an hour. He then highlighted Empower's backup systems in place throughout the country. Mr. Dale indicated that Empower has a robust and secure environment, as signified by a five year Verizon Cybertrust Security Certificate and SSAE 16 audits. He stated that Empower has a highly reputable team in place that routinely attempts to infiltrate Empower's data center and security systems to provide additional security oversight. He indicated that owning a server based system is far superior to a leasing a third-party mainframe system, because a server based system is online, real-time.

Lisa Tilley, Senior Director Partner Strategy with Empower, presented a brief history of the firm, highlighted the seventeen-year partnership with the City's Plan, emphasized the importance of the City as a client, and reviewed past accomplishments. She stated the City has won sixteen awards through their partnership, most notably Plan Sponsor of the Year in 2009 and the Innovator Award in 2012. She indicated that Empower has a strong team-based approach in which creative marketing individuals and technical writers work closely together to create effective participant communications. She stated that Empower greatly values providing excellent service to their clients and investing heavily in their employees' education and training. She introduced Empower's local service team and stated that they have had over 42 combined years of experience with the City's Plan participants since 1999. She emphasized participants' trust in

Empower's local service representatives at the City and in Glendale. She stated that the City's assets have grown from $1.5 billion assets in 1999 to a current $4.9 billion through the partnership. She indicated that there is a 63% increase in participation and that the Plan's average account balance is one of the highest of overall 457 Plans at $116,000. She stated that Empower and the City have been successful in growing the Plan and helping Plan participants strive towards a successful retirement.

Mr. Cannon inquired about additional off-site disaster recovery details. Mr. Dale stated that Empower implements their disaster recovery plan on a quarterly basis. He indicated that Empower also implements unannounced disaster recovery drills to measure preparedness. He stated that Empower could not provide their written disaster recovery policy but offered a walk-through of their disaster recovery plan at a Denver site visit.

Don Thomas asked Mr. Borne to detail the 80-90% confidence level provided through their tool's "Monte Carlo" Simulation. Mr. Borne stated that a 90% confidence level is indicative of a more conservative market simulation, and 80% is indicative of a less conservative one. He stated that Empower cannot make a 100% precise stock market prediction of outcome but instead provides users with an 80% or 90% confidence level based on the type of investments selected. He stated that the confidence level is a prediction of outcome based on what is someone is invested in, standard deviations and historical performance of asset classes.

Voya

Gavin Gruenburg, Vice President of Voya's Institutional Clients Group, thanked the Board and staff on behalf of Voya. He stated that Voya found the RFP process to be a refreshing, thorough and diligent process, and the level of detail and the evaluation of its response was helpful to the firm. He stated that the performance exams provided Voya opportunities to exchange insightful dialogue and discuss the Plan's challenges.

Gregg Holgate, Senior Vice President of Institutional Clients from Voya, thanked the Board for its time. He stated that Voya is the largest U.S. based, publicly traded provider of retirement plans in the country, and noted that being exclusively built for retirement allows them to offer tailored solutions. He stated that Voya offers flexibility because they own their own record keeping system, which is methodically implemented by a dedicated implementation manager and team. He stated that Voya offers tailored solutions from best in class technology, including a fully transactional mobile app and noted that their local service team allows Voya to focus on participant outcomes. He stated that Voya's name is only about three years old and comes from a longer lineage over the decades. He stated Voya is one of only a few record keepers who received a ratings upgrade since 2008. He indicated that over two-thirds of Voya's revenue consists of retirement plans with two-thirds of that revenue consists of tax-exempt markets, governments, universities, and hospitals. He indicated that Voya is investing over $150 million a year for 3 years in their infrastructure and technology. He stated that Voya is named one of the 131 world's most ethical companies according to Ethisphere for the third consecutive year. He stated that Voya has over 44,000 employee hours in community service, 13,000 alone on last years' national day of service. He stated that Voya is ranked number 33 of the top 500 Newsweek's Top Green U.S. Companies and second best in financial services. He indicated that the diversity of Voya's Board is represented by a 30% female representation. He indicated that plans such as the California State Teachers Retirement System (CalSTRS), California Public Employees Retirement System (CalPERS), and the Los Angeles Unified School District (LAUSD) are currently contracted with Voya. He stated that Voya is proud of its partnership with these plans and he highlighted their firm's growth.

Mr. Gruenberg continued the presentation and stated that Voya is working to redefine the concept of retirement readiness through tailored participant solutions and purposeful innovation. He emphasized the collective challenge of record keepers to catch participant attention and communicate effectively. He stated that understanding participants and focusing on their experience would promote engagement and drive participant outcomes. He stated Voya is placing retirement income rather than plan balance at the focus. He stated their mobile, interactive "My Orange Money" calculator visually presents participants' expected monthly retirement income. He indicated Voya could replace their "My Orange Money" tool with the City's calculator if the City desired. He introduced primary relationship manager Shelley Fredrick, operations manager Lea Feliciano, administrative manager Lisa Croll, and transition implementation manager John Morrissey. He stated he would stay engaged with the plan as a secondary relationship manager. Mr. Gruenberg indicated Voya possesses an internal ad agency, similar to Empower's, consisting of project managers, writers, and designers. He stated that Voya would provide a dedicated communication consultant to develop campaigns, measure results, make adjustments, and work directly with City staff. He indicated that Voya is committed to providing excellent service to the City's Plan participants.

