

DEFERRED COMPENSATION COMMITTEE MEETING MINUTES

April 18, 2017 – 9:00-10:30 a. m.

Portland Building – 2nd Floor, Room HR-1

Present: Cathy Bless
Jennifer Cooperman
Ken Rust

Administrative: Jeanine Keller
Jayson Davidson – Hyas Group

Absent: Ken McGair

Presenters: Bishop Bastien – Sr. VP Tax Exempt Markets – West Coast
Melinda Lewis – Voya Local Office Financial Planner
Shelley Fredricksen – West Coast Client Relationship Mgr

1. **WELCOME** – No additions/changes to the Agenda

2. **VOYA CITY OF PORTLAND PLAN REVIEW 2015**

- **Plan Review and Activity**

- Confirmed 2015 Appreciation/Depreciation results were negative due to the third quarter and negative financial activity in China. Still maintained a growth in assets with Plan assets recordkept with Voya exceeding five hundred million at year-end 2016.
- Voya accounts from 2015 to 2016 made a big jump (4,853 to 5,113) due to the ongoing use of EZ Enroll form and also online enrollments.
- Plan participation at year-end was 60.91%. Voya calculated the Plan's highest point during the calendar year as 61.82%. Voya also noted that one of their goals for their local representatives was to increase participation five percent between 2012 and 2016 which was met and exceeded (53% in 2012 to 61% in 2016)
- The number of new enrollments decreased from 2015 to 2016 (429 versus 397). Administrator will work with Voya local and home office to review discrepancy between City numbers and Voya numbers.
- Number of separated employees who had accounts with Voya increased in 2016 due to Voluntary Retirement incentive in mid-2016 and the increased number of Police/Fire retirements. Administrator will work with Voya to calculate net-growth in new enrollments vs. new hires vs. termed participants.
- In 2016 the Plan experienced an increase in the "under 30" age group (currently 42 percent of this age group participate vs. 39 percent in 2015)
- In 2016 total contributions increased by \$1.6 million (2016 total was \$24.7 million)

- Average annual deferrals continued to increase in 2016 (from \$6,454 in 2015 to \$6,846 in 2016)
 - Voya noted the City's Plan has an average Participant balance of \$101,616 which is well above Voya's benchmark of \$35,286.
 - The Plan experienced a utilization increase of 78% from 2015 for the 457 Roth option
 - Average participant balances continue to increase and on average are higher than Voya's benchmark and also other local jurisdictions.
 - Plan Diversification was reviewed. Very slight increase to 4.6 funds versus 4.5 funds in 2015
 - Melinda reviewed local reps' plan activity for 2016 and noted the continued increase in retirement questions. The EZ Enroll and the online option continue to give more time to reps for individual appointments.
 - Voya and the Committee reviewed the uncertainty in potential PERS legislation. The Committee discussed the importance of continuing education to employees on the value of their City-paid health and retirement benefits.
- **Plan Sponsor Web Enhancements**
 - Voya reviewed the Plan Sponsor website enhancements. The Committee discussed the benefits of making use of the new enhancements. Further review is required by Health and Financial Benefits management team.
 - Surveying employees was discussed to obtain information on Voya website usage and knowledge.
 - Overall goal is to help employees become more knowledgeable of the Plan and the resources available to them.
- **MyOrange Money Engagement**
 - Voya noted the online usage of myOrange money. It remains low in comparison to number of participants and employees. Voya and the Administrator will work on offering a Voya website session to employees.
 - Enhancements coming in 2017
 - Retirement Income Draw-down guidance
 - Personalized Statement Videos
 - Link Budgeting capabilities to myOrange money
- **2016 Marketing Outreach Efforts**
 - Completed roll-out of Testimonial Videos and permanent location of these videos at the custom website.
 - Conducted a "Step Closer" campaign to encourage those employees who are not participants to enroll. Approximately 37 employees newly enrolled during this campaign.
 - Conducted a "restart" campaign for those employees who have a current account but are not contributing. Efforts were not measured.
 - Introduction of live Webinars on various retirement topics

- Created a deferred comp website section for Committee and Plan activities
- **2017 Planned Marketing Campaigns**
 - June/July campaign to increase contributions
 - Voya will continue to offer live Webcasts and make prior ones available for viewing
 - National Retirement Security Week Oct 15-21, 2017 – Activities TBD based on Portland Building Remodel activities
 - Administrator and Voya will visit more Parks locations and make more information available to them at their worksites.
- Ken Rust presented a motion and Jennifer Cooperman seconded to accept the 2016 Voya Annual Report. Vote to accept was unanimous.
- Next Meeting – August 2017 Hyas Report
- Meeting adjourned