

Chairperson: Steve Cady, 278-4347
Clerk: Janelle M. Jensen, 278-4228

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, February 10, 2014 - 9:00 a.m.
Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Rick Ceschin, Jennifer Folliard, Matt Fortman, Mark Grady, and Steve Cady (Chair) 5
EXCUSED: 0

Mr. Cady advised the Committee that Kelly Solomon is no longer serving on the Select Committee on Deferred Compensation. Her replacement is Mr. Matt Fortman, Fiscal and Management Analyst III, Office of Performance, Strategy, and Budget, Department of Administrative Services. He has been appointed by Mr. Don Tyler, the Director of the Department of Administrative Services.

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 considering financial, medical, social or personal histories related to 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 Adjourn into Closed Session.

1. 14-DC1 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. 14-DC3 Financial Update on Administration of Milwaukee's County's Deferred Compensation Plan. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Steve Cady, Chairman

00:00:30 Mr. Cady relayed that there were 4,576 participants in the 4th Quarter and this is the highest mark since the 1st Quarter of 2012. He further indicated that

SCHEDULED ITEMS (CONTINUED):

\$172,243.37 was drawn down on the forfeiture fund. The administrative fee holiday was previously authorized by the Select Committee to extend through the end of 2014.

The Committee took no action on this informational report.

Item #s 3 and 4 were considered together

3. 14-DC4 From Great-West Financial, Fourth Quarter Report and Annual Plan Review. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Sue Oelke, Great-West Financial
Charmaine Martin, Great-West Financial

- 00:00:35 Ms. Oelke provided a summary of the 2013 Scorecard.
- 95% of In-Force accounts were met in 2012, and there was a 6.6% increase over the 2013 goal ending with 4,521 In-Force accounts.
 - Roll-In dollars coming into the plan are from back drops and this figure will continue to decrease this year.
 - Great-West Financial partnered with Employees Retirement System on retiree outreach efforts.
 - Participants are being informed of asset allocations and are being provided information on Target Date and Managed Account funds so they are aware of the alternatives.
 - Great-West Financial held 64 group meetings, serviced 1,512 plan participants through individual appointments, and conducted 45 New Employee Orientations.
 - There were 222 full distributions compared to 522 in 2012.
 - The number of participants without a beneficiary designation on file decreased to 642.
- 00:05:22 Mr. Cady inquired as to the next step in reaching out to plan participants that do not have beneficiary designations on file. He suggested that a formal letter from the Committee may be a consideration.
- 00:05:29 Ms. Oelke stated that Great-West Financial has disseminated information in newsletters each quarter, sent direct mailings, and staff is checking beneficiary designations during individual appointments. Great-West Financial staff committed to placing 50 direct calls per month, for a two-month period, and

SCHEDULED ITEMS (CONTINUED):

will provide a report detailing the success of the initiative.

00:09:08 Ms. Oelke asked the Committee for feedback and approval of the 2014 Strategic Plan and provided an overview of Employee and Participant Education encompassing the following four areas:

- Participation - Maintain 100% of 2013 In-Force accounts and adjust Roll-Ins to \$3 million from \$7 million (reduction due to decrease in backdrops). Enhancements include holding early morning seminars and continuation of new employee orientations.
- Asset Allocation - Improve understanding of Target Date Funds, increase number of distinct web users by 5%, and educate participants of possible fund changes. Enhancements include the mobile website, Target Date outreach, E-learning seminars, flyers and postcards, fund change meetings, and usage expansion of the Retirement Income Control Panel.
- Education - There are four themes that will be used throughout the year. The 1st Quarter will focus on Participation, 2nd Quarter on Asset Allocation, 3rd Quarter on Education, and 4th Quarter on Retention/Retiree Outreach. A focus will be placed on adult learners and group meetings. Enhancements include the mobile website, e-Learning seminars, and the National Save for Retirement Week campaign in October.
- Retiree Outreach - Maintain the same level of distributions, continuation of the partnership with Employees Retirement System in the Joint Retirement Workshops, and outreach to participants to increase the number of beneficiary designations.

00:18:18 Mr. Cady suggested that outreach efforts could be enhanced via the new Outlook Web Application email system to target specific segments of participants.

00:20:00 Mr. Grady inquired as to whether Great-West Financial gets a lot of questions on Roth versus Non-Roth from participants.

00:20:14 Ms. Martin relayed that Great-West Financial makes an ongoing effort to educate participants and distributes flyers that highlight the differences at enrollment seminars.

