



## PENSION & BENEFITS QUARTERLY

### Field Trip: Recology City Tour

Another successful member field trip! On one of the most beautiful San Francisco Fall days, a fun group of WP&BC members joined Mark Lomele, Executive Vice President and CFO of Recology Waste Zero to tour the city... On a garbage truck. One of the coolest and oldest trucks around.

Originally used in the 1920's, this authentically refurbished transportation of fun provided one of the coolest ways to see a few San Francisco neighborhoods. We cruised out of the congestion of downtown and headed to the Wharf where we took in all the sights and sounds Pier 39 offers locals and visitors alike.

Bypassing the temptation to eat and drink our way to the end, we were cheerfully greeted by the locals – the seals and sea lions. They made it abundantly clear who was boss of the pier.

Mark was a fabulous host and guide sharing all he could about the many environmental issues and the company



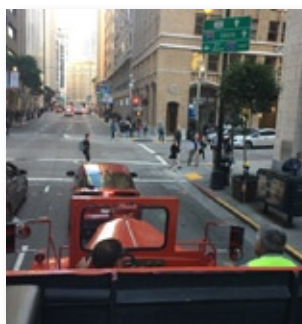
itself, including its primary mission to get waste down to zero – meaning we aspire to reach a near 100% rate of recycling our waste. We learned for now we will only get to about 99.9% of that goal. The hold out? Diapers! Who knew? Well, we all do now. We also learned that one driver can care for 600 homes a day in need of pickups; in less congested areas, a driver can double that service!

As we made our way back to our drop off point via North Beach and parts of Chinatown, we were reminded about how amazing our fine city really is.

The last stop was a fine local watering hole that looked in need of some business.

Thank you Jenifer McDonald for the donation – Jenifer won this “tour” and gifted us an amazing day as part of our Field Trip member perks. As always, the afternoon afforded a small but cheerful group of members to connect personally and professionally.

Be on the lookout for more in 2017!



#### IN THE WINTER 2016 ISSUE:

Field Trip - Recology - page 1

President's Letter - page 2

Quarterly Regulatory Updates - page 3

September Meeting Recap - page 8

November Meeting Recap - page 9

Upcoming Meetings - page 10

Chapter Sponsors - page 11

Member Updates and Chapter Information - page 12



# President's Letter



- Be the change you want in the world.
- Change is inevitable, progress is optional.
- Be willing to change because life won't stay the same.
- If you can't change your mind, you're not using it.

As I sit once again and pen (ok type) some words to paper, I hope I am able to craft a meaningful message to our great membership. There are so many aspects to our world that are far more important than me, our fine Chapter, and our daily work. World peace. Cures for deadly diseases. Saving the environment. However, what we do as an industry does in fact have significant meaning. Quite a lot in fact. And in order for us to continue to be meaningful in what we do, we, too, need to change. Progress. Adapt. The regulatory environment often dictates the change we face and adapt to. But does that have to be the case? Even with no new guidance or regulation we are always free to develop creative solutions and think outside any box we or our clients put ourselves in. We have a voice – and choice – about how we approach client service issues—new or old. I know this to be true because of the partnerships I personally see with my clients and many other industry professionals.

If you came to our Winter programs, you heard a few examples of industry leaders taking on change. In one instance, change was a direct response to regulatory and industry mandated change. We heard at the November meeting from three key professionals about how the State of California is hard at work trying to close the retirement coverage gap. Improving access for all workers to a workplace retirement plan is an industry focused area for change. In September, we heard from Cisco Systems about how they are working diligently to make their employees productive, happy, successful, and perhaps “stress free.” The concept of employees being financially well makes for better employees, a thriving company or entity, and perhaps a better world around all of us as we become less stressed! This change comes at the helm of employers being the best corporate citizens they can be, by choice.

Change, forced or desired, often stresses people out. We can't stop the new year from coming. January 1, 2017, will most definitely bring change. A new political climate and Presidential Administration will almost certainly keep us all on our toes. Will the ACA be “fixed” or repealed? Will

the fiduciary rule be undone? Will the market crash or soar? I don't know. I wish I did, especially the part about market performance! But if we all knew what to expect, life may get too boring and settled. So, perhaps change is good in light of uncertainty? I am privileged to know many dedicated industry professionals committed to shaping the future of the benefits industry, no matter what the landscape for change is.

I for one am looking forward to a new year. A new adventure. We should all celebrate the success our industry has brought in 2016.

- Lower fees. More plans.
- Better benefits.
- More healthcare for all.

