



**MINUTES FROM MEETING OF
THE DEFERRED COMPENSATION COMMITTEE
April 4, 2017**

A Meeting of the Deferred Compensation Committee (“DCC” or “Committee”) was held on April 4, 2017 at 9:00 AM in the Conference Room of the Office of the State Treasurer (“OST”) Located at 820 Silver Lake Blvd., Suite 100, Dover, DE 19904

Committee Members Represented or in Attendance:

Mr. Charles Campbell-King, Chair
The Honorable Ken Simpler, State Treasurer
The Honorable Trinidad Navarro, Insurance Commissioner
Secretary Richard J. Geisenberger, Department of Finance
Mr. Ralph Cetrulo, Public Member At-Large (Telephonically)
Mr. Edward Seibert, State Employee Member At-Large (Telephonically)
Mr. Robert Scoglietti (on behalf of Director Mike Jackson, Office of Management & Budget)

Others in Attendance:

Mr. Jason Staib, Deputy Attorney General
Ms. Jennifer Vaughn, Department of Insurance
Mr. Stuart Snyder, Department of Insurance
Ms. Nora Gonzalez, Deputy State Treasurer, OST
Mr. John Meyer, Director of Contributions and Plan Management, OST
Mr. Mike Green, Financial Investment Program Manager, OST
Mr. Daniel Kimmel, Financial Investment Program Manager, OST
Mr. Omar Masood, Policy Advisor, OST
Ms. Martha Sturtevant, Executive Assistant, OST - *Recorder*
Ms. Kasi Boyles, Voya Financial
Ms. Sarala Katta, Voya Financial
Ms. Natalie Daniels, Voya Financial
Ms. Warren Nagle, Voya Financial
Mr. Ed Townsend, Voya Financial
Mr. Jeff Snyder, Cammack Retirement Group
Mr. Tom Ferrara, Cammack Retirement Group
Ms. Marie Villeneuve, Cammack Retirement Group

CALLED TO ORDER

The meeting was called to order at 9:00 AM and introductions were made around the table.

APPROVAL OF THE MINUTES

A request was made to change Mr. Scoglietti’s title to “Acting Director.”

A MOTION was made by Mr. Seibert and Mr. Simpler to approve the Minutes of the January 18, 2017 DCC meeting with corrections.

MOTION ADOPTED UNANIMOUSLY

A MOTION was made by Mr. Seibert and Mr. Simpler to approve the Minutes of the February 15, 2017 committee meeting.

MOTION ADOPTED UNANIMOUSLY

DIRECTORS REPORT

Plan Sponsor of the Year

Mr. Meyer announced that Delaware was nominated as one of four finalists by Plan Sponsor Magazine for the Plan Sponsor of the Year. OST was present for the awards, but did not receive the award.

VOYA PRESENTATION

Goals

Voya presented an update on the strategic plan development. Voya reviewed the mission statement and three strategic goals to increase participation rate, retirement readiness of participants and investment return.

Voya discussed the proposed communication campaign. Voya detailed a plan to increase participation targeting newly eligible, new hire enrollments and eligible non-participating. Voya and OST Plan Managers have been actively meeting onsite with school districts, presenting at new employee orientations, business manager meetings and meeting with school administrators. They agreed that the ongoing presence has increased collaboration.

The Committee discussed strategic metrics and benchmarks and other ways to increase brand and program awareness and continued outreach to participants. There was a conversation regarding new hires, as well as promotions.

Voya discussed and compared participation rates between the Delaware Plan and comparable plans.

The Committee welcomed Cammack after reengaging for their services in January. Cammack will present to the Plans Management Board (PMB) on April 25, 2017.

Plan Summary

Voya updated the Committee on assets and contributions.

The Committee discussed and recommended changes to the Asset and Contribution Report (“dashboard”), including revisions to the dashboard to compare actual against targeted assets and contributions, reflect the 401(a) Plan assets separately, add market appreciation over time, provide stats on how many participants moved out of target date funds and include data on account consolidation.

Members discussed consolidating the 457(b) and the 401(a) Plans and agreed that it was unlikely that the match would be reinstated in the foreseeable future. There was a discussion that the Plans were not previously consolidated due to a concern that, if the match could be reinstated in the future, it may be cost prohibitive to restart the 401(a) Plan. The Committee directed OST to prepare options for consideration regarding the 401(a) Plan.

The Committee discussed 401(a) fees and the declining balances in the Plan. Concerns were expressed that without a match and no other way to contribute to the Plan, the service fees would erode the assets of the participants who remain in the plan.

The Committee expressed concerns with small asset/inactive accounts altering the data. Members suggested adding median program contribution data.

Voya suggested that the dashboard could be altered to reflect “Delaware quarters” based on meeting dates, rather than calendar year quarters, or could be reported monthly. The Committee queried this option along with moving DCC meeting dates and recalibrating the College Investment Committee (CIC) and PMB calendars.

Members asked Voya to define priorities, goals and metrics to help refine the dashboard.

Participant Engagement

Voya provided an update on participant engagement, including scheduled appointments with Voya advisors and onsite appointments with state agencies and school districts.

Sponsor Web: Plan Health

Voya demoed an online sponsor experience. The reporting reflected Voya assets, participation rates, benchmarks and data trends. Noting privacy rights, only outside asset data would not be included, but state pension data is pending legal review.

PUBLIC COMMENTS

No members of the public present for comment.

ADJOURNMENT

The next PMB meeting is scheduled for April 25, 2017 and the next DCC meeting is July 6, 2017.

A MOTION was made by Mr. Scoglietti and seconded by Mr. Seibert to adjourn the meeting at 10:22 AM.
MOTION ADOPTED UNANIMOUSLY

Respectfully submitted,

Charles Campbell-King
Chair, Deferred Compensation Committee

Martha Sturtevant
OST, Executive Assistant to the State Treasurer - *Recorder*