

457 OVERSIGHT COMMITTEE

September 8, 2011

The City of Plano 457 Oversight Committee met in regular session on Thursday, September 8, 2011 at 11:00 a.m. in Training Room A of Municipal Center.

Committee members present:

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

Committee members absent:

Gay Schaffer

Committee's legal counsel absent:

Victoria Huynh

The Retirement Store representative present:

Al DiCristofaro

Human Resources staff present:

Sydney Covey
Joanne Millhorn

ICMA-RC representatives present:

Ken Wedemeyer
Mike Mendenhall

- I. **The meeting was called to order by Vice Chair Cliff Bormann at 11:04 p.m.**
- II. **Public Comments**
No comments presented.
- III. **Approval of Minutes for June 2, 2011**
Motion to approve minutes of 6/2/11 meeting by Member Carla Rude and seconded by Member Mark Israelson; All in favor.
- IV. **Committee Annual Fiduciary Training**
Presentation made by Al DiCristofaro on these topics: Public Sector Retirement Plans, Laws Impacting 457 Plans, Fiduciary Responsibilities,

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Plan Expenses, Investment Options. Mr. DiCristofaro suggested that the Committee consider including criteria for the stable value product in next IPS revision.

V. Discussion/Action on Roth Provisions in 457 Plan

Discussion was held to consider adding the Roth Provision to the 457 Plan. Motion to table further discussion and action to September 2012 made by Member Mark Israelson and seconded by Member Karen Rhodes-Whitley. All in favor.

VI. Discussion/Update on ICMA-RC Business Plan

Presentation was made by Ken Wedemeyer. Ken asked that Committee members review the document presented and send comments and questions through Sydney Covey or directly to him. Ken's goal is to have a signed business plan at the December 2011 Committee Meeting.

VII. Discussion on ICMA-RC Self Directed Brokerage Provider Change

Presentation was made by Ken Wedemeyer outlining the improvements of user friendly system and cost effectiveness of the change to TD Ameritrade for Plan Participants.

VIII. Quarterly Plan Review

Al DiCristofaro discussed results of review of Plan's investment options through June 30, 2011. Mr. DiCristofaro recommended placing American Funds Growth Fund of America on the Plans watch list following the 7th consecutive quarters of underperformance against the fund's peer group. Committee discussed that there is \$6.1 million in the fund and it is the 2nd most widely used option in the Plan. Committee followed recommendation to place the fund on the "watch list". Member Mark Israelson has asked to see what replacement fund options would be available and Al will work with ICMA-RC to prepare a list for the December meeting. Committee will continue to monitor the fund performance.

IX. Items for Future Agenda

- Discussion/Action on Roth Provisions in 457 Plan, September 2012
- Discussion on ICMA-RC Survey in December 2011
- Establish criteria in the Investment Policy Statement for the Stable Value Fund and Specialty Funds

Member K'Ann Parham made a motion to adjourn which was seconded by Member Karen Rhodes-Whitley. Vice Chair Cliff Bormann adjourned the meeting at 2:10 p.m.