

457 OVERSIGHT COMMITTEE

June 7, 2012

The City of Plano 457 Oversight Committee met in regular session on Thursday, June 7, 2012 at 1:00 p.m. in Building Inspections Training Room of Municipal Center.

Committee members present:

Carla Rude
Billy Horton
Karen Rhodes-Whitley
Cathy Ziegler
Marty Wade
Larry Lane
Cliff Bormann
Gay Schaffer
K'Ann Parham
Mark Israelson

Committee's legal counsel absent:

Victoria Huynh

The Retirement Store representative present:

Al DiCristofaro

Human Resources staff present:

Sydney Covey
Joanne Millhorn
Jim Parrish

City Manager Designee present:

LaShon Ross

ICMA-RC representatives present:

Mike Mendenhall
Ray Lipsch
Ken Wedemeyer

- I. **The meeting was called to order by Chair Cliff Bormann at 1:00 p.m.**
- II. **Public Comments**
No comments presented.
- III. **Approval of Minutes for March 1, 2012 and March 16, 2012**
Motion to approve minutes of 3/1/12 meeting by Member Carla Rude and seconded by Member Karen Rhodes-Whitley; All in favor. Motion to approve minutes of 3/16/12 meeting by Member K'Ann Parham and seconded by Member Carla Rude; All in favor.

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IV. Discussion/Action on updates to Investment Policy Statement to establish criteria for the Stable Value Fund and Specialty Funds

Discussion led by Consultant Al DiCristofaro. Members read the Investment Policy Statement out loud and discussed additions, changes and corrections to previous version. Final approval action tabled to future meeting.

V. Quarterly Plan Review

Consultant Al DiCristofaro provided review of the last quarter. Al noted that the "snapshot" report does not evaluate the Plus Fund which includes guaranteed investment contracts (GICs) and wrap providers. He provided a rating and outlook report for all providers in the Plus Fund. Al reviewed fund performance and discussed the American Funds Growth Fund of America which will be replaced by the Harbor Capital Appreciation Fund in the same asset class effective June 15, 2012. He noted that although many of the Vantage Point Milestone funds did not meet investment policy criteria for the first quarter of 2012, they were overall well-managed and performance would continue to be reviewed.

VI. Items for Future Agenda

- Discussion/Action on Roth Provisions in 457 Plans, September 2012. Consultant Al DiCristofaro advised that it has been determined that Roth Provisions in a 457 Plan are illegal in the State of Texas according to Chapter 609 of the Property Code. Motion made by Member Gay Schaffer to remove this item from future agenda and seconded by Member Mark Israelson. All agreed.
- Action on Investment Policy Statement
- Sub-Committee formation to address educational topics
- Addition of Plan Administrator Report to all Future Agenda

Member Cathy Ziegler made a motion to adjourn which was seconded by Member Gay Schaffer. Chair Cliff Bormann adjourned the meeting at 2:42 p.m.