We tend to focus on what is still on the TO DO list and not take the proper time to celebrate our accomplishments. So, I challenge you as you resolve your way into a new year - take the time to reflect on what you accomplished, what it means to you, and especially what it may mean to others. We will continue to get better by continuing to engage in open, honest dialogue about issues and proposed solutions. We are all tasked with some onerous and important jobs that impact millions of Americans (maybe all?).

- Social security.
- Medicare.
- Medicaid.
- Healthcare.
- Retirement.

Let's celebrate our success and continue to work even harder for respectable solutions for as many hard working Americans as possible.

In closing, you change your life by changing your heart – and changed hearts lead to a better world!

All the best to you for wonderful holidays, cheers to 2016, and welcome 2017!

**Tina Alexander Chambers**  
*tchambers@sageviewadvisory.com*







## Qualified Pension Plans

**2017 Cost-of-Living-Adjustments:** In Notice 2016-62, the Internal Revenue Service (IRS) announced the cost-of-living adjustments to the dollar limits on a wide variety of tax-favored benefits that will take effect in 2017.

Key 2017 adjustments for plans are:

- The contribution limitation for defined contribution plans under Internal Revenue Code (Code) section 415(c)(1)(A) is increased from \$53,000 to \$54,000.
- The defined benefit plan annual benefit limitation under Code section 415(b)(1)(A) is increased from \$210,000 to \$215,000. For a participant who separated from service before January 1, 2017, the limitation under Code section 415(b)(1)(B) is computed by multiplying the participant's compensation limitation, as adjusted through 2016, by 1.0112.
- The annual compensation limit under Code sections 401(a)(17), 404(l), 408(k)(3)(C), and 408(k)(6)(D)(ii) is increased from \$265,000 to \$270,000.
- The dollar threshold under Code section 416(i)(1)(A)(i) in determining whether an officer is a key employee under the top-heavy rules is increased from \$170,000 to \$175,000.
- The dollar amount under Code section 409(o)(1)(C)(ii) for determining the maximum account balance in an employee stock ownership plan subject to a 5-year distribution period is increased from \$1,070,000 to \$1,080,000, while the dollar amount used to determine the lengthening of the 5-year distribution period is increased from \$210,000 to \$215,000.
- The dollar amount under Code section 430(c)(7)(D)(i)(II) used to determine excess employee compensation with respect to a single-employer defined benefit pension plan for which the special election under Code section 430(c)(2)(D) has been made is increased from \$1,106,000 to \$1,115,000.

The following limitations will remain at their 2016 levels for 2017:

- The elective deferral exclusion limitation under Code section 402(g)(1) (for elective deferrals under Code section 401(k), 403(b) and 457(b) arrangements) remains at \$18,000.

- The dollar limitation under Code section 414(v)(2)(B)(i) for "catch-up contributions" for individuals age 50 and over remains at \$6,000.
- The limitation used in the definition of highly compensated employee under Code section 414(q)(1)(B) remains at \$120,000.
- The elective deferral limitation under Code section 408(p)(2)(E) for SIMPLE retirement accounts remains at \$12,500.
- The dollar limitation under Code section 414(v)(2)(B)(ii) for "catch-up contributions" to SIMPLE retirement plans for individuals age 50 and over remains at \$3,000.
- The compensation amount under Code section 408(k)(2)(C) applicable to simplified employee pensions (SEP IRAs) remains at \$600.
- The limit on annual contributions to an IRA remains at \$5,500. (The additional "catch-up contribution" limit for individuals age 50 and over is not subject to an annual cost-of-living adjustment and remains at \$1,000.)
- The threshold used to determine whether a multiemployer plan is a systemically important plan under Code section 432(e)(9)(H)(v)(III)(aa) remains at \$1,012,000,000.

Notice 2016-62 also lists the adjusted gross income limitations applicable in 2017 under Code section 25B(b) for determining the retirement savings contribution credit, the applicable dollar amount under Code section 219(g)(3) for determining the deductible amount of an IRA contribution, and under Code section 408A(c)(3)(B)(ii)(I) for determining the maximum Roth IRA contribution amount.

<https://www.irs.gov/pub/irs-drop/n-16-62.pdf>

**Increase in Social Security Wage Base:** The Social Security Administration (SSA) announced that the maximum amount of wages in 2017 subject to the 6.2% Social Security tax (old age, survivor, and disability insurance) will rise from \$118,500 to \$127,200.

