

Chairperson: Steve Cady, 278-4347
Clerk: Jodi Mapp, 278-4073

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, February 11, 2008 – 9:00 a.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Mark Grady, Susan Walker, Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

SCHEDULED ITEMS:

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

The Committee did not go into closed session.

1. 08DC01 Appeal(s) from deferred compensation participant(s) of decisions regarding request(s) for hardship withdrawal(s) of funds from Milwaukee County's Deferred Compensation Plan.

00:02 **There were no appeals.**
2. 08DC02 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan.

00:10 The Chairman reviewed the budget report (copy attached to original minutes), which included the final numbers for 2007. He discussed expenditures, the forfeiture account, quarterly reconciliation, and mutual fund revenue sharing. The Chairman indicated that for 2007 there were three quarters of fee holiday and only one quarter of administrative fees. The 2008 Budget reflects what has been spent through February 5, 2008, when the report was produced.

Questions and comments ensued.

ACTION BY: *(Ceschin) Extend the Administrative Fee Plan Holiday an additional quarter through the second quarter of 2008. 5-0*

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

SCHEDULED ITEMS (CONTINUED):

3. 08DC03 Fourth Quarter 2007 Performance Report from Ennis Knupp and Associates. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:13 Ms. Nicholson began her presentation by distributing a report titled "2007 Capital Markets Review" (copy attached to original minutes). Areas of the report highlighted included the 2007 market environment (stocks and bonds), returns (market and sector), style and capitalization, large and small cap funds, growth and value, global region returns, emerging markets, the yield curve, and equity markets.

Ms. Nicholson provided the Committee with an update as it relates to the Fourth Quarter 2007 Performance Report (copy attached to original minutes) providing a year-to-date overview summary of fund performance for Milwaukee County's plan. She detailed funds that returned negative performance during the fourth quarter and under performed their benchmarks, specifically, the Ariel Appreciation Fund.

Questions and comments ensued.

The Committee took no action regarding this informational report.

4. 08DC04 From Great-West Retirement Services, quarterly report and status of Plan Enhancements. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

00:41 Ms. Oelke referred the Committee to their Plan Review binder (copy attached to original minutes) and provided a plan overview focusing on assets (total, components, growth, and by fund), contributions (by fund and withdrawal summary) inforce accounts, new participants vs. full withdrawals, and participation (based on age and gender). She also gave an administrative overview citing activities done during the fourth quarter by the local office including group meetings, individual meetings, benefit and retirement fairs, general service visits, and office activity. Ms. Oelke reviewed communication enhancements accomplished in the last twelve to eighteen months such as a custom newsletter, redesigned web site, E-Learning seminars, fee holiday communication, participant web-based survey, branded fund change

SCHEDULED ITEMS (CONTINUED):

communication, detailed plan features and highlights, and promotional magnets.

Ms. Oelke distributed a 2008 Marketing Strategy Proposal (copy attached to original minutes) and unveiled visuals the graphics department came up with for a new theme entitled "Dare to Dream," which is designed to target any age group. She suggested doing direct marketing campaigns. Touch points that Great-West would like to use for this campaign are employee HTML email, direct mail postcards, statement stuffers and narratives, meeting/branding posters, benefit fair signage, and promotional items.

Questions and comments ensued.

The Committee took no action regarding this informational report.

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(e), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

5. 08DC05 From Ennis Knupp and Associates, Third Party Administrator Request for Proposals (RFP) analysis and discussion of responses.

00:24 ***ACTION BY: (Ceschin) Adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(e), for the purpose of discussing Item #5. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the aforesaid items. 5-0***

AYES: Grady, Walker, Ceschin, Russell and Cady (Chair) – 5

NOES: 0

The Committee convened into closed session at approximately 10:20 a.m. The Committee did not reconvene back into open session.

SCHEDULED ITEMS (CONTINUED):

6. 08DC06 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- May 19, 2008
- July 28, 2008
- November 17, 2008

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:02 The Chairman indicated that the next three regularly scheduled meeting dates of the Committee are listed. For the Committee's newest member's information, he explained that quarterly meetings are posted for the year and special meetings are held as necessary. Quarterly meetings are usually held about six weeks after the end of the quarter to ensure the outside consultants have time to gather information from the previous quarter. It also enables them to plan for the rest of the year.

This meeting was recorded on tape. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of meeting: 9:01 a.m. to 1:20 p.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

Chairperson: Steve Cady, 278-4347
Clerk: Jodi Mapp, 278-4073

**SPECIAL MEETING
SELECT COMMITTEE ON DEFERRED COMPENSATION**

Monday, March 17, 2008 – 1:30 p.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Mark Grady, Susan Walker, Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

SCHEDULED ITEMS:

1. 08DC07 From Reinhart Boerner Van Deuren, recommending administrative procedures related to the processing of Plan Approved Domestic Relations Orders (PADRO).

00:36 The Chairman stated last summer the Committee amended the Plan's governance document to reflect the acceptance of domestic relations orders. There have been none since that time but in anticipation of these orders, it is necessary to provide clear guidance as to how the process will work. Mr. Choice from Reinhart Boerner drafted administrative procedures that addresses this issue. He also included a model domestic relations order (copies attached to original minutes) for the Committee's review. Mr. Chairman briefly highlighted the process reminding the Committee that once an order is received, it is forwarded to legal counsel for review and then to Great-West for processing.

Questions and comments ensued.

ACTION BY: (Ceschin) Accept the Administrative Procedures for Processing Plan Approved Domestic Relations Orders as laid out in correspondence received from Reinhart Boerner Van Deuren. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(e), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

2. 08DC08 From Ennis Knupp and Associates, Third Party Administrator Request for Proposals (RFP) analysis and discussion of responses.

