



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Approved DEFERRED COMPENSATION COMMITTEE

Wednesday, December 19, 2012

12:30 PM

Room 501, Human Resources Conference Rm
CCB, 210 Martin Luther King Jr. Blvd.

CALL TO ORDER / ROLL CALL

Others present: Mark Hanson
The Capital Group @ Lincoln Financial Advisors - Mark Strassburger and
Carrie Waters-Schmidt
Alliance Benefit Group - John Blossom and Linda Blossom

Brad Wirtz called the meeting to order at 12:30 p.m.

Present: 5 -

Brad Wirtz; David Schmiedicke; Carolyn Hogg; Lucia Nunez and Brad
Murphy

Excused: 2 -

David M. Gawenda and Mike Lipski

PUBLIC COMMENT

No Public Comment.

DISCLOSURES AND RECUSALS

No recusals or disclosures.

NEW BUSINESS

1 [28628](#)

Review of 457 Plan trends and investments as of 3rd Quarter 2012.

Fund Review—Fund Performance information was presented by John Blossom based on attachment titled “CMD QMR – MetLife-Portfol Perform 3Q2012.pdf”. Information on returns was based on performance through September 30, 2012 (Quarter 3) and 1 year returns were based on performance from October 1, 2011-September 30, 2012.

The Committee reviewed funds against the criteria outlined in the Investment Policy Statement (IPS). Any fund that missed on a number of the criteria outlined in the IPS was given greater review by the Committee and are discussed below:

Eaton Vance Dividend Builder Fund: This fund was placed under scrutiny in December, 2011, and continued under scrutiny in June, 2012. Performance continues to lag.

Brad Wirtz moved to keep this fund under scrutiny. Brad Murphy seconded. The motion passed by voice vote/other.

Goldman Sachs Mid-Cap Value: Fund placed under scrutiny in June, 2012. Performance continues to be subpar for the 1 year returns. However, the Q3 performance for the 3 and 5 year performance improved.

Brad Murphy moved to keep this fund under scrutiny. Lucia Nunez seconded. The motion passed by voice vote/other.

Black Rock US Opportunities Fund: This fund was placed on the Watchlist at the June 2012 meeting. It continues to have subpar performance in 1 and 3 year returns. However its 5 year returns are acceptable. In addition, the fund is expensive compared to its peers.

Brad Wirtz moved to keep this fund on the watchlist with the expectations that replacement funds will be presented at our next review meeting. Brad Murphy seconded. The motion passed by voice vote/other.

Black Rock Inflation Protected Bond Fund: This fund was placed under scrutiny in June 2012. The fund continues to have subpar performance. However, performance in Q3 was acceptable.

Lucia Nunez moved to continue this fund under scrutiny. Brad Murphy seconded. The motion passed by voice vote/other.

The remaining funds had adequate performance, including those identified at the previous meeting as failing to meet benchmarks.

Brad Wirtz left the meeting at 1:15 p.m. and Mike Lipski joined the meeting at 1:15 p.m.

Present: 5 -

David Schmiedicke; Carolyn Hogg; Mike Lipski; Lucia Nunez and Brad Murphy

Excused: 2 -

Brad Wirtz and David M. Gawenda

- 2 [27772](#) Discussion and action on the ABG Investment Consulting Advisory Agreement.

Carolyn Hogg raised 2 issues with the proposed agreements. ABG agreed to elimination of expense language. Carolyn raised concerns about services in the appendices. Mike Lipski moved to allow Carolyn to proceed with the changes outlined by her and ABG. Lucia Nunez seconded. The motion passed by voice vote/other.

DISCUSSION ITEMS

Activities Report: Mark Strassburger went over the activities report, outlining the visits with City departments in 2012. The Capital Group @ Lincoln Financial Advisors met with 177 participants on-site in Quarters 2 and 3 of 2012, and an additional 45 employees at the LFA office.

Post Plan-Document process. No discussion at this meeting.

Brad Murphy indicated he was resigning from the DCC immediately due to his impending retirement.

ADJOURNMENT

A motion was made by Murphy, seconded by Hogg, to adjourn. The motion passed by voice vote/other