**EPCRS Update:** On October 17, 2016, the IRS issued Revenue Procedure (Rev. Proc.) 2016-51, which updated the IRS's Employee Plans Compliance Resolution System (EPCRS), the comprehensive system of programs to correct compliance failures of tax-qualified plans, tax-sheltered annuities, SEP IRAs

*continued on page 4*



# QUARTERLY LEGISLATIVE & REGULATORY UPDATE

(continued from page 3)



and SIMPLE IRAs. The Rev. Proc. incorporates the correction provisions contained in recent IRS guidance, modifies conditions for relief under the Self-Correction Program (SCP) and Voluntary Correction Program (VCP) as a result of changes to the IRS determination letter program announced in Rev. Proc. 2016-37, clarifies certain aspects of the program, and makes substantive changes as well.

The modifications Rev. Proc. 2016-51 makes to Rev. Proc. 2013-51, which contained the prior version of EPCRS, include:

- Incorporating the revisions to EPCRS made by Rev. Proc. 2015-27, which, depending on the facts and circumstances, permits correction of overpayments to participants or beneficiaries without demanding repayment and which allows self-correction of repeated excess annual additions as long as elective deferrals are returned to affected employees within nine and one-half months after the end of the limitation year.
- Incorporating Rev. Proc. 2015-28's alternative safe harbor correction methods for elective deferral failures under a 401(k) plan or a 403(b) plan (for example, failure to correctly implement a plan's automatic contribution or automatic escalation feature, or an improper exclusion of an eligible employee).
- Deleting references to the use of the Social Security letter forwarding program for locating missing participants and beneficiaries (because the SSA has announced that that program is no longer available for this purpose).
- Providing that SCP will be available for an individually designed plan even if its most recent determination letter is not current.
- Deleting the requirement of including a determination letter application as part of a VCP submission for correction by a plan amendment.
- Providing that determination letter applications may no longer be submitted with VCP submissions.
- Removing the VCP user fee schedule from EPCRS, as the IRS will announce the year's VCP user fees in its annual Rev. Proc. on IRS user fees.

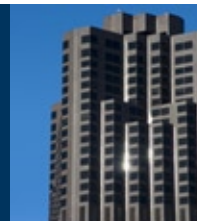
- Providing that for Audit Closing Agreement Program (Audit CAP) corrections, the negotiated sanctions will no longer be an amount based on the maximum amount of taxes that would result from disqualification, but instead will be determined based on a non-exclusive list of facts and circumstances (and generally will not be less than the VCP user fee).
- Granting the IRS the right to impose sanctions for VCP submissions in excess of the VCP user fee for "egregious" failures (such as where the parties controlling the plan recognized that a failure involving a substantial number of participants or beneficiaries or predominantly highly compensated employees would occur).
- Eliminating the 50% refund of the user fee that was previously provided in the case of an anonymous VCP submission that fails to reach resolution.
- Clarifying that the correction of interim amendment and non-amender failures through VCP must be made by the date of submission and that corrective plan amendments required as part of a VCP submission must be adopted no later than 150 days after the date of the compliance statement (with special correction timing rules for governmental plans).
- Granting the IRS discretion to waive the user fee for a terminating orphan plan.
- Clarifying that VCP compliance statements and Audit CAP closing agreements do not constitute determinations that a plan is qualified in form or operation, but only that the plan amendment (if any) has been timely adopted or that the specific operational failure has been corrected.
- Announcing that the VCP application forms will be provided on the IRS website, rather than as an appendix to the Revenue Procedure.

<https://www.irs.gov/pub/irs-drop/rp-16-51.pdf>

**DOL Issues FAQs on New Fiduciary Rules:** On October 27, 2016, the Department of Labor (DOL) issued its first set of FAQs regarding the DOL's final "investment advice" regulation (Final Regulation) and various related exemptions issued earlier this year.

<https://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/faqs/coi-rules-and-exemptions-part-1.pdf>

continued on page 5



# QUARTERLY LEGISLATIVE & REGULATORY UPDATE

(continued from page 4)



The FAQs mostly address the new “Best Interest Contract Exemption” (BIC Exemption) while providing some guidance on the new “Principal Transactions Exemption” (which allows advisers and financial institutions to engage in certain principal transaction with advice recipients) as well as the amendments made to Prohibited Transaction Exemption (PTE) 84-24 (which allows fiduciaries and other service providers to receive compensation in connection with a plan’s or IRA’s purchases of insurance and fixed rate annuity contracts). Importantly, the FAQs state that the applicability dates for the final regulation and the exemption (April 10, 2017, but January 1, 2018 for some exemption conditions) will not be extended. While many of the FAQs reiterate points made by the DOL in the preambles to the exemptions, several provide important clarifications and supplemental guidance.