SCHEDULED ITEMS (CONTINUED):

APPEARANCES (via conference call):

Laurel Nicholson, Ennis Knupp and Associates

Jamie McAllister, Ennis Knupp and Associates

00:21 ***ACTION BY: (Ceschin) Adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(e), for the purpose of discussing Item #2. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the aforesaid items. 5-0***

AYES: Grady, Walker, Ceschin, Russell and Cady (Chair) – 5

NOES: 0

The Committee convened into closed session at approximately 1:45 p.m. and reconvened in open session at approximately 2:05 p.m. The roll call was taken, and all Committee Members were present.

01:19 Ms. McAllister explained in early 2007, the Select Committee on Deferred Compensation decided to issue a Request for Proposals (RFP) for record keeping and administrative services. In early December of 2007, an RFP was released through the Milwaukee County website and sent directly to parties that had expressed an interest. It was also advertised in several publications including the Daily Reporter. On December 11, 2007, a bidder's conference was held, which gave providers an opportunity to obtain additional clarification/information regarding the RFP and the process. All interested providers notified Ennis Knupp and Milwaukee County. RFP responses were due January 4, 2008.

Ms. McAllister continued by stating that after analyzing the different record keepers, Ennis Knupp met with the Select Committee in mid February to present the analysis that had been done on the different providers. During the meeting, five different providers were reviewed for record keeping services, as well as one provider who responded for only management of the stable value fund. Guidelines used to analyze the perspective providers included evaluation of their fund organizational team, education and communication capabilities, participant services, record keeping and administrative capabilities, stable fund management capabilities and flexibility, and finally, their proposed fees. This evaluation narrowed down the providers to four finalists. At that point, the four finalists were asked to present their best and final offers. The best final offers were analyzed and discussed in closed session during this meeting in which the Committee selected a finalist provider based on recommendations from Ennis Knupp.

The representatives of Ennis Knupp indicated that the selected vendor scored the highest based on the evaluation matrix included in the RFP.

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Grady) Select and award a five-year contract to Great-West Retirement Services subject to review by legal counsel of the contract and negotiation with Great-West including the exploration of additional opportunities to enhance Disadvantaged Business Enterprise (DBE) participation. 5-0

AYES: Grady, Walker, Ceschin, Russell and Cady (Chair) – 5

NOES: 0

3. 08DC09 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- May 19, 2008
- July 28, 2008
- November 17, 2008

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:01 The Chairman indicated that the Committee is back on its regular meeting schedule. He announced the next regularly scheduled meeting date of May 19, 2008. He stated that if there are any hardship withdrawal requests that would require the Committee to meet before then, everyone will be notified.

This meeting was recorded. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting, is available in the County Board Committee Services Division.

Length of meeting: 1:30 p.m. to 2:48 p.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

Chairperson: Steve Cady, 278-4347
Clerk: Jodi Mapp, 278-4073

**SPECIAL MEETING
SELECT COMMITTEE ON DEFERRED COMPENSATION**

Tuesday, April 22, 2008 – 1:30 p.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Mark Grady, Susan Walker, Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

SCHEDULED ITEMS:

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

1. 08DC10 Appeal(s) from deferred compensation participant(s) of decisions regarding request(s) for hardship withdrawal(s) of funds from Milwaukee County's Deferred Compensation Plan.

Lynise Y. Thompson, Plan Participant

There was one appeal of the decision by the Plan administrator to deny a request for hardship withdrawal.

ACTION BY: (Ceschin) Adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing Item #1. At the conclusion of the closed session, the Committee may reconvene in open session to take whatever action(s) it may deem necessary on the aforesaid item. 5-0

AYES: Grady, Walker, Ceschin, Russell and Cady (Chair) – 5

NOES: 0

The Committee convened into closed session at approximately 1:35 p.m. and reconvened in open session at approximately 2:35 p.m. The roll call was taken, and all Committee Members were present.

Discussion ensued, including an appearance by the individual appealing the denial by Great West.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Ceschin) Approve the recommendation of the Plan Administrator to deny the appeal request based on the evidence presented. 5-0

AYES: Grady, Walker, Ceschin, Russell and Cady (Chair) – 5

NOES: 0

2. 08DC11 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- May 19, 2008
- July 28, 2008
- November 17, 2008

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

The Chairman indicated that the next regularly scheduled meeting date will be May 19, 2008.

The Committee took no action regarding this informational item.

Due to technical difficulties, this meeting was not recorded. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes is available in the County Board Committee Services Division.

Length of meeting: 1:32 p.m. to 2:35 p.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

Chairperson: Steve Cady, 278-4347
Clerk: Jodi Mapp, 278-4073

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, May 19, 2008 – 1:00 p.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Mark Grady, Susan Walker, Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

SCHEDULED ITEMS:

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

The Committee did not go into closed session.

1. 08DC12 Appeal(s) from deferred compensation participant(s) of decisions regarding request(s) for hardship withdrawal(s) of funds from Milwaukee County's Deferred Compensation Plan.

00:33 **There were no appeals.**

2. 08DC13 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan.

00:12 The Chairman reviewed the budget report (copy attached to original minutes) highlighting the fee reconciliation details.

Questions and comments ensued.

ACTION BY: (Grady) Extend the Administrative Fee Plan Holiday an additional quarter through the third quarter of 2008. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

SCHEDULED ITEMS (CONTINUED):

3. 08DC14 First Quarter 2008 Performance Report from Ennis Knupp and Associates.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:12 Ms. Nicholson began her presentation by distributing a report titled "Update on Current Market Challenges – May 2008" (copy attached to original minutes). She stated when 2008 started, it was a very difficult time for investors. There were widespread losses across all the major market segments. In fact, eight of the nine major market segments registered losses during the first quarter with the only exception being transportation stocks, which have a 3% gain and represent only about 2% of the overall market. She indicated the market began to look better for the months of April and May. Areas of the report highlighted included the 2008 investment environment (U.S. Market, International Market, and Bond Market), the Chicago Board Option Exchange (CBOE) volatility index, historical periods, the Non-U.S. Stocks currency effect, emerging markets, U.S. Bonds yield curve, the credit market crisis, the subprime market crisis, the action taken by the Federal Reserve, stagflation, the investment outlook, and Ennis Knupp's view on current markets.