00:21:11 Ms. Oelke indicated that Ms. Martin is offering Tax Savers Credit training seminars and they have been very successful.

The Committee took no action on this informational report.

4. 14-DC5 From Great-West Financial, 2014 Strategic Marketing Plan and 2013 Scorecard.

SCHEDULED ITEMS (CONTINUED):

Item #s 3 and 4 were considered together.

ACTION BY: (Ceschin) A motion was made by Mr. Ceschin to approve the 2014 Strategic Marketing Plan. 5-0

AYES: Ceschin, Grady, Folliard, Fortman, and Cady (Chair) - 5

NOES: 0

5. 14-DC6 From Hewitt Ennis Knupp, Fourth Quarter Performance Report.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCES:

Laurel Nicholson, Hewitt Ennis Knupp and Associates

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:33 Ms. Nicholson provided background information on Hewitt Ennis Knupp and relayed that they have worked with the Select Committee on Deferred Compensation for the past 12 years.

00:01:52 Mr. Sapa indicated the 4th Quarter was very good due to the increase in consumer confidence. Quantitative Easing was reduced by \$10 billion and an additional \$10 billion was added to the reduction after the 1st of the year indicating that support from the Federal Reserve is scaling back.

The Gross Domestic Product was amended to 4.1% in the 3rd Quarter and the preliminary estimate for the 4th Quarter is 3.2%. The unemployment rate was at 10% in 2008/2009 and was reported at 6.7% in the last quarter and subsequently amended to 6.6%. Housing did well in the beginning of the year and sputtered during the second half of the year due to increased interest rates.

00:04:52 On the equities side, the Standard & Poors Index had a 10.5% increase over the quarter and was up 32.39% for the whole year. Large Cap growth outperformed all others on the domestic side of the market. Emerging markets saw a decrease of 2.6% for the year, but overall the 4th Quarter was solid.

00:09:37 Mr. Sapa indicated the Vanguard Target Retirement Funds are doing well and have low fees of 16 to 18 basis points. The Vanguard Index Funds are performing very well and across the board are low-cost with 4 to 12 basis points in expense ratios. He relayed that the North Shore Savings Fund is performing poorly and returns almost nothing but does have the Federal Deposit Insurance Corporation guarantee.

SCHEDULED ITEMS (CONTINUED):

There are 43.7% of total plan assets in the Stable Value Fund and it is performing extremely well.

The PIMCO Total Return Institutional Fund had a rough year when looking at percentile rankings, but when looking at the Barclay's Aggregate Index, it was only off .1% for the year. One of the Co-Chief Executive Officers resigned but will serve as a consultant.

The Washington Mutual Investors Fund has done fine, the T. Rowe Price Large Cap Growth Fund has had excellent percentile rankings, and the William Blair Mid Cap Growth Fund qualifies as fair and is currently on yellow status. Hewitt Ennis Knupp and Associates will keep a close eye on it.

00:19:40 Ms. Nicholson relayed that this is a highly reviewed fund and there is a lot of confidence in it.

00:20:59 Mr. Sapa shared that the Lord Abbett Developing Growth Fund had a rough quarter but has seen single digits across the board. There are some issues with the Heartland Value Institutional Fund. It is an average fund and did underperform the index slightly.

00:22:38 Ms. Nicholson stated that the Heartland Value Institutional Fund is flagged as red status. Hewitt Ennis Knupp will bring an in-depth review in May, and a decision on the action plan can be made at that time.

00:26:27 Mr. Sapa stated that the EuroPacific Growth Fund has done well.

The Committee took no action on this informational report.

6. 14-DC7 From Hewitt Ennis Knupp, a report on Treasury Inflation Protection Securities (TIPS).

APPEARANCES:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates
Laurel Nicholson, Hewitt Ennis Knupp and Associates

00:01:00 Mr. Sapa suggested that Treasury Inflation Protection Securities (TIPS) could be added to the plan to serve as a diversifier as participants are nearing retirement and are concerned with inflation. TIPS have an anticipated inflation rate of 2.3% built in and the percentage rate is fixed when the bond is issued.

00:06:11 Ms. Nicholson relayed that this report was provided as a follow up to the

SCHEDULED ITEMS (CONTINUED):

Program Review in November 2013. She recommended the addition of a TIPS fund to the plan. She further stated that this topic could be tabled and reviewed again next November.

