

DEFERRED COMPENSATION MANAGEMENT PLAN BOARD Meeting Minutes

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Deferred Compensation Plan Management Board and to the general public that the Deferred Compensation Plan Management Board will hold the following meeting virtually (remotely) using Microsoft Teams on:

Friday, November 22, 2024, at 9:00 A.M.

MEETING NOTE: Due to the impacts of the COVID-19 pandemic, which have prompted declarations of a public health emergency at the local, state and federal levels, this meeting will be conducted using measures to protect public health. This meeting will be held remotely through technological means, as permitted under Arizona law. The meeting will not include any items that will involve time set aside for public comments. The meeting will be recorded and posted to City Boards, Committees, and Commissions website for public review.

IN-PERSON ATTENDANCE BY MEMBERS OF THE PUBLIC WILL BE PROHIBITED.

PLEASE BE AWARE THAT THESE MEASURES ARE IN PLACE TO LIMIT THE NEED FOR MEMBERS OF THE PUBLIC TO PARTICIPATE IN LARGE PUBLIC GATHERINGS, WHILE ENSURING THAT THE DISCUSSIONS, DELIBERATIONS AND ACTIONS OF THE DC BOARD ARE TRANSPARENT AND CONDUCTED OPENLY.

For those individuals new to Microsoft Teams, please download the application and be ready when the meeting starts using the following information:

[Join the meeting now](#)

Meeting ID: 269 782 520 542

Passcode: YSAWN3

Dial in by phone

[+1 213-293-2303, 402101569#](#) United States, Los Angeles

[Find a local number](#)

Phone conference ID: 402 101 569#

For organizers: [Meeting options](#) | [Reset dial-in PIN](#)

A) Call to Order

Chairman Dennis Woodrich calls meeting to order at 9:01 a.m.

B) Approval of August 19, 2024, Regular Meeting Minutes*

Item moved to next meeting in February.

- C) Investment Performance Review and Discussion
 - 1. Q3 2024 Market Review
 - 2. Q2 2024 Investment Fund Line-up Performance Review
 - 3. IPS Review

**Motion to approve a renewal the Innovest portfolio solution made by Art Cuaron 2nd by Dennis Woodrich.
Motion passes 6-0.**

- D) Empower Plan Analytics Review and Report
 - 1. Q3 457 and 401 Plan Review
 - 2. In Plan Roth Conversions

Troy Jensen from Innovest began their Q3 2024 report with a review of Innovest's role and the historical decisions made by the Board to update new members. Troy followed with the Annual Fiduciary Education for the board, detailing the responsibilities and duties for members which include the duties of loyalty, prudence, diversification and following plan documents. Additionally, the Board is responsible to ensure that fees being paid to service providers are reasonable and necessary with Innovest's quarterly reporting process putting this on autopilot for the Board. Troy then addressed the Fee Review, the 457/401a asset allocation and finished with a review of the capital markets for Q3 2024, discussing the broad market's indexes, stock market performance during election years, interest rates, bonds and equity performance.

Gordon Tewell from Innovest then reviewed the Manager Scorecard for Q3, citing the qualitative and quantitative metrics used in addition of Culture being added as a new qualitative metric. Gordon cited minor concerns for 3 funds due to personnel changes, 1 fund for a small change to philosophy and process and 2 funds for performance. Innovest has no major concerns outside of these minor issues and has no recommendations other than for continued monitoring by Innovest. Gordon then highlighted several funds on the table of returns with overall performance for the City's menu being strong, with 3 and 5 year returns against their benchmarks and peers being the primary evaluation guidelines. Gordon asked the Board if they wanted to look at alternatives for the T. Rowe Price Growth Stock Fund and the Invesco Developing Markets. After discussion, the Board elected to follow Innovest's recommendation of continued monitoring of these two funds and make no changes.

Innovest concluded with a review of the Annual Investment Policy Statement, the Board unanimously voted to accept the Investment Policy Statement.

- E) Administrative Discussions
 - 1. Empower Contract Discussion

**Motion for the Board Engage to invest to do an RFI and report back results at the February 2025 meeting. Made by Art Cuaron and second by Jason Winsky.
Motion passes 6-0.**

- 2. 2025 Board Calendar

**Motion to approve 2025 Board calendar made by Art Cuaron and second by Terri Traaen.
Motion passes 6-0.**

3. Board Meeting Type – Virtual or In Person

**Motion to do hybrid board meetings if it's acceptable, and if it's not acceptable, then virtual for the next year made by Art Cuaron and second by Jason Winsky.
Motion passes 6-0.**

- F) For the Board's Consideration
1. How Financial Wellness Helps Boost Retirement Readiness
 2. Personalization Push Persists

Art made the following announcements:

Effective December 6th, 2024 Art Cuaron has Tendered resignation from board and Pete Saxton has been named as the interim pension and Treasury administrator and Pete will be assuming the responsibilities.

A special DC meeting in the next week or two must be scheduled once candidates are elected to place in ballots for board vacancies.

- G) Adjournment

**Motion to adjourn made by Rolf Averill 2nd by Art Cuaron.
Motion passes 5-0.**

Adjourned at 10:54am.

Members Remotely Present:

Dennis Woodrich, Elected Member
Jason Winsky, Contract Officer
Rolf Averill, Management Assistant
Art Cuaron, Pension & Benefits Administrator
Terri Traaen, Deputy Director of Human Resources
Aaron Williams, Deputy Director Controller

Staff Remotely Present:

Pete Saxton, TSRS Pension Manager
Angelica Cota, Pension & Benefits Assistant