Ms. Nicholson provided the Committee with an update as it relates to the First Quarter 2008 Performance Report (copy attached to original minutes). She distributed Preliminary Return Summaries ending April 30, 2008, to the Committee (copy attached to original minutes) and gave an overview summary of fund performance for Milwaukee County's Plan. She detailed all the funds that returned negative performance during the first quarter and under performed their benchmarks.

Questions and comments ensued.

The Committee took no action regarding this informational report.

4. 08DC15 From Advised Assets Group, quarterly report on the Stable Value Fund.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:11 The Chairman explained the report stating it is the quarterly report on the Stable Value Fund (copy attached to original minutes). He reviewed the summary page which covered the rates being applied and credited to participants and included an itemized listing of all the underlying holdings.

The Committee took no action regarding this informational report.

SCHEDULED ITEMS (CONTINUED):

5. 08DC16 Memo from Ennis Knupp and Associates, regarding Institutional Class share offering from Heartland Value Fund investment fund.

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

- 00:16 Ms. Nicholson indicated that on May 1, 2008, Heartland Funds launched a new share class of the Heartland Value Fund. It is an institutional version of the fund Milwaukee County currently offers. The difference between the two is the lower expense ratio that is applied to the institutional share class, which effects the revenue sharing that is made available to the Plan.

Questions and comments ensued.

ACTION BY: (Ceschin) Approve the recommendation by Ennis Knupp and Associates as set forth in their memo dated May 12, 2008, to change the share class for the Heartland Value Fund to the newly offered institutional share class. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

6. 08DC17 From Great-West Retirement Services, first quarter summary activity report. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

- 00:12 Ms. Oelke introduced Great-West's new marketing initiative campaign by distributing piggy banks to the Committee as part of a new overall strategy for Milwaukee County. The reason for the marketing campaign is to peak participant's interest and to try to get people to attend benefits fairs. She reviewed the quarterly report (copy attached to original minutes) discussing in detail Great-West's new outreach initiatives, enforce accounts, contributions vs. distributions, and roll-ins. Ms. Oelke also distributed a meeting schedule (copy attached to original minutes). She explained the meeting schedule is something new and has already gone live on the website. There is now an icon on the homepage that says "Upcoming Meeting Schedule" that will enable employees to see where meetings are going to be held. The web team has agreed to update this document weekly, so these schedules will post every week. Ms. Oelke indicated that it is Great-West's hope that if they use the web more as a resource, it will encourage employees to use the website a little bit more.

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

The Committee took no action regarding this informational report.

7. 08DC18 From Great-West Retirement Services, update on web site enhancements for enrollment and deferral changes. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

00:03 Ms. Oelke made reference to the project that involved going to a paperless deferral change environment. This project was previously approved pending the interface with Ceridian, which is now complete. She also discussed the future dated deferral project, which is an initiative the corporate office is working on. It will allow participants to change their deferral amounts online, using the voice recognition system, or through calling the call-center. That information will go into the database and filed electronically to Ceridian. Ceridian will then make the change, and the file will come back and be uploaded onto Great-West's system. A test file has been sent to Ceridian with programming changes to meet their specifications. It is now a matter of Ceridian approving the file as clean. Great-West does not anticipate any problems with the file. Once it is fully tested, the goal is to introduce the enhancement in the newsletter.

Ms. Oelke indicated the future dated deferral project actually encompasses several different components that participants will have the ability to control. The first component is future dated ongoing deferrals. This means a participant can go into the website, use the voice recognition system, or call the customer service line and change their deferral amount effective a certain date up to six months in advance. That information will be put into the cue, and when they send the file for that particular date for deferral changes, it will be picked up and moved on to Ceridian. The second component is a single payroll change. It will enable a participant to designate a specific amount to be deducted from a specific paycheck. This information will be stored in the database and shipped to Ceridian. The only paycheck that will be affected is the paycheck specified. The third component involves scheduling. It allows participants to schedule to have their deferrals increased by any percent at a certain time every year. Every year the date selected comes around, the deferrals will increase by the percentage designated. Participants themselves would have to go in and actively choose to stop it. The last component is the ability to be able to cancel whatever the participant chooses on their account. The goal is to go live with these enhancements sometime in July or August, which would be the third quarter.

Questions and comments ensued.

The Committee took no action regarding this informational report.

SCHEDULED ITEMS (CONTINUED):

8. 08DC19 From Great-West Retirement Services, update on recordkeeping beneficiary project. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

- 00:01 Ms. Oelke stated participants received a beneficiary change form with the last newsletter informing them to re-submit their beneficiaries. As of May 13, 2008, approximately 1,100 people responded and returned their forms. This effort will continue. Beneficiaries will now be displayed on quarterly statements. All forms received before June 13, 2008, will be entered into the database and beneficiaries selected will appear on the July 2008 statements. The second quarter newsletter will include another article to encourage people to complete their beneficiary forms. In November, a special letter with a form will be sent to participants who have not responded. If someone dies in the interim, beneficiary information will be confirmed from hard copy files that are kept in the on-site office to process death claims. This is an effort to move to a more electronic system to allow the corporate office to take over the responsibility of processing death claims rather than having the local office handle them.

Questions and comments ensued.

The Committee took no action regarding this informational report.

