

DEFERRED COMPENSATION PLAN MANAGEMENT BOARD MEETING MINUTES

DATE: Wednesday, April 6, 2016
TIME: 9:00 am
PLACE: 5th Floor - Finance Conference Room
255 West Alameda
Tucson, Arizona 85701

Members Present: Joe Barkenbush, Chair
Dennis Woodrich, Elected Member
Karen Tenace, Deputy Finance Director

Staff Present: Neil Galassi, Pension Administrator
Dmitriy Adamia, Administrative Assistant
Dawn Davis, Administrative Assistant

Guests Present: Ken Wedemeyer, ICMA-RC (via telephone)

Absent, Excused: Steve Postil, Elected Member
Rebecca Hill, Interim HR Director

A) Call to Order - Chairman Barkenbush called the meeting to order at 9:05 AM

B) Consent Agenda

1. Approval of the Restatement of the Governmental Money Purchase and Plan Trust Adoption Agreement.

Neil Galassi explained the Internal Revenue Service (IRS) requires a review of the Trust adoption agreement every five years to ensure compliance with current regulations. The regulatory changes have already been incorporated and there were no changes to the plan design. The Trust adoption agreement must be approved by the Board before it is submitted to the IRS.

Joe Barkenbush stated in section VI – Contribution Provisions, Number 4 – Employer Contributions, it states the employer needs to contribute bi-weekly; but the Board doesn't have an employer contribution portion for this plan.

Ken Wedemeyer responded that the employer contribution portion is based on the original plan document but that can be changed at this point in time.

Mr. Barkenbush elaborated the incentive program requires the Board to contribute \$50 per member on the initial signup, and asked if that was considered employer contribution or excess fees to the Board.

Mr. Wedemeyer responded this section only applies to the 401 plan not the 457 plan. That was the difference in the two plan options; additionally an employee has to start a 401 plan within their first 60 days of employment.

Mr. Barkenbush stated the Board allows loans against the 457 plan but not the 401k plan.

Mr. Wedemeyer confirmed that Board does allow loans on the 457 plan but not the 401 plan, and highly recommended keeping the lack of loans on this 401 plan.

Dennis Woodrich confirmed that the weekly employer contribution rate will be changed to not applicable in the agreement.

The Board decided section VI- Contribution Provisions, Number 4- Employer Contributions should be changed to not applicable.

Mr. Wedemeyer stated a management official may receive contributions from the City based on their employment contract, in that case the Board can create another 401 plan specifically for those management officials.

Mr. Galassi states that those particular situations are addressed on a case by case basis.

Mr. Woodrich asked on page 7 section XIII, why nothing has been checked in the final pay contribution. The document states the plan will pay one of two selected, but the document has non-applicable on both lines.

Mr. Galassi stated in the original plan adoption there was nothing checked or indicated and that the current document is mirrored of the original plan adoption.

Mr. Wedemeyer responded the non-applicable selected for numbers 1 and 2 would take care of anything above it, and there is nothing to add or adjust in the final pay contribution portion of the document.

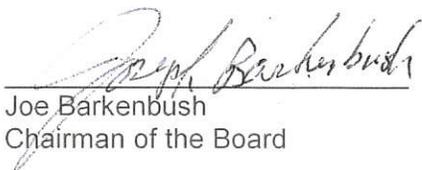
A motion to approve the Restatement of the Governmental Money Purchase and Plan Trust Adoption Agreement with amendment was made by Dennis Woodrich, 2nd by Karen Tenace, and passed by a vote of 3 – 0 (Steve Postil and Rebecca Hill absent/excused).

C) Call to Audience – None.

D) Adjournment

Meeting adjourned at 9:15 AM.

Approved:


Joe Barkenbush
Chairman of the Board

6-3-2016
Date


Neil Galassi, CPA
Pension Administrator

6/3/2016
Date