00:13:43 Mr. Grady inquired whether it is more important to add a Global Equity Fund or a TIPS fund.

00:14:04 Ms. Nicholson opined that adding the TIPS fund is a higher priority. Hewitt Ennis Knupp has a research paper coming out on Defined Contribution Plans versus Defined Benefit Plans and will provide it for discussion and consideration.

00:23:11 Mr. Grady requested that Beta information be provided at the May meeting.

The Committee took no action on this informational report.

7. 14-DC8 From Advised Assets Group, Fourth Quarter Stable Value Fund report.
(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE:

Steve Cady, Chairman

Mr. Cady relayed that the credited rate is 2.30%, down from 2.45% in the 4th Quarter.

The Committee took no action on 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 deliberating the investing of public funds or conducting other specified business whenever competitive or bargaining reasons require closed session. The Committee may reconvene into open session to take whatever action(s) it may deem necessary on the said matter(s).

8. 14-DC9 Discussion of responses to recordkeeping Request for Proposals (RFP) including analysis by Hewitt Ennis Knupp.

APPEARANCE:

SCHEDULED ITEMS (CONTINUED):

Linda Boarman, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:40 Ms. Boarman introduced herself and provided a summary of the Vendor Oversight Process and explained that the goal was to find the best possible scenarios in the marketplace for participants in the 457(b) Plan.

The review focused on three different components: services, flexibility of investments, and fees.

Hewitt Ennis Knupp managed the Request for Proposals (RFP) process and put together an RFP that was published. They further provided review of services and fees, review of alternative investment option offerings, and are available to assist in the interview of finalists.

The RFP was published via E-notify, the Daily Reporter, various money management publications, and was posted to the County's procurement website on December 3, 2013. An overview document, lengthy questionnaire, preferred investment lineup list, and a list of minimum qualifications were also published.

Ms. Boarman provided the timeline of the process indicating it started in October, and bids were due in January. Finalist selections could be made in early March with a decision at the end of March.

00:07:24 Mr. Grady inquired on the total number of responses received.

00:07:26 Ms. Boarman relayed that six vendors met the minimum qualifications, and one did not due to the on-site representative requirement.

ACTION BY: (Grady) A motion was made by Mr. Grady to Adjourn into Closed Session to discuss Item #8. 5-0

AYES: Ceschin, Grady, Folliard, Fortman, and Cady (Chair) - 5
NOES: 0

The Committee was in Closed Session from 10:36 a.m. to 12:45 p.m. Upon reconvening in Open Session at 12:45 p.m., a roll call was taken and all Committee members were present.

00:00:17 Mr. Grady shared that Great-West Financial has thousands of County participants and has the ability to handle the current investments and do so with very competitive fees. On-site representatives are very helpful and half of participant assets are in the Stable Value Fund with Advised Assets Group, a wholly-owned subsidiary of Great-West Financial. He opined that he didn't feel

SCHEDULED ITEMS (CONTINUED):

there was a reason to change to a different vendor, and finalist interviews were not necessary because all information was included in the proposals that were received as part of the RFP.

ACTION BY: (Grady) A motion was made by Mr. Grady to issue a Notice of Intent to award the recordkeeping contract to Great-West Financial. 5-0

AYES: Ceschin, Grady, Folliard, Fortman, and Cady (Chair) - 5
NOES: 0

9. 14-DC2 Upcoming Regular Meeting Dates of the Select Committee on Deferred Compensation. **(INFORMATIONAL ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

- Monday, February 10, 2014
- Monday, May 5, 2014
- Monday, August 4, 2014
- Monday, November 24, 2014

APPEARANCE:

Steve Cady, Chairman

00:00:06 Mr. Cady reviewed future meeting dates with the Committee for planning purposes.

- Monday, May 5, 2014
- Monday, August 4, 2014
- Monday, November 24, 2014

The Committee took no action on this informational report.

The foregoing items were not necessarily considered in agenda order.

This meeting was recorded. Committee files contain copies of any subject reports and communications, which may be reviewed upon request to the Committee Clerk. The official copy of these minutes, along with the audio recording of this meeting are available in the Office of the Milwaukee County Clerk.

SCHEDULED ITEMS (CONTINUED):

Length of meeting: 9:07 a.m. to 12:52 p.m.

Adjourned,

Janelle M. Jensen

Chief Committee Clerk

Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 711 (TRS), upon receipt of this notice.