9. 08DC20 From Reinhart Boerner Van Deuren, recommending a change to the Milwaukee County Plan of Compensation Governing Document related to distributions.

APPEARANCE:

Ben Choice, Reinhart Boerner Van Deuren

- 00:30 Mr. Choice stated he would be addressing the question as to whether there was an excise tax applied to in-service distributions taken by participants from their rollover accounts. Rollover accounts are comprised from monies rolled over from a participant's prior employer or from their Milwaukee County Pension Plan into Milwaukee County's 457 Plan. This is a totally separate account from the amount contributed through payroll deduction. Money taken out of that rollover account early is subject to an excise tax. Under the Internal Revenue Code, there is an excise tax that applies to early distributions from certain retirement plans. It is a 10% excise tax. This tax normally does not apply to 457 plans. Mr. Choice indicated his firm concluded it does apply to amounts that are rolled in from another pension plan and then are distributed early. Early is defined as before age 55, if they have terminated employment, or age 59 and ½, if they haven't terminated employment. Mr. Choice stated there are various exceptions, but the

SCHEDULED ITEMS (CONTINUED):

bottom line is this tax would apply to distributions from that rollover account if they are taken early.

Mr. Choice went on to explain that there was also a question as to whether Milwaukee County's Plan did allow in-service distributions from a rollover account at any time. With a normal account, which is comprised of deductions through payroll, you generally have to wait until you retire or terminate employment. With rollover accounts, distributions are allowed at any time including while you are still employed and regardless of the amount. The amendments submitted (copy attached to original minutes) will specifically address that practice because it was not expressed in the Plan document.

Mr. Choice reviewed a series of six amendments submitted and indicated they are all related to IRAs and distributions.

Questions and comments ensued.

ACTION BY: (Grady) Approve Plan Amendments as outlined in the document submitted by Reinhart Boerner Van Deuren. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

10. 08DC21 2008 National Association of Governmental Defined Contribution Administrators (NAGDCA) Conference.

00:09 The Chairman indicated he sent the Committee members an e-mail regarding this year's NAGDCA Conference. He stated that as members of NAGDCA who serve as fiduciaries on the Plan, the conference is a good opportunity to receive specialized training. The 2008 conference will be held September 13, 2008, through September 17, 2008, in Baltimore, Maryland.

ACTION BY: (Grady) Authorize and approve Committee members to attend the 2008 NAGDCA Conference and be reimbursed for travel, lodging, registration fees, and all other related expenses. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

11. 08DC22 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- July 28, 2008
- November 17, 2008

SCHEDULED ITEMS (CONTINUED):

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:02 The Chairman indicated that the next two regularly scheduled meeting dates of the year for the Committee are listed. He indicated he would be contacting Committee members regarding the 2009 meeting schedule to assist in planning ahead, which makes it easier for the out of town consultants.

The Committee took no action regarding this informational item.

This meeting was recorded. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of the meeting, is available in the County Board Committee Services Division.

Length of meeting: 1:01 p.m. to 3:00 p.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

Chairperson: Steve Cady, 278-4347

Clerk: Jodi Mapp, 278-4073

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, July 28, 2008 – 9:00 a.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Mark Grady, Susan Walker, *Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

*Rick Ceschin was not present at the time of roll call but appeared shortly thereafter.

SCHEDULED ITEMS:

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

The Committee did not go into closed session.

1. 08DC23 Appeal(s) from deferred compensation participant(s) of decisions regarding request(s) for hardship withdrawal(s) of funds from Milwaukee County's Deferred Compensation Plan.

There were no appeals.

00:12 The Chair indicated that the new process on hardship appeals has been instituted. Now, appeals go directly to Great-West staff in Denver as opposed to being done on sight. This provides greater uniformity and more formal communications with participants.

2. 08DC24 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan.

00:08 The Chair explained this quarter's report (copy attached to original minutes) reflects a continuation of the fee holiday. The result of the continued fee holiday is a reduction in the forfeiture account balance, which was the goal. Also included in the report are estimates of this year's expenses and expected revenue. Revenue includes interest on the forfeiture account and revenue sharing under the current agreement.

SCHEDULED ITEMS (CONTINUED):

Questions and comments ensued.

ACTION BY: (Grady) Extend the Administrative Fee Plan Holiday an additional quarter through the fourth quarter of 2008. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

3. 08DC25 Second Quarter 2008 Performance Report from Ennis Knupp and Associates.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCES:

Laurel Nicholson, Ennis Knupp and Associates

Maritza Martinez, Ennis Knupp and Associates

00:16 Ms. Nicholson stated that it has been a tough time to be in the financial markets. There is rising inflation and talk of a recession. The markets are responding to a lot of different things. There continues to be problems in the mortgage market. Financials in general have just been in turmoil and have been hit hard. Oil prices continue to be very high, and there is a decline in consumer confidence. Ms. Nicholson indicated the market is, however, beginning to show some good signs. There are strong corporate earnings out there, and there is good price to earnings ratios on many companies outside of the financial sector. Price to earnings ratio indicates what the market is willing to pay for the earning stream of certain companies so that the higher those ratios, the more they are willing to pay. This indicates good business fundamentals. Ms. Nicholson went on to state despite all of that, the general feeling is that these tough times are not going to quickly be rectified, and they are probably going to continue. It is thought that the current state of the economy is not a permanent situation. It is felt, however, that future stock market returns will be more tempered and that the risk premium between bonds and stocks will be smaller or closer.

Ms. Nicholson provided the Committee with an update as it relates to the Second Quarter 2008 Performance Report (copy attached to original minutes). Areas of the report highlighted included the Market Environment (U.S. Market, International Market, and Bond Market), Fixed Income Funds, the investment outlook, and Ennis Knupp's view on current markets. She also discussed overall fund performance for Milwaukee County's Plan and the Ariel Appreciation Fund in detail. A full copy of the Second Quarter Investment Report is posted on the County Board's Deferred Compensation web page along with other recent investment reports.

