

October 22nd, 2019 Minutes – Denver’s 457(b) Deferred Compensation Committee

REGULAR MEETING: October 22nd, 2019 at 1:00 p.m. at Webb Building, Room 4.F.6

<u>Committee Members Present</u>	<u>Term Expires</u>
Zlatko Letica, Finance, Chairperson	12/31/2020
John Eckhardt, Retiree, Vice Chairperson	12/31/2020
Greg King, Finance, Secretary	12/31/2020
Margaret Danuser, Finance	12/31/2022
Christopher O’Brien, Human Resources	12/31/2022
Greg Pixley, Denver Fire Department	12/31/2022
Bettye Enders, Retiree	12/31/2019
Anthony Mazzei, Sheriff’s Office	12/31/2019

<u>Committee Members Not Present</u>	<u>Term Expires</u>
None	

<u>Financial Advisors</u>	<u>Plan Advisors Present</u>
Gordon Tewell, Innovest	Michael Studebaker, Nationwide
Wendy Dominguez, Innovest	Greg Greive, Nationwide
	Don Regan, Nationwide

<u>Ex-Officio Non-Voting Member</u>	<u>Other Attendees</u>
Robert McDermott, CAO	Mario Dominguez, DOF

Public Attendees
Ian Culverhouse
Roni Kirchhevel

1. CALL TO ORDER

- a.) Mr. Letica called the meeting to order at approximately 1:00 p.m.
- b) A quorum is noted.
- c) The Secretary properly posted the notice of the meeting.
- d) Mr. Letica asked for any additions to the Agenda. No additions were made.

2. AMENDMENTS TO MINUTES

Minutes for the September 24th, 2019 regular meeting were distributed and reviewed.

Discussion: None

Motion: A motion offered by Greg Pixley, duly seconded by John Eckhardt, to approve the minutes for the September 24th, 2019 regular meeting with corrections on Section 4.c. and 3.a, and to direct the Secretary to certify the minutes. The motion carried by the following vote:

Aye: Letica, Eckhardt, King, Danuser, O’Brien, Pixley, Enders, Mazzei
Nay: 0

Abstain: 0

3. OLD BUSINESS:

- a. **Committee Members 2020:** Betty Enders and Anthony Mazzei terms expire December 31st, 2019. Both members are working to extend their terms. Ian Culverhouse from the Denver Police Department is to replace Les Perry as committee member once final approval comes from the Mayor's Office.

4. NEW BUSINESS:

- a. **Nationwide – Monthly Update:** Michael Studebaker discussed the 2018-2019 CCD 457(b) Plan Metrics Handout. Greg Grieve updated the committee on the number of meetings held with participants.
- b. **Innovest Quarterly Update –** Wendy Dominguez discussed the 3Q2019 Portfolio Review handout highlighting fiduciary education, plan summary, plan fees, and economic data. Gordon Tewell discussed the watchlist and recommended no changes to the watchlist at this time.

Discussion: Diamond Hill Small Cap Y Fund was discussed due to its long tenure on watchlist. Margaret Danuser suggested a valuation of fund and other options available.

Motion: A motion offered by John Eckhardt, duly seconded by Greg Pixley: "Whereas, the Diamond Hill Small Cap Y Fund is on the watchlist for at least five consecutive quarters, and Whereas, it is recommended by Innovest and the Investment sub-committee to keep as an option within the fund and to remain on the watchlist and to continue to be monitored on a quarterly basis, I move to keep the Diamond Hill Small Cap Y Fund on the investment menu as an investment option". The vote carried by the following vote:

Aye: Letica, Eckhardt, King, O'Brien, Pixley, Enders, Mazzei

Nay: Danuser

Abstain: 0

Discussion: Neuberger Berman Sustainable Equity R6 Fund was discussed due to its long tenure on the watchlist.

Motion: A motion offered by John Eckhardt, duly seconded by Greg Pixley: "Whereas, the Neuberger Berman Sustainable Equity R6 Fund is on the watchlist for at least five consecutive quarters, and Whereas, it is recommended by Innovest and the Investment sub-committee to keep as an option within the fund and to remain on the watchlist, and to continue to be monitored on a quarterly basis, I move to keep the Neuberger Berman Sustainable Equity R6 Fund on the investment menu as an investment option". The vote carried by the following vote:

Aye: Letica, Eckhardt, King, Danuser O'Brien, Pixley, Enders, Mazzei

Nay: 0

Abstain: 0

5. SUB-COMMITTEE REPORTS

- a. **DERP Partnership Sub-Committee:** No update.
- b. **Branding Sub-Committee:** The sub-committee worked with Nationwide on communications that include Summit Savings. The sub-committee is working on a mission statement.
- c. **Investment Sub-Committee:** Greg King discussed Potential Share Class Change handout.

Discussion: Vanguard Target Retirement Investor Share Funds eligible to share class change to Vanguard Institutional Retirement Funds

Motion: A motion offered by John Eckhardt, duly seconded by Greg King, to authorize change in share class for twelve Vanguard Target Retirement Investor Share Funds to shift to Vanguard Institutional Target Retirement Funds to be accomplished by Nationwide.

Aye: Letica, Eckhardt, King, Danuser O'Brien, Pixley, Enders, Mazzei

Nay: 0

Abstain: 0

Discussion: None

Motion: A motion offered Greg Pixley, duly seconded by John Eckhardt, to delegate authority to the Committee Chair to sign on the Committee's behalf, document's necessary to authorize changes in share class from the Vanguard Retirement Investor Share Funds to Vanguard Institutional Retirement Funds.

Aye: Letica, Eckhardt, King, Danuser O'Brien, Pixley, Enders, Mazzei

Nay: 0

Abstain: 0

- d. **Plan Document Review:** Rob McDermott mentioned an update is coming on the Plan Document
- e. **Budget Design Committee:** Rob McDermott stated the document for the administration fee was signed. Zlatko Letica said edits are needed on communications to participants.

- 6. **PUBLIC COMMENT:** Lt. Ian Culverhouse asked about IRS contribution rules. Betty Enders stated Steve Hutt is to retire on October 31st.

- 7. **EXECUTIVE SESSION:** None

- 8. **ADJOURN PUBLIC MEETING:**

Motion: A motion to adjourn the public meeting offered by Greg Pixley

Approved

Aye: Letica, Eckhardt, King, Danuser, Mazzei, O'Brien, Pixley, Enders

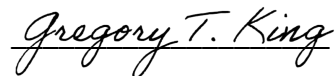
Nay: 0

Abstain: 0

Reminder that next regular meeting is Tuesday, November 26th, 2019 at 1:00pm and will be held in the Wellington Webb Municipal Building room 4.F.6

By signing below the Secretary hereby certifies the above minutes of October 22nd, 2019 meeting were reviewed and approved by a majority vote of Committee members at a regular meeting held on November 26th, 2019.

Respectfully submitted,



Greg King, Secretary

457(b) Deferred Compensation Committee