Chairperson: Steve Cady, 278-4347
Clerk: Janelle M. Jensen, 278-4228

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, May 5, 2014 - 9:00 a.m.
Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Rick Ceschin, Jennifer Folliard, Matt Fortman, Mark Grady, and Steve Cady (Chair) 5
EXCUSED: 0

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 considering financial, medical, social, or personal histories related to 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 Adjourn into Closed Session.

1. 14-DC1 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. 14-DC10 Financial and Meeting Process Update on Administration of Milwaukee County's Deferred Compensation Plan. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Steve Cady
Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:34 Mr. Cady relayed that there were 4,591 participants at the end of the last quarter and the Mutual Fund reallowance fee is generated mostly by the Stable Value Fund.

00:03:27 Mr. Sapa indicated that over the last 4-5 years there has been a move toward reducing or eliminating revenue sharing.

The Committee took no action on this informational report.

3. 14-DC11 From Great-West Financial, First Quarter Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Sue Oelke, Great-West Financial

Kathy Croak, Great-West Financial

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:29 Ms. Oelke provided a summary of the First Quarter Report.

00:11:39 Ms. Croak relayed that some Service Center Calls are not tracked.

00:15:32 Mr. Sapa inquired as to whether the software used takes pension benefits into consideration when planning for retirement.

00:17:35 Mr. Grady suggested that Automatic Enrollment be scheduled as a future topic.

The Committee took no action on this informational report.

4. 14-DC12 From Hewitt Ennis Knupp, First Quarter Performance Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

Jason Rotter, Consultant, Hewitt Ennis Knupp and Associates

00:00:41 Mr. Sapa provided an overview of the First Quarter Investment Review. He relayed that the Vanguard Mid Cap Index Fund is on yellow status for the first time, and the PIMCO Total Return Fund, William Blair Mid Cap Growth Fund, and Heartland Value Fund are also on yellow status but are still rated as "buy" with no recommended changes.

00:17:41 Mr. Rotter indicated that Hewitt Ennis Knupp (HEK) chose to keep the Heartland Value Fund on yellow status for another quarter and HEK will continue to monitor the status.

The Committee took no action on this informational report.

5. 14-DC13 From Hewitt Ennis Knupp, Heartland Value Fund Review. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Jason Rotter, Consultant, Hewitt Ennis Knupp and Associates
Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:23 Mr. Rotter briefed the Committee on Investment Basics and provided a review of the Heartland Value Fund which is currently rated a "hold."

00:04:20 Mr. Sapa commented on tracking error, standard deviation, alpha, and sharpe ratio.

The Committee took no action on this informational report.

6. 14-DC14 From Advised Assets Group, First Quarter Stable Value Fund Report.
(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCES:

Steve Cady
Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:20 Mr. Cady recapped the Stable Value Fund Quarterly Statement as of March 31, 2014, as listed on page 2 of the report. The annualized credited rate was 2.30% for both the 1st and 2nd Quarters.

00:02:12 Mr. Sapa commented on the market to book ratios and the newly implemented cash collateral restrictions.

The Committee took no action on this informational report.

7. 14-DC15 2014 National Association of Governmental Defined Contribution Administrators (NAGDCA) Training.

APPEARANCE:

Stephen Cady

00:00:17 Mr. Cady relayed that NAGDCA training will be held in September and trustees of the plan are authorized to attend with expenses being reimbursed.

ACTION BY: (Ceschin) A motion was made by Mr. Ceschin and seconded by Mr. Grady to authorize members of the Select Committee on Deferred Compensation to attend the 2014 National Association of Governmental Defined Contribution Administrators Training. 5-0

AYES: Ceschin, Grady, Folliard, Fortman, and Cady (Chair) - 5
NOES: 0

8. 14-DC2 Upcoming Regular Meeting Dates of the Select Committee on Deferred Compensation. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

- Monday, August 4, 2014
- Monday, November 24, 2014

APPEARANCE:

Steve Cady

00:00:20 Mr. Cady asked that Committee members review future meeting dates and notify him of any conflicts.

The Committee took no action on this informational report.

The foregoing items were not necessarily considered in agenda order.

This meeting was recorded. Committee files contain copies of any subject reports and communications, which may be reviewed upon request to the Committee Clerk. The official copy of these minutes, and the audio recording of this meeting are available in the Office of the Milwaukee County Clerk.

Length of meeting: 9:01 a.m. to 10:24 a.m.

Adjourned,

Janelle M. Jensen

Chief Committee Clerk
Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 711 (TRS), upon receipt of this notice.