Questions and comments ensued.

The Committee took no action regarding this informational report.

SCHEDULED ITEMS (CONTINUED):

4. 08DC26 Report from Ennis Knupp and Associates, regarding Mid Cap Blend and Socially Conscious Funds Comparison.

APPEARANCES:

Laurel Nicholson, Ennis Knupp and Associates
Maritza Martinez, Ennis Knupp and Associates

00:12 Ms. Nicholson stated Ennis Knupp started this process by asking Great-West to provide a list of available actively managed funds on their platform that could possibly serve as a replacement for the Ariel Appreciation Fund. Ariel fills two boxes within the Plan. It is a mid cap offering as well as being a socially conscious fund. Great-West provided a list of three funds, and Ennis Knupp included an index fund (Vanguard) for comparative purposes. The funds reviewed are Ariel Appreciation Fund (current fund), Vanguard Mid Cap Stock Index, Fidelity Levered Company Stock, Aston/Optimum Mid Cap, and Oppenheimer Small & Mid Cap Value, which are all mid cap funds and are in the same category as the Ariel Appreciation Fund. Basic information was compared on the four funds. She emphasized that this information does not represent a manager's search. They have not done a due diligence analysis on the actively managed funds. She described each fund in detail comparing their performance, Morningstar rankings, and fund and return characteristics.

Discussion ensued at length regarding replacing the Ariel Appreciation Fund.

27:31 Ms. Nicholson continued by exploring socially conscious funds. She stated Ennis Knupp started by asking Great-West to provide a list of available socially conscious funds regardless of style, capitalization, and asset class. The funds reviewed are Winslow Green Growth, Spectra Green, Calvert Large Cap Growth, Timothy Plan Large/Mid Cap Value, Pax World Balanced, Calvert Social Investment Bond, and Parnassus Fixed Income. It should be noted that other socially conscious funds may be administered by Great-West if an agreement is reached between the mutual fund and Great-West. This process typically takes sixty days or so according to Darryl Collier of Great-West. She described each fund detailing their performance, Morningstar rankings, and fund and return characteristics.

ACTION BY: (Ceschin) Begin the process of replacing Ariel Appreciation Fund with Vanguard Mid Cap Index Fund and authorize Ennis Knupp to do a fund search for a socially conscious fund once requested data is received from Great-West. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

SCHEDULED ITEMS (CONTINUED):

5. 08DC27 From Ennis Knupp and Associates, memorandum regarding Vanguard International Index Funds.

APPEARANCES:

Laurel Nicholson, Ennis Knupp and Associates

Maritza Martinez, Ennis Knupp and Associates

00:12 The Chairman stated he receives an informational package from a Vanguard representative due to the multiple funds in the Plan offering. The representative alerted him that a new option was being offered that might be of interest. The option was forwarded to Ennis Knupp for review. In turn, they issued the memorandum (copy attached to original minutes) that is before the Committee.

00:46 Ms. Nicholson stated the Plan currently offers the Vanguard Total International Stock Fund. The expense ratio is 0.27% or 27 basis points. The fund offers very broad and diversified exposure to the markets excluding Canada. The fund is constructed of three regional index funds, the European Stock Index Fund, the Emerging Markets Stock Index Fund, and the Pacific Stock Index Fund. Together, they create broad international stock market exposure. Recently, Vanguard announced that they removed their purchase fee on one of their other international index funds, the FTSE All-World ex-U.S. Index Fund, which is in a lot of ways similar to what is currently being offered. However, it is constructed a little bit differently. It invests directly in the stocks held in that index instead of underlying mutual funds, and it includes exposure to Canada. With the 25 basis points purchase fee being removed for investments of over \$5 million, the expense ratio is 15 basis points. This represents a 12 basis point or 44% decrease in expense ratio from the current offering.

Ms. Nicholson went on to state that index funds are very comparable commodity like products. What it really comes down to is the fee and the tracking of the targeted index. These two targeted indexes are slightly different, but they are very broad reasonable indexes to track for an index fund. Because of that lower expense ratio and that exposure to Canada, Ennis Knupp believes the FTSE Index Fund is a more compelling choice for the Plan. The one drawback that applies to both the FTSE fund and the Total International Stock Index Fund is that they do have the redemption fee. This means if a participant were to make a withdrawal or a change in their asset allocation within 60 days, there is a 2% redemption fee associated. The redemption fee component also disqualifies the fund from being included in the managed account service provided by the Plan due to the automatic rebalancing function that occurs on a more frequent basis.

Questions and comments ensued.

SCHEDULED ITEMS (CONTINUED):

ACTION BY: (Ceschin) Replace the Vanguard Total International Stock Fund with the FTSE All-World ex-U.S. Index Fund as recommended by Ennis Knupp in their memorandum dated July 22, 2008. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

6. 08DC28 Discussion of potential request for proposals (RFP) for Federal Deposit Insurance Corporation (FDIC) protected fixed income fund.

00:12 The Chairman indicated this item was put on the agenda for Committee discussion. The Plan offers the North Shore Savings Fund, which is a fixed income asset type of fund. Each month there is an interest rate credited to participants for the prospective month. The history of North Shore Savings was reviewed. Back in 1984, it was required that the Plan have at least two fixed income options, with one being FDIC insured. This requirement still remains from the initial County Board resolution. The North Shore option fulfills the FDIC insured option. The Plan also includes the Stable Value Fund. There can be interplay between the two, which causes concern about people going back and forth, and the possibility of closing the Stable Value Fund to transfers. The Chairman indicated that it was brought to his attention that the product has never been made available for competitive bid. He went on to state that this would be a good time to test the market to see if there would be another FDIC-insured option that might be interested. The current credited interest rate is good, but maybe it could be better. It was also discussed that a new arrangement might guarantee a minimum interest rate possibly tied to U.S. Treasury Bills so that competing proposals could be compared.