Mr. Cannon asked for a brief overview of Voya's off site recovery plan. Lea Feliciano clarified Voya does not operate on a mainframe system but rather on the Linux Red Hat 6 HP ProLiant DL Servers with cloud-based technology. She stated Voya has a detailed disaster recovery and business continuity plan as well as an annual SSAE 16 audit report. She indicated Voya has regularly tested back up sites in Des Moines, Iowa and Jacksonville, Florida. Mr. Moutes asked Voya to discuss the similarities between their record-keeping system versus Empower's. Mrs. Feliciano stated that Voya's record keeping system looks nearly identical to Empower's and that Voya is not on a mainframe system and does not lease their system. She indicated Voya purchased the Omni-based code, an industry standard, in 1985. She stated Voya's partner website, participant website and voice response system are company owned and maintained systems. She stated Voya's government plans, including 401(a), 457, 403(b), are on their Omni based record keeping system, which ensures consistent information transfers from the record keeping system to all interactive participant sites. She stated batch processing allows participants to make changes to transactions throughout the day so no transactions occur until the market closes. She stated real-time processing executes trades immediately, whereas batch processing provides participants with the flexible ability to view and change pending transactions online until market close.

Mr. Moutes asked for commentary on Voya's change in participants from 2009 to 2015. Mr. Holgate stated that ING had plan losses, many to Great West/Empower, in a post-2008 space. He indicated that Voya has come out of that 2008 process and out of its IPO as a new and stronger brand. He stated that many of the plan or participant losses occurred on their large corporate side, and several plans did transition over to Empower. He stated that there has been a change in the marketplace in the past 24 months and Voya has come out of the "penalty box" as entities like CalPERS, Delaware, Milwaukee, and LAUSD have contracted with Voya. He stated Voya is proud to have been selected and proud of where they are in the marketplace today. Mr. Moutes inquired as to what placed Voya in the "penalty box." Mr. Holgate replied that Voya was going through a separation from its parent company as well as an IPO.

Michael Amerian stated a big focus in the performance exams was the ability of both companies to tailor their websites to the City's particular desires. He asked Mr. Holgate to what extent would Voya's calculator be retained or tailored to the City's Plan goals. Mr. Holgate stated that Voya indicated in the performance exam that they would be willing to supplant their calculator and exclusively feature the Plan's calculator if the City wished. Mr. Holgate concluded the presentation by thanking the Board and respectfully asking for the City's business.

The meeting took a short break at 10:55am and reconvened at 11:00 am.

Mr. Moutes asked Ms. Young-Carter about Voya's loss of plans in 2008. Ms. Young-Carter stated that the loss of Voya's plans was a result of the financial meltdown of 2008, which caused the Dutch government to do a spin-off. She stated that it created some concern in the marketplace at the time, but Voya is now U.S. based and registered on the U.S. stock exchange. Mr. Mumma asked Ms. Young-Carter if Empower is a publicly traded company. Ms. Young-Carter replied yes and that it is a Canadian based company. Mr. Borne stated that Great-West Life Co. is a publicly traded holding company that owns insurance companies around the world and several record keepers in Europe. He stated that they are Great West Financial, the U.S. based record keeping directly owned by Great-West Life Co.

Mr. Thomas asked Ms. Young-Carter for her opinion on which firm has a greater competitive advantage in surviving another 2008 type of financial crisis. Ms. Young-Carter stated her perspective that a major financial meltdown would likely be equally challenging for both firms. She indicated that financial market uncertainty, rapid asset depreciation, and financial volatility harms companies' defined contribution record keepers as well as any other business. Mr. Ciranna asked Mr. Montagna to summarize his recommendations for selecting Voya. Mr. Montagna stated that staff's goal in their approach to the RFP was to be neutral and faithful to the process. He stated that a significant factor considered by staff was future objectives in achieving participant outcomes. He indicated that well-defined outcomes and goal setting require much customization and flexibility and that customization and the ability to be flexible, quick, and responsive is not limited to record keeping but also includes process. He stated that one of the major differentiators in the RFP was Voya's ability to set goals for specific participant outcomes through effective communications.

Mr. Mumma inquired about the fee differential between the two firms. Mr. Montagna replied that staff estimated a projected $800,000 in savings from per-participant and projected transaction-based maintenance fees in which Empower would collect 8% more revenue than Voya over a five-year term.