Chairperson: Steve Cady, 278-4347
Coordinator: Janelle M. Jensen, 278-4228

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, August 4, 2014 - 9:00 a.m.
Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Rick Ceschin, Jennifer Folliard, Matt Fortman, Mark Grady, and Steve Cady
(Chair) 5

EXCUSED: 0

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 considering financial, medical, social, or personal histories related to 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 was in Closed Session from 9:02 a.m. to 9:28 a.m. Upon reconvening at 9:28 a.m., a roll call was taken and all Committee members were present.

ACTION BY: (Ceschin) A motion was made by Mr. Ceschin to Adjourn into Closed Session to discuss Item #1. 5-0

AYES: Ceschin, Folliard, Fortman, Grady, Cady (Chair) 5

NOES: 0

1. 14-DC1 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.

Appeal from Mr. Andre Gilliam.

This item was discussed in Closed Session.

Andre Gilliam, appeared and spoke regarding this item.

ACTION BY: (Grady) A motion was made by Mr. Grady to approve the appeal of Mr. Gilliam and grant the hardship withdrawal distribution request in a gross amount calculated by Great-West so that after taxes he will net the \$16,458 figure that is the estimate for the uninsured home repair. 5-0

SCHEDULED ITEMS (CONTINUED):

AYES: Ceschin, Folliard, Fortman, Grady, Cady (Chair) 5
NOES: 0



2. 14-DC16 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCE:

Darryl Collier, National Account Director, Great-West Financial

00:00:44 Chairman Cady relayed that there were 4,600 participants in the plan at the end of the quarter resulting in a record keeping fee of just under \$95,000 which is deducted from the forfeiture account. Revenue sharing fees were received in the amount of \$66,109 primarily due to the Stable Value fund, and additional expenses are well within the plan budget.

00:04:50 Mr. Grady inquired as to an appropriate lead time for the purpose of notifying members of the new record keeping fee.

The Committee took no action on this informational report.

3. 14-DC17 From Great-West Financial, Second Quarter Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Darryl Collier, National Account Director, Great-West Financial

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:02:29 Mr. Collier shared that beneficiary outreach is a national issue and Great-West will continue to try to reduce the number of participants without updated beneficiary designations on file.

00:07:48 Mr. Grady suggested that counsel appear in November to provide guidance on the beneficiary outreach issue. He inquired as to how many of the 525 participants without beneficiaries on file may have paper designations.

00:14:44 Mr. Grady requested that a report be provided in November addressing Roth versus Non-Roth enrollments in the Deferred Compensation Plan.

00:18:19 Mr. Collier relayed that a new Chief Executive Officer/President is leading Great-West Financial and the organization purchased the retirement services of JP Morgan.

The Committee took no action on this informational report.

SCHEDULED ITEMS (CONTINUED):

4. 14-DC18 From Great-West Financial, recommended participants and procedures to pay out “De Minimus” accounts as provided for in the In-Service Distribution (Section 10K) of the Milwaukee County Plan of Deferred Compensation.

APPEARANCES:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates
Darryl Collier, National Account Director, Great-West Financial

00:00:23 Chairman Cady indicated that the revised list provided by Mr. Collier contains 143 plan participants with balances of less than \$1,000, and no activity for the past 24 months.

ACTION BY: (Grady) A motion was made by Mr. Grady to initiate the “de minimus” procedures for the listing of participants provided by Great-West that have balances of less than \$1,000 and who have not contributed within the last 24 months to either force restart of contributions or pay-out said balances. 4-0

AYES: Folliard, Fortman, Grady, Cady (Chair) 4

NOES: 0

EXCUSED: Ceschin 1

5. 14-DC19 Approval of new Recordkeeping Contract with Great-West Financial.

APPEARANCE:

Darryl Collier, National Account Director, Great-West Financial

00:00:14 Chairman Cady relayed that the contract has been reviewed by counsel and there is general agreement. The per participant fee will be \$58.92, and managed account fees will be reduced by 25%.

00:03:02 Mr. Collier indicated the desire to move from quarterly payments to monthly payments. Monthly payments will be \$4.91 per participant.