Questions and comments ensued.

ACTION BY: (Grady) Draft a Request for Proposals (RFP) for the current FDIC Insured option for the Committee's review at the next scheduled meeting. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

7. 08DC29 From Great-West Retirement Services, Second Quarter Report and update on recordkeeping enhancements. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Charmaine Martin, Great-West Retirement Services

Darryl Collier, Great-West Retirement Services

SCHEDULED ITEMS (CONTINUED):

00:27 Ms. Martin provided an overview of the quarterly report (copy attached to original minutes) by stating the focus of 2008 is maintaining Plan assets. Great-West is working with Milwaukee County's Retirement Division in an effort to get information out to retirees encouraging them to stay in the Plan and rollover backdrop money into the Plan. These efforts include pre-retirement workshops, distributing fliers in retiree packets (copy attached to original minutes), and participation in monthly individual retirement group meetings. Efforts are also underway to update County forms and procedures, so employees have a better understanding of their options and how the County's 457 Plan can help them. Ms. Martin's review of the quarterly report provided numbers related to meetings held (group, office, and individual), enrollments and contributions, full distributions, rollovers into the Plan, reality investing, web hits, and service center calls.

Questions and comments ensued.

24:55 Mr. Collier stated Great-West is in the midst of finalizing the salary deferral processing enhancement. They will work with Hugh Morris, from DAS-IMSD, who will provide a Ceridian file that will give Great-West the current deferrals of all participants. This information will enable them to track changes. Full implementation is expected no later than mid September. Once this component is in place, online enrollment can begin. Mr. Collier added that the share class fund change is going to happen in October. Notifications will go out on the web in September. Great-West is currently reviewing the demographic data contained in the Ceridian file to ensure all the data elements are understood. Once the review is complete, Great-West will provide the Committee with a report.

The Committee took no action regarding this informational report.

8. 08DC30 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- November 17, 2008
- Future Meetings TBD

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:01 The Chairman indicated that the next regularly scheduled meeting is November 17, 2008. There may be a special meeting held prior to that date to give the Committee an opportunity to review a draft of a proposed contract extension with Great-West. The draft is now in the hands of Ben Choice from Reinhart Boerner & Van Deuren (the Plan's attorney). A meeting will be scheduled to review and give final approval. The Chairman stated the contract

SCHEDULED ITEMS (CONTINUED):

must be approved by this Committee prior to it being submitted to the County Board for ratification.

The Chairman stated Committee members and consultants will be contacted in the next few weeks to find out availability for the 2009 meeting schedule.

This meeting was recorded. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting, is available in the County Board Committee Services Division.

Length of meeting: 9:04 a.m. to 11:40 a.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

Chairperson: Steve Cady, 278-4347

Clerk: Jodi Mapp, 278-4073

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, November 17, 2008 – 9:00 a.m.

Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: *Mark Grady, Susan Walker, *Rick Ceschin, Jackie Russell, and Steve Cady (Chair)

*Mark Grady and Rick Ceschin were not present at the time of roll call but appeared shortly thereafter.

SCHEDULED ITEMS:

**** CLOSED SESSION ****

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of discussing the following matter(s). The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

The Committee did not go into closed session.

1. 08DC31 Appeal(s) from deferred compensation participant(s) of decisions regarding request(s) for hardship withdrawal(s) of funds from Milwaukee County's Deferred Compensation Plan.

There were no appeals.

2. 08DC32 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

00:09 The Chair explained this quarter's report (copy attached to original minutes) by stating it contains the standard information reflecting expenditures, revenues and reconciliation of the administrative accounts.

Questions and comments ensued regarding extending the fee holiday.

ACTION BY: (Walker) Extend the Administrative Fee Plan Holiday an additional quarter through the first quarter of 2009. 3-0

AYES: Walker, Russell, and Cady (Chair) – 3

NOES: 0

EXCUSED: Grady and Ceschin - 2

SCHEDULED ITEMS (CONTINUED):

3. 08DC33 From Virchow Krause and Company, discussion of 2008 Deferred Compensation Plan Review.

APPEARANCES:

Wayne Morgan, Virchow Krause & Company

Chris Tait, Virchow Krause & Company

00:16 Mr. Morgan stated Virchow Krause will be examining fiduciary best practices, processes, and procedures that are followed on a day-to-day basis. The first year of engagement was focused on the area of compliance, testing the flow of transactions through the system, testing compliance with Great-West interaction, and also compliance with the document. The focus this year will be to revisit issues that need improvement that were identified in 2007 and retesting some of the compliance areas. In doing this, they tend to find process efficiency improvements that were either not found the first year or that have surfaced in the second year. Virchow Krause's disadvantage business enterprise partner will be spending most of their time retesting the compliance in areas of contributions, distributions, deferrals, rollover, calculations, catch-up, hardships, and loans. These are the basic day-to-day fundamental technical issues and processes that management addresses.

Mr. Morgan stated they would also begin to migrate into their value added area. There are four areas; fee transparency, record management, payroll processes and practices, and participation analysis.

07:07 Mr. Tait indicated they will begin to look at the Ceridian system in detail to gain a complete understanding of how the data flows. There are specialists within Virchow Krause that are very knowledgeable about the County payroll system. That information will be forwarded to the Chairman, along with the value added recommendations, for presentation to the Committee.

09:40 Mr. Morgan added that their goal would be to come in and do the preliminary work starting around the holidays with a focus on a January/February timeframe.

Questions and comments ensued.

The Committee took no action regarding this item.