Several of the FAQs address the availability of the “level fee” or “BIC Lite” alternative to compliance with all BIC Exemption conditions. In general, BIC Lite is available where the compensation is a fixed fee or fixed percentage of the value of the client’s assets to which the advice extends and does not vary with the assets recommended or invested. The FAQs clarify that such a “level fee” arrangement does not necessarily raise prohibited transaction concerns, or require compliance with an exemption, but may where the level fee arrangement involves conflicted advice, such as where it is coupled with a recommendation to roll over assets from a plan, or switch from an arrangement, that has a more favorable fee structure. The BIC Lite alternative is available for advice to roll over assets from a plan to an IRA only if, among other conditions, the adviser and financial must make diligent and prudent efforts to obtain information on the existing plan. The FAQs specify how this requirement can be satisfied. The FAQs also confirm that BIC Lite is available even if the adviser or financial institution offers commission-based accounts as well, provided that any recommendations made adhere to the “impartial conduct standards” of the BIC Exemption and are not intended to evade the exemption’s requirements.

Due to the evolving nature of its marketplace, “robo-advice” may not avail itself of the full BIC Exemption, but may rely on BIC Lite.

Financial institutions may pay higher commission rates to advisers based on volume generated as long as rate structures are not intended to cause advisers to make recommendations that are not in the best interest of the client and the compensation

system satisfies the BIC Exemption’s “reasonableness” requirement. Among the factors to be considered in the development of an “escalating grid” compensation structure are the neutrality of elements affecting higher compensation, whether only gradual increases in compensation are provided, and whether retroactive increases are prohibited.

One FAQ addresses whether the payment of recruitment bonuses is permissible under the BIC Exemption. The DOL’s position is that “all-or-nothing bonuses” contingent on the satisfaction of revenue or asset targets would not fall within the exemption (although such arrangements entered into prior to the issuance of the FAQs may be grandfathered). Conversely, “front-end” incentives or “signing bonuses” that are not tied to the movement of accounts or on achievement of particular asset or sales targets, but are fixed-sum payments contingent on the adviser’s continued service in good standing, are permissible.

The DOL has clarified in one FAQ that discretionary discounting on product prices is permissible under the BIC Exemption (even if discounts are not provided consistently to all clients) as long as the pre-discounted compensation is not unreasonable and the discounts do not re-introduce conflicts of interest.

In an important clarification, one FAQ addressed why the BIC Exemption’s provisions regarding “Bank Networking Arrangements” provided relief for referrals by bank and bank employees to only non-affiliates. The DOL explained that under the Final Regulation, a recommendation of other persons to provide investment advice constitutes fiduciary investment advice. In contrast, referrals to an affiliate, without making an investment recommendation, is tantamount to and subject to the same guidance applicable to marketing oneself.

Other FAQs explain the grandfathering relief under the BIC Exemption, clarify that parties may apply for an individual or class exemption for advice to engage in principal transactions involving assets that are not specifically covered by the Principal Transactions Exemption, and confirm that PTE 84-24, as amended, covers rollovers into an annuity.

**Advanced Copy of Form 5500 Issued:** On November 1, 2016, the DOL, IRS and Pension Benefit Guaranty Corporation released advanced informational copies of 2016 Form 5500 and related instructions for benefit plan reporting.

*continued on page 6*





# QUARTERLY LEGISLATIVE & REGULATORY UPDATE

(continued from page 5)



The “Changes to Note” section of the 2016 instructions highlights modifications to Form 5500 and Form 5500-SF (the forms required to satisfy annual reporting requirements) and their schedules and instructions. These include:

- **Higher administrative penalties.** The instructions have been updated to reflect an increase in the maximum civil penalty amount assessable under the ERISA section 502(c)(2), as amended by the Federal Civil Penalties Inflation Adjustment Act of 2015, and the DOL’s implementing regulations. The DOL regulations published in July 2016 increased the maximum penalty from \$1,100 to \$2,063 a day for the failure or refusal to file a complete or accurate Form 5500. The increased penalty is applicable for penalties assessed after August 1, 2016, for violation(s) occurring after November 2, 2015 (the date of enactment of the 2015 Inflation Adjustment Act).
- **Compliance questions.** The Form 5500 instructions also identify several questions that are not required to be answered. The IRS decision to make certain questions optional is due to privacy concerns raised by retirement plan administrators and advisors.

Filers of Form 5500 should take note of the changes made to the Form and its accompanying schedules and instructions, especially the increased maximum penalty amount, which is nearly double the prior per-day penalty for noncompliance with Form 5500.

