



TAHOE FOREST HOSPITAL DISTRICT

2016-07-20 Board Personnel Committee Meeting

Wednesday, July 20, 2016 at 4:30pm

Tahoe Conference Room - Tahoe Forest Hospital

10054 Pine Avenue, Truckee, CA 96161

Meeting Book - 2016-07-20 Board Personnel Committee Meeting

7/20/16 Personnel Committee

AGENDA

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ITEMS 1 - 4: See Agenda

5. APPROVAL OF MINUTES

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ITEMS 6 - 10: See Agenda



PERSONNEL COMMITTEE AGENDA

Wednesday, July 20, 2016 at 4:30 p.m.
Tahoe Conference Room, Tahoe Forest Hospital
10054 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL

Charles Zipkin, M.D., Chair; Dale Chamblin, Board Member

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

4. INPUT – AUDIENCE

This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES OF: 5/12/2016..... ATTACHMENT

6. CLOSED SESSION

6.1. Approval of Closed Session Minutes: 5/12/16 ATTACHMENT

6.2. Conference with Labor Negotiator (Gov. Code § 54957.6)

Agency Negotiator to Attend Closed Session: Jayne O’Flanagan

Employee Organization: Employee Association (Licensed) and Employee Association (Non-Licensed)

7. OPEN SESSION

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. NEXT MEETING DATE

Personnel Committee will discuss its next meeting date.

10. ADJOURN

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.

**PERSONNEL COMMITTEE-
RETIREMENT SUBCOMMITTEE
DRAFT MINUTES**

Thursday, May 12, 2016 at 10:00 a.m.
Tahoe Conference Room, Tahoe Forest Hospital
10054 Pine Avenue, Truckee, CA

1. CALL TO ORDER

Meeting was called to order at 10:00 a.m.

2. ROLL CALL

Board: Charles Zipkin, M.D., Chair; Dale Chamblin, Board Member

Staff: Harry Weis, CEO; Crystal Betts, CFO; Jayne O’Flanagan, Chief Human Resources Officer; Alex MacLennan, Human Resources Director; Juan Abarca-Sancez, Employee Association - Professional representative; Chris Shearin, Employee Association representative; Martina Rochefort, Clerk of the Board

Other: Brian Montanez, Multnomah Group; Sarah Kelly, Fidelity Investments

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT – AUDIENCE

No public comment was received.

5. APPROVAL OF MINUTES OF: 2/11/2016

Director Chamblin moved approval of the Personnel Committee minutes of February 11, 2016, seconded by Director Zipkin.

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Multnomah Group Retirement Plan Review

6.1.1. Investment and Investment Menu Review

Brian Montanez of The Multnomah Group reviewed the First Quarter 2016 Investment Review.

Mr. Montanez gave a quick Capital Markets overview. Capital Markets are neutral at this time.

Effective May 23, 2016, Fidelity Investments will make the following changes:

- Invesco Diversified Dividend Fund and Vanguard FTSE Social Index will be added as new investments.
- Domini Social Equity, Fidelity Equity Income, Morgan Stanley Institutional Fund and Vanguard Selected Value Fund will be removed.

No new funds were added to the watch list or recommended for removal.

6.1.2. Plan Asset Review

Mr. Montanez reviewed the Plan Asset Summary for the TFHD 457 Deferred Compensation Plan. He

highlighted all funds are performing in the top third or better in their categories.

Mr. Montanez reviewed the Plan Asset Summary for the TFHD Money Purchase Pension Plan. As of March 31, 2016, the total amount of assets in the plan was \$30,915,009.82.

Mr. Montanez stated he feels content with the current fund investments.

6.1.3. Home Loan Discussion

Last April, the IRS announced they were going to closely watch plan home loans as the administration of them are not being done correctly.

Employees have the option to take two loans from their retirement accounts: General Purpose and Home Loans for the purchase of a primary residence.

Currently, there are 6 home loans across the plans. A change in the District's policy would not affect those who currently have home loans.

The District has two options: The administration of home loans can be brought back in house or can be removed as an option for employees all together.

A loan without proper documentation could be deemed as an administrative failure. Employees would be charged as taking a distribution.

Discussion was held on the burden of the District if an employee does not prove the money was taken for the purchase of a home.

Director Zipkin made a motion to table the discussion to a future meeting. The Personnel Committee would like to find out what the administrative burden is before making a decision.

6.1.4. In-Service Distributions

The District does not currently offer In-Service Distributions. With an In-Service Distribution, an employee (over age 59 ½) close to retirement could have the option to take a distribution. The distribution could be moved to another qualified plan or would be taxable.

In-Service Distribution gives the employee flexibility with their retirement.

A simple amendment to the District's current plan documents will be drafted.

6.2. Fidelity Investments Annual Retirement Plan Review & Communication Plan

Fidelity Investments will provide the subcommittee with an update on 2015 insights and outcomes and the Annual Communication Plan.

Sarah Kelly of Fidelity Investments reviewed the following highlights of both plans for 2015:

- 83% of active plan participants are contributing to their plans.
- The average total savings rate is 12.1%. (Fidelity recommends 15%.)
- 69% of participants are using age-based asset allocation.
- 55% of active participants contacted Fidelity via phone or online.

- 13% of those that contacted Fidelity had guidance usage and 44% of those that received guidance took action to change/update their plan.
- 14% of participants have loans outstanding (Peer group is also 14%).
- 7% have initiated new loans and no hardship loans have been initiated.
- 4% of new participants utilized EasyEnroll.
- Of those using EasyEnroll, the average election was 10% and 100% also enrolled in the annual increase program.

35% of plan participants are deferring at the auto enrollment default rate.

After Fidelity's Plan For Life campaign, 23 participants increased their contribution.

David is the Fidelity onsite rep and is usually booked solid when he comes on site.

83% of active participants with a balance are contributing to the plan. This is higher than the peer average of 80%. 96% of first year employees are contributing.

Brian Montanez, Sarah Kelly, Chris Shearin, and Juan Abarca-Sanchez departed the meeting at 11:09 a.m.

Open Session recessed at 11:09 a.m.

7. CLOSED SESSION

7.1. Conference with Labor Negotiator (Gov. Code § 54957.6)

Agency Negotiator to Attend Closed Session: Jayne O'Flanagan

Employee Organization: Employee Association (Licensed) and Employee Association (Non-Licensed)

Discussion was held on a privileged matter.

8. OPEN SESSION

Open Session reconvened at 11:36 a.m.

9. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

No discussion was held.

10. NEXT MEETING DATE

No discussion was held.

11. ADJOURN

Meeting adjourned at 11:38 a.m.