4. 08DC34 Proposed Marketing Strategy for 2009 from Great-West Retirement Services.

APPEARANCES:

Evelyn Calhoun, Great-West Retirement Services

Sue Oelke, Great-West Retirement Services

SCHEDULED ITEMS (CONTINUED):

00:08 Ms. Calhoun directed the Committee's attention to the 2009 Marketing Strategy report (copy attached to original minutes) stating that 2008 was a really good year. Extending the fee holiday has had a very positive impact and shown great success through increased enrollments. She presented the 2009 marketing strategy to be implemented specifically customized for Milwaukee County with the goal of encouraging individuals to increase their deferrals, encourage enrollment in the Plan, and to improve education of the Plan. Through the enrollment piece, it is also the goal to improve retention of the Plan by encouraging retirees to keep their accounts within the Milwaukee County Deferred Compensation Plan rather than rolling over their accounts to outside brokerage firms. Reasons used to promote and support this idea include lower fees and greater benefits.

Ms. Calhoun has created a clear and cohesive theme for Milwaukee County entitled "Dare to Dream." The theme usually reinforces the ideas and messages behind the marketing plan. The concept behind this particular theme is meant to inspire and motivate individuals based on the idea that they really can achieve their dreams for retirement. Ms. Calhoun stated the "Dare to Dream" campaign will be implemented through the following communication channels by which participants and employees are reached: lunch and learn seminars, employee emails, direct mail postcards, the Plan newsletter, statement stuffers and narrative, meeting/branding posters, benefits fair signage, and target web messaging.

19:54 Ms. Oelke distributed a spreadsheet (copy attached to original minutes) and explained that as Great-West has been working with Ceridian, a database has been developed to track employees and participants. The data contained therein is not 100% clean, however the database, itself, has been a great accomplishment. Ms. Oelke reviewed the spreadsheet with the Committee stating this information gives a high-level overview of where the employees are, how many are enrolled, and how many are eligible. This provides the on-site office with the tools to figure out departments to focus on and target for additional education efforts. The data presented is approximately 80% clean. Ms. Oelke envisions by the end of the year or early January, the data should be approximately 98% clean.

Questions and comments ensued.

The Committee took no action regarding this item.

5. 08DC35 Third Quarter Report from Great-West Retirement Services. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

SCHEDULED ITEMS (CONTINUED):

00:03 Ms. Oelke provided an overview of the quarterly report (copy attached to original minutes) by highlighting retiree/retirement outreach. She discussed the joint retirement workshop held this past summer with another to be held in December. Efforts encouraging retirees to stay in the Plan include distributing fliers in retiree packets, participation in monthly individual retirement group meetings, and individual retirement meetings with deferred compensation via outbound calls.

Ms. Oelke stated 2008's focus continues to be minimizing withdrawals and increasing assets. Past efforts include reaching employees at their departments, outreach tables, and hosting enrollment and investment seminars. She went on to discuss individual appointments, account reviews, full distributions, enrollment and contributions, managed account information, rollover in the Plan, website activity, and service center calls.

Questions and comments ensued.

The Committee took no action regarding this informational report.

6. 08DC36 From Great-West Retirement Services, update on beneficiary recordkeeping project. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Sue Oelke, Great-West Retirement Services

00:07 Ms. Oelke stated earlier this year, Great-West became the beneficiary record keeper for the Plan. A beneficiary form was sent out with quarterly statements that requested everyone complete the form and return it to Great-West. People were encouraged to complete the forms at the numerous benefits fairs held indicating this information will be reflected on the statements. A letter will be mailed this month as another attempt to reach those individuals who have not completed a beneficiary designation form as a direct mail piece requesting completion of the form.

Ms. Oelke went on to state that this will be an ongoing initiative. It has been presented in the newsletter, however people are still unclear as to why completing the form is important. The effort will probably take another year before the numbers would be considered close to where they should be regarding beneficiary selection. This is something that can be accomplished through a target marketing campaign as it relates to the website, but the direct mail piece is the best course of action for the second round of contacting these individuals. The results for the first round were not as high as anticipated, however this next round will capture quite a few more.

SCHEDULED ITEMS (CONTINUED):

Questions and comments ensued.

The Committee took no action regarding this informational report.

7. 08DC37 From Ennis Knupp and Associates, presentation on Market Environment.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:20 Ms. Nicholson stated the markets have been very bad and the performance of the Plan's equity funds, like the market, has been disappointing. She explained this has been a period of extraordinary turmoil and volatility. Credit concerns and illiquidity in the market has really been hallmark of the current market environment. There has also been a lot of fear and questions in the market, which really adds to this vicious cycle. Thus far, the markets have not responded favorably to the government interaction and oversight that has been going on. Given how severe this crisis is, it would probably be unrealistic to expect the government's involvement to bring calmness and normalcy instantly to the market. The market was down significantly at the close of the third quarter. The first few days in October were some of the worse in history. The best protection against these types of market environments are having a diversified portfolio, having a long-term perspective, and having a disciplined approach.

Ms. Nicholson went on to discuss the Emergency Economic Stabilization Act of 2008, the volatility index, U.S. equity style results, sector returns in U.S. equity, historical U.S. stock returns, notable periods of stock market decline, international sector returns, volatile currency markets, historical non-U.S. stock returns, sector returns in fixed income, historical bond returns, difficulty timing market recovery, and the dangers of market timing.

Questions and comments ensued.

The Committee took no action regarding this informational report.