Mr. Mumma stated that he has tremendous faith and confidence in staff and his inclination as a fiduciary is to follow staff's recommendation as it could reduce costs and provide an additional full-time communications specialist position. Mr. Moutes stated that for the reasons Mr. Mumma noted as well as the totality of the information that has been provided in writing and presentations, he also moved for the staff recommendation that Voya be selected as the third-party provider. Mr. Cannon stated that he did not see the real benefits for a change. He stated that the fee differential between the two firms is minimal and that he has not encountered any service issues in the past seventeen years with Empower. He stated that his vote is to not change companies at this particular point in time. Ms. Le thanked staff for their hard work on the RFP and stated that she agreed with Mr. Cannon. She indicated that the fee reduction is not her only consideration.

A motion was made by Mr. Moutes, seconded by Mr. Ciranna, to select Voya as the TPA service provider for up to a five-year contract term. The motion was passed 6-2 with Mr. Cannon & Ms. Le dissenting.

Mr. Mumma thanked Empower for their phenomenal service to the City of Los Angeles. He stated that the decision was very difficult for the Board and that the decision is not at all a reflection of poor service or failure on Empower's behalf. He congratulated Voya and thanked them for their bid.

Mr. Mumma moved the agenda forward to item 6.

5. BOARD REPORT 16-26: PLAN PROJECTS & ACTIVITIES REPORT

Steven Montagna presented the staff report and updated the Board on the status of pending Communications projects for the months of July and August. He stated that the Benefits Division is working on a rebranding of the Civilian Benefits Program to integrate its messaging and communications aspects with the developing Wellness Program. Mr. Montagna stated that feedback from employee focus groups revealed many employees' view of their benefits as disconnected entities. He stated that staff deliberated on ways to successfully integrate Civilian benefit services with the City's new Wellness Program and came to the development of a branding logo for the Civilian Benefits Program, "Keeping LA well", to be reflected primarily on its website. He stated that staff also developed other benefit-related branding logos in accordance with the "well" theme to serve as links to their respective programs. He indicated that the logos/links would ideally act as a well-integrated, coordinated means for employeesto navigate the City's benefit offerings. He stated that rebranding does not change the materials of the Deferred Compensation Plan but rather simplifies the process of accessing information about the Plan.

Mr. Montagna presented the outline for the 2016 National Retirement Security Week (NRSW) campaign, which focuses on increasing engagement and promoting the concept of "Financial Wellness" to City employees. He noted the NRSW campaign was a good "jump off" point for the City's wellness program. He indicated the Civilian Benefits Program will hold an engagement campaign of financial wellness workshops and seminars to raise awareness of employee resources, such as the Employee Assistance Program (EAP). Raymond Ciranna asked Mr. Montagna for his thoughts on how to extend resourceful information to the City's Sworn population. Mr. Montagna replied that staff will use a developing NRSW web-based campaign questionnaire as an opportunity to provide financial wellness resources to all City employees, including the Sworn population. He stated that going forward, integrating additional resources is important but would also involve certain challenges in working across the lines of different administrative programs.

Mr. Montagna stated that Empower's first and second quarter reports were included in the Board Report but would not be presented to the Board due to time constraints. He indicated that the reports could be discussed at a future meeting if the Board so desired. Mr. Montagna stated he would be making a presentation regarding the City's perspective, theory and methodology of retirement readiness at the Pew Charitable Trusts Standard and Metrics two-day seminar, where the concept of retirement security for public sector plans would be debated and discussed.

Mr. Montagna concluded the report by updating the Board on staffing assignments and introduced Ana Chavez, the new acting supervisor of the Deferred Compensation Plan. Ms. Macy introduced Jody Yoxsimer, who would replace Gregory Dion as new Assistant General Manager of the Personnel Department.

A motion was made by Mr. Moutes, seconded by Mr. Ciranna, to receive and file staff's update on Plan projects and activities during July and August 2016; the motion was unanimously adopted.

Don Thomas, Cliff Cannon & Michael Amerian arrived to the meeting at 9:10am, 9:20am, and 9:53am respectively and did not vote on this item.

Mr. Mumma moved the agenda back to Item 4.

6. CLOSED SESSION: HARDSHIP APPEAL 16-01

The Board went into closed session to discuss a hardship withdrawal appeal, which was initially denied by Empower Retirement. After coming back into open session, the Board voted 7-1 in favor of granting the hardship appeal with Mr. Ciranna dissenting.

7. REQUESTS FOR FUTURE AGENDA ITEMS

None.

8. FUTURE MEETING DATES: November 15, 2016

9. ADJOURNMENT

A motion was made by Mr. Amerian, seconded by Mr. Cannon, to adjourn the meeting; the motion was unanimously adopted.

The meeting adjourned at 11:55 a.m.

Minutes prepared by staff member Angela Yin.