ACTION BY: (Grady) A motion was made by Mr. Grady to approve the proposed contract with Great-West Financial. 4-0

AYES: Folliard, Fortman, Grady, Cady (Chair) 4

NOES: 0

EXCUSED: Ceschin 1

SCHEDULED ITEMS (CONTINUED):

Item #s 6 and 7 were considered together

6. 14-DC20 From Hewitt Ennis Knupp, Second Quarter Performance Report.
(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)

APPEARANCE:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:14 Mr. Sapa provided an overview of the Second Quarter Investment Review. He relayed that the Vanguard Target Retirement Income Fund, Vanguard Total Bond Market Index, and William Blair Mid Cap Growth (William Blair) funds are on yellow status on the watch list and William Blair will inevitably advance to red status in November.

00:20:43 Chairman Cady requested information on how William Blair fund competitors have performed over the last 2-3 years and whether they are still recommended by Hewitt Ennis Knupp. Mr. Sapa will provide the requested information at the November meeting.

00:23:32 Mr. Grady suggested that a final decision be made on William Blair in February 2015.

The Committee took no action on this informational report.

7. 14-DC21 From Hewitt Ennis Knupp, Investment Fund Monitoring Changes.

APPEARANCE:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:25:07 Mr. Sapa briefed the Committee on the proposed changes to the Watch List Criteria and advised that any changes will require an update to the Investment Policy Statement.

00:33:17 Chairman Cady indicated that the revised Investment Policy Statement including any additional recommended changes will be provided to the Committee in November as part of the annual Plan review.

ACTION BY: (Grady) A motion was made by Mr. Grady to approve the revised investment fund monitoring criteria for all funds. 4-0

AYES: Folliard, Fortman, Grady, Cady (Chair) 4

NOES: 0

EXCUSED: Ceschin 1

SCHEDULED ITEMS (CONTINUED):

Item #s 8 and 10 were considered together

8. 14-DC22 From Hewitt Ennis Knupp, Investment Share Class Analysis.

APPEARANCE:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:25 Mr. Sapa provided an overview of the Share Class fee analysis. He recommended changes to the Vanguard Total Bond Market Index and the Stable Value Fund by reducing revenue sharing, moving to the lowest cost share available, and charging a per participant fee.

ACTION BY: (Grady) A motion was made by Mr. Grady to move to the lowest share bond class as soon as practicable. 5-0

AYES: Folliard, Fortman, Grady, Cady (Chair) 5

NOES: 0

9. 14-DC23 From Hewitt Ennis Knupp, Investment Consultant services agreement extension.

APPEARANCE:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates

00:00:10 Chairman Cady relayed that the current agreement expires on November 1, 2014.

ACTION BY: (Grady) A motion was made by Mr. Grady to approve an extension with Hewitt Ennis Knupp for one year including the cost of living increase and fees through October 31, 2015. 5-0

AYES: Folliard, Fortman, Grady, Cady (Chair) 5

NOES: 0

10. 14-DC24 Discussion and development of a new plan Administrative Fee Structure and Revenue Sharing Policies.

APPEARANCES:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates
Darryl Collier, National Account Director, Great-West Financial

00:05:21 Mr. Sapa described present day best practices for Defined Contribution Plans.

SCHEDULED ITEMS (CONTINUED):

Future options include an equal per participant fee, an equal basis point fee, or a combination of the two.

00:35:40 Chairman Cady suggested that the Committee review model options, tiers, and fees so a reasonable and fair plan can be implemented and communications can be sent to participants advising of upcoming changes.

00:40:48 Mr. Grady requested a chart detailing how much money is in each of the plans. Mr. Cady will provide Committee members with the spreadsheet with personal information redacted.

The Committee took no action on this informational report.

11. 14-DC25 From Advised Assets Group, Second Quarter Stable Value Fund Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

APPEARANCES:

Glenn R. Sapa, Associate Partner, Hewitt Ennis Knupp and Associates
Darryl Collier, National Account Director, Great-West Financial

00:00:16 Chairman Cady provided the Stable Value Fund summary.

00:00:45 Mr. Grady inquired as to why the credited rate of 2.3% is not increasing. Mr. Sapa will check into whether it can be bumped up based on the crediting formula.

The Committee took no action on this informational report.

.....
12. 14-DC2 Upcoming Regular Meeting Dates of the Select Committee on Deferred Compensation. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

- November 24, 2014
- February 9, 2015
- May 4, 2015
- August 3, 2015
- November 16, 2015

00:00:16 Chairman Cady discussed future meeting dates.

The Committee took no action on this informational report.

SCHEDULED ITEMS (CONTINUED):

The foregoing items were not necessarily considered in agenda order.

