

## **Benefit Coordinating Committee**

### **August 23, 2018**

Attendance – Benefits Amy Barczak and Darlene Ganger, Nationwide – Andee Gravitt and Jim Keeler, Innovest – Gordon Tewell and Paul Nacario, City of Scottsdale – Jim Thompson, Donna Brown, Katie Callaway, Kelly Corsette, Joyce Gilbride, Chris Hall, Ana Lia Johnson, Bill Murphy, Jeff Nichols, Eric Valliere, Dan Worth.

- 1) Innovest will review fiduciary responsibilities and education for the group along with an investment analysis and portfolio review. All the materials were emailed on Monday and hard copies will be available at the meeting.

Innovest went through a couple of presentations introducing the fiduciary responsibilities for the group and the plan and how Innovest performed analysis on the investments.

The BCC must act in the best interest of the plan;

Duty of loyalty (exclusive benefit rule) – trustees must administer the trust solely in the interest of the beneficiaries (employees)

Duty of Prudence – trustees shall and invest and manager trust assets as a prudent investor would by considering the purposes, terms, distribution requirements and other circumstances of the trust. In satisfying this standard the trustee shall exercise reasonable care, skill and caution.

Expert assistance – DOL states that if fiduciaries are not qualified to fulfill their duties are legally required to seek assistance from competent sources (consultant)

As fiduciaries, we need to engage service providers to execute decisions – Innovest is a fee only firm and does not make any commissions, so no conflict of interest. Innovest meets with the various fund managers via a questionnaire, in a timely fashion and meets and approves funds; they score every fund based on their organization, people, philosophy, style, consistency, asset base, performance, expenses and overall. They will continue to monitor the funds and provide us education and meet quarterly.

- 2) Monthly Report – according to budget, plan year ended pretty even, we were budgeted for \$30.5 mil and we spent \$30.1 mil. Hays and Financial Services are close, but with timing issues they don't match up 100%. Current month medical is running at 102% and dental at 103% - pretty typical with back to school appointments.
- 3) TBAC – discussed a new program, Omada, which targets pre-diabetics. Will discuss more with TBAC next month and then bring a recommendation to committee.