8. 08DC38 Third Quarter 2008 Performance Report from Ennis Knupp and Associates.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCES:

Laurel Nicholson, Ennis Knupp and Associates
Maritza Martinez, Ennis Knupp and Associates

SCHEDULED ITEMS (CONTINUED):

00:23 Ms. Martinez distributed a Preliminary Return Summary document (copy attached to original minutes). She provided the Committee with an update as it relates to the Second Quarter 2008 Performance Report (copy attached to original minutes). Areas of the report highlighted included the Market Environment (U.S. Market, International Market, and Bond Market), Fixed Income Funds, the investment outlook, and Ennis Knupp's view on current markets. She also discussed overall fund performance for Milwaukee County's Plan detailing the Northshore Savings Fund and the Stable Value Fund, which are the only two funds that had a positive return this quarter. Ms. Martinez stated the Plan, itself, actually benefited because approximately 45% of the Plan's total assets are in the Stable Value Fund.

Questions and comments ensued.

The Committee took no action regarding this informational report.

9. 08DC39 Annual Program Review from Ennis Knupp and Associates.

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:43 Ms. Nicholson provided the Committee with an overview of the Defined Contribution Program Review (copy attached to original minutes). She stated that overall, Ennis Knupp thinks the Plan offers a diversified set of investment fund options across asset types, investment styles, and the risk/return spectrum. When looking at overall Plan costs, Ennis Knupp believes they are reasonable if not competitive. She went on to state the Committee should continue to work with Great-West to set annual educational and communication goals. Areas to explore include automatic features to help participants prepare for retirement, adding a global equity fund to investment options, and replacing T. Rowe Price Personal Strategy Funds with custom asset allocation funds. She continued by highlighting the Plan's current circumstances, participation rates versus peers and historical transfers, automatic features, investment structure, the number of funds offered, the right investment structure, types of investment options, global equity, participant asset allocation, fees, cost structure, and investment management fees.

Questions and comments ensued.

41:56 Mr. Grady suggested Ennis Knupp investigate lower share classes with a report back to the Committee on the affect of revenue sharing. It was so ordered by the Chairman.

ACTION BY: (Grady) A search is to be done by Ennis Knupp for a target date retirement fund using an off-the-shelf product both active and index. 5-0

SCHEDULED ITEMS (CONTINUED):

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5
NOES: 0
EXCUSED: 0

10. 08DC40 Socially Responsible Fund Search Report from Ennis Knupp and Associates.

APPEARANCES:

Joe Marzano, Ennis Knupp and Associates
Laurel Nicholson, Ennis Knupp and Associates

00:53 Mr. Marzano stated Ennis Knupp has identified three funds that they feel are suitable for this search. Those funds are Calvert Asset Management Co. (Calvert Social Investment Fund Equity I), Dimensional Fund Advisors, Inc. (US Sustainability Core 1 Portfolio), and Parnassus Investments (Parnassus Equity Income Fund). Mr. Marzano explained the evaluation process used, which consisted of performance, product, and organization. Performance review included perceived skill, trading efficiency, management fees, and past performance. Product review included product fit and product importance. Organization review included ownership and other organizational factors. He described each fund in detail comparing the three by highlighting their differences and key points that should be considered.

Mr. Marzano wrapped up his presentation by reviewing the manager scoring summary and stated Dimensional Fund Advisors, Inc. scored the highest.

Questions and comments ensued.

44:05 The Chairman indicated the Committee will revisit this item next year for either the May or August meeting cycle.

The Committee took no action regarding this item.

11. 08DC41 From Ennis Knupp and Associates, memorandum regarding PIMCO.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:37 Ms. Nicholson previously discussed the retirement of PIMCO's CEO briefly by stating even though it represents a significant senior-level departure for PIMCO, Ennis and Knupp does not believe this should raise concerns. They believe the new CEO is a well qualified successor, is ready to assume the duties, and is highly regarded by his peers.

SCHEDULED ITEMS (CONTINUED):

Questions and comments ensued.

The Committee took no action regarding this informational report.

12. 08DC42 From Advised Assets Group, Third Quarter Stable Value Fund Report.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

00:16 The Chairman explained the Milwaukee County Stable Value Fund report dated September 30, 2008, (copy attached to original minutes) reviewing the rates and how they are being credited, the trend lines, and the going forward rate for the fourth quarter for the Stable Value Fund. He also discussed the safety of the Stable Value Fund.

The Committee took no action regarding this informational report.

13. 08DC43 From Ennis Knupp and Associates, Client Education Training Session.

APPEARANCE:

Laurel Nicholson, Ennis Knupp and Associates

00:07 Ms. Nicholson provided the Committee with a sample agenda of the client education sessions (copy attached to original minutes) that Ennis Knupp sponsors, which are usually held once a quarter. The next session is scheduled for January 14-15, 2009. Ms. Nicholson indicated it would be a pleasure to have the Committee travel to Chicago to attend.

ACTION BY: (Ceschin) Pre-approve and authorize Committee members to attend all quarterly education sessions for 2009. 5-0

AYES: Grady, Walker, Ceschin, Russell, and Cady (Chair) – 5

NOES: 0

EXCUSED: 0

14. 08DC44 Future regularly scheduled meetings of the Select Committee on Deferred Compensation:

- February 9, 2009
- May 18, 2009
- August 3, 2009
- November 16, 2009

(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

SCHEDULED ITEMS (CONTINUED):

00:02 The Chairman indicated that the next regularly scheduled meeting is February 9, 2009. The meeting schedule for 2009 is listed on the agenda and is subject to change. There may be a special meeting to review the record keeping contract, which should be finalized and available for review soon. It will also be forwarded to the County Board for approval.

This meeting was recorded. The foregoing items were not necessarily considered in agenda order. Committee files contain copies of the subject reports, communications, resolutions, and ordinances, which may be reviewed upon request to the Chief Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting, is available in the County Board Committee Services Division.

Length of meeting: 9:09 a.m. to 12:33 p.m.

Adjourned,

Jodi Kapp

Committee Clerk

Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Executive Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTY), upon receipt of this notice.