This meeting was recorded. Committee files contain copies of any subject reports and communications, which may be reviewed upon request to the Committee Coordinator. The official copy of these minutes, and the audio recording of this meeting are available in the Office of the Milwaukee County Clerk.

Length of meeting: 9:00 a.m. to 12:02 p.m.

Adjourned,

Janelle M. Jensen

Senior Committee Coordinator
Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 711 (TRS), upon receipt of this notice.

Chairperson: Steve Cady, 278-4347
Coordinator: Janelle M. Jensen, 278-4228

SELECT COMMITTEE ON DEFERRED COMPENSATION

SPECIAL MEETING

Friday, October 31, 2014 - 8:30 a.m.
Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Jennifer Folliard, Mark Grady, Kerry Mitchell, Don Tyler, and Steve Cady (Chair) **5**
EXCUSED: **0**

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 considering financial, medical, social, or personal histories related to 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 was in Closed Session from 8:36 a.m. to 9:21 a.m. Upon reconvening at 9:21 a.m., a roll call was taken and all Committee members were present.

ACTION BY: (Folliard) A motion was made by Ms. Folliard to Adjourn into Closed Session to discuss Item #1. **5-0**

AYES: Folliard, Grady, Mitchell, Tyler, Cady (Chair) **5**
NOES: **0**

1. 14-DC1 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.

Appeal from Ms. Sherry Jackson

This item was discussed in Closed Session.

The following people appeared and spoke regarding this item:

Sherry Jackson

Sue Oelke, Client Relationship Director, Great West Financial

ACTION BY: (Folliard) A motion was made by Ms. Folliard to approve the appeal of Ms. Jackson and grant the

SCHEDULED ITEMS (CONTINUED):

hardship withdrawal distribution request in the amount of \$5,000 based on the unforeseen emergency related to her homestead. . Ms. Jackson will also be required to cease payroll deferrals to the Plan for 6 months, until on or after May 1, 2015. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, Cady (Chair) **5**
NOES: **0**

This meeting was recorded. Committee files contain copies of any subject reports and communications, which may be reviewed upon request to the Committee Coordinator. The official copy of these minutes, and the audio recording of this meeting are available in the Office of the Milwaukee County Clerk.

Length of meeting: 8:31 a.m. to 9:25 a.m.

Adjourned,

Janelle M. Jensen

Senior Committee Coordinator
Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 711 (TRS), upon receipt of this notice.

Chairperson: Steve Cady, 278-4347
Committee Coordinator: Janelle M. Jensen, 278-4228

SELECT COMMITTEE ON DEFERRED COMPENSATION

Monday, November 24, 2014 - 9:00 a.m.
Milwaukee County Courthouse - Room 203-P

MINUTES

PRESENT: Jennifer Folliard, Mark Grady, Kerry Mitchell, Don Tyler, and Steve Cady (Chair) **5**
EXCUSED: **0**

SCHEDULED ITEMS:

CLOSED SESSION: Item #1

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(f), for the purpose of the Committee considering financial, medical, social or personal histories or disciplinary data of specific persons, preliminary consideration of specific personnel problems or the investigation of charges against specific persons except where par. (b) applies which, if discussed in public, would be likely to have a substantial adverse effect upon the reputation of any person referred to in such histories or data, or involved in such problems or investigations in regards to the following matter(s). At the conclusion of the closed session, the Committee may reconvene into open session to take whatever action(s) it may deem necessary.

The Committee did not adjourn into Closed Session.

1. 14-DC1 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 requests for hardship withdrawals.

SCHEDULED ITEMS (CONTINUED):

.....
CLOSED SESSION: Item #2

The Committee may adjourn into closed session under the provisions of Wisconsin Statutes, Section 19.85(1)(g), for the purpose of the Committee receiving oral or written advice from legal counsel concerning strategy to be adopted with respect to pending or possible litigation with regard to the following matter(s). At the conclusion of the closed session, the Committee may reconvene in open session to take whatever actions it may deem necessary.

ACTION BY: (Grady) A motion was made by Mr. Grady to Adjourn into Closed Session to discuss Item #2. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, and Cady (Chair) - 5
NOES: 0

The Committee was in Closed Session from 9:04 a.m. to 9:34 a.m. Upon reconvening at 9:34 a.m., a roll call was taken and all Committee members were present.

2. 14-DC26 Discussion of Milwaukee County's Deferred Compensation Plan beneficiary recordkeeping policies and procedures as administered by Great-West Financial.

The following people appeared and spoke regarding this item:

Sue Oelke, Client Relationship Director, Great-West Financial
Darryl Collier, National Account Director, Great-West Financial
Attorney Ben Choice, Reinhart Boerner Van Deuren S.C.

ACTION BY: (Grady) A motion was made by Mr. Grady requesting that Great-West Financial electronically scan the paper forms for those individuals who do not have an electronic beneficiary designation and update their beneficiary designation to match the paper form. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, and Cady (Chair) - 5
NOES: 0

SCHEDULED ITEMS (CONTINUED):

3. 14-DC27 From Reinhart Boerner Van Deuren S.C., a proposed amendment to the Plan Governance document related to beneficiary designations.

Attorney Ben Choice, Reinhart Boerner Van Deuren S.C., appeared and spoke regarding this item.

ACTION BY: (Grady) A motion was made by Mr. Grady to adopt the proposed amendment from Reinhart Boerner Van Deuren S.C. to the beneficiary section of the Plan Governance document. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, and Cady (Chair) - 5
NOES: 0

4. 14-DC28 Financial Update on Administration of Milwaukee County's Deferred Compensation Plan. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

Darryl Collier, National Account Director, Great-West Financial, appeared and spoke regarding this item.

ACTION BY: (Grady) A motion was made by Mr. Grady to extend the Fee Holiday through the 2nd Quarter of 2015. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, and Cady (Chair) - 5
NOES: 0

5. 14-DC29 Discussion and development of a new plan Administrative Fee Structure and Revenue Sharing Policies.

The following people appeared and spoke regarding this item:
Glenn R. Sapa, Associate Partner, Hewitt EnnisKnupp and Associates
Darryl Collier, National Account Director, Great-West Financial
Sue Oelke, Client Relationship Director, Great-West Financial

The Committee took no action.

6. 14-DC30 From Hewitt EnnisKnupp, Third Quarter Performance Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

Glenn R. Sapa, Associate Partner, Hewitt EnnisKnupp and Associates, appeared and spoke regarding this item.

The Committee took no action on this informational report.

SCHEDULED ITEMS (CONTINUED):

7. 14-DC31 From Hewitt EnnisKnupp, Annual Program Review.

The following people appeared and spoke regarding this item:

Glenn R. Sapa, Associate Partner, Hewitt EnnisKnupp and Associates
Sue Oelke, Client Relationship Director, Great-West Financial
Darryl Collier, National Account Director, Great-West Financial

ACTION BY: (Grady) A motion was made by Mr. Grady to accept the recommended changes to the Investment Policy Statement and incorporate the changes on pages 51 and 55 as put forth by Hewitt EnnisKnupp. 5-0

AYES: Folliard, Grady, Mitchell, Tyler, and Cady (Chair) - 5

NOES: 0

8. 14-DC32 From Hewitt Ennis Knupp, PIMCO Fixed Income Update and potential bond alternatives.

Glenn R. Sapa, Associate Partner, Hewitt EnnisKnupp and Associates, appeared and spoke regarding this item.

The Committee took no action.

9. 14-DC33 From Great-West Financial, Third Quarter Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

Sue Oelke, Client Relationship Director, Great-West Financial, appeared and spoke regarding this item.

The Committee took no action on this informational report.

10. 14-DC34 From Advised Assets Group, Third Quarter Stable Value Fund Report. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

Glenn R. Sapa, Associate Partner, Hewitt EnnisKnupp and Associates, appeared and spoke regarding this item.

The Committee took no action on this informational report.

SCHEDULED ITEMS (CONTINUED):

11. 14-DC2 Upcoming Regular Meeting Dates of the Select Committee on Deferred Compensation. **(INFORMATIONAL ONLY UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

- Monday, February 9, 2015
- Monday, May 4, 2015
- Monday, August 3, 2015
- Monday, November 16, 2015

The Committee took no action on this informational report.

The foregoing items were not necessarily considered in agenda order.

This meeting was recorded. Committee files contain copies of any subject reports and communications, which may be reviewed upon request to the Committee Coordinator. The official copy of these minutes, and the audio recording of this meeting are available in the Office of the Milwaukee County Clerk.

Length of meeting: 9:00 a.m. to 12:31 p.m.

Adjourned,

Janelle M. Jensen

Senior Committee Coordinator
Select Committee on Deferred Compensation

ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 711 (TRS), upon receipt of this notice.