<https://www.dol.gov/newsroom/releases/ebsa/ebsa20161101-0>

## Health and Welfare Plans

**Extension of Enforcement Relief for Student Premium Reduction Arrangements under the ACA:** On October 21, 2016, the DOL, Health & Human Services (HHS), and Treasury (the Departments) issued another Frequently Asked Question (FAQ) regarding application of the market reform provisions of the Affordable Care Act (ACA) to premium reduction arrangements offered by colleges and universities in connection with student health plans. <https://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/faqs/aca-part-33.pdf>. In this FAQ, the Departments permanently extended their earlier enforcement relief for colleges and universities and will not view premium reduction arrangements as failing to satisfy the ACA’s annual limit and

preventive services requirement if offered in connection with other student health coverage, whether insured or self-funded.

The Departments recognized that premium reduction arrangements for student health coverage are often offered by colleges and universities as part of a large and complicated admission and acceptance process. The Departments also noted that Congress had indicated its intent in the ACA to preserve the ability of higher education to offer student health insurance plans that are otherwise permitted under federal, state or local law.

### **Final ACA Whistleblower Complaint Rules – Expanded Protected Activities:**

On October 13, 2016, the DOL’s Occupational Safety and Health Administration (OSHA) issued final regulations addressing whistleblower and retaliation complaints under section 1558 of the ACA which added section 18C of the Fair Labor Standards Act and prohibits retaliation against employees who engage in certain ACA-protected activities. These protected activities include the receipt of assistance from an ACA Exchange when purchasing health insurance or employees raising concerns regarding conduct that the employee believes violates the ACA’s consumer protections and health insurance reforms.

<https://www.federalregister.gov/documents/2016/10/13/2016-24559/procedures-for-the-handling-of-retaliation-complaints-under-section-1558-of-the-affordable-care-act>

In 2013, OSHA published an interim final rule and solicited public comments. The final regulations update the interim rules to explain the protections for employees who receive financial assistance when they purchase health insurance through an ACA Exchange. The regulations prohibit employer retaliation against an employee for receiving a tax credit or cost-sharing reduction from an ACA Exchange. OSHA explains that employee actions to exercise their rights under the ACA such as requesting information necessary to apply for a tax credit are protected. Similar to other whistleblower provisions, an employee is protected from retaliation for reporting or refusing to participate in his or her employer’s actions if he or she has a “reasonable belief” that the employer is violating the ACA.

Employees who believe they have been retaliated against in violation of Title I of the ACA may file a complaint with OSHA. The final rule also lays out time frames for handling

*continued on page 7*



# QUARTERLY LEGISLATIVE & REGULATORY UPDATE

(continued from page 6)



retaliation complaints under the ACA and explains other procedural steps; including filing a complaint, investigation of the complaint by OSHA, appealing OSHA determinations, hearings before the DOL administrative law judges, review of those decisions by the DOL Administrative Review Board, and judicial review of final decisions.

**2017 Cost-of-Living Adjustments:** As discussed above, in Notice 2016-62, the IRS announced the 2017 cost-of-living adjustments to the dollar limits on a wide variety of tax-favored benefits. Rev. Proc. 2016-55 provides details regarding the annual adjustments that should be used on tax returns filed for tax year 2017. The Rev. Proc. included guidance on health flexible spending arrangements. For salary reduction contributions, the dollar limit will be \$2,600 in 2017 (a \$50 increase from the 2016 dollar limit).

<https://www.irs.gov/pub/irs-drop/rp-16-55.pdf>

**Dollar Amount Increase for Calculating Patient-Centered Outcomes Research Institute:** On November 4, 2016, the IRS announced an increased applicable dollar amount to calculate Patient-Centered Outcomes Research Institute (PCORI) fees imposed by the ACA. Notice 2016-64 provides that \$2.26 (previously, \$2.17) is the dollar amount to be used for purposes of determining the PCORI fee for plan years that end on or after October 1, 2016 and before October 1, 2017. Thus, for calendar year plans, the applicable dollar amount for the 2016 plan year will be \$2.26.

[https://www.irs.gov/irb/2016-46\\_IRB/ar08.html](https://www.irs.gov/irb/2016-46_IRB/ar08.html)

The ACA established the PCORI, a private, nonprofit corporation to research the clinical effectiveness of medical treatments, procedures, and drugs. To finance the research, PCORI fees have been imposed on insurers of health insurance policies under Code section 4375 and plan sponsors of self-insured health plans under Internal Revenue Code section 4376 since 2012. Calendar year plans will pay PCORI fees until the 2018 plan year and fiscal year plans will do the same for plan years ending before October 1, 2019.

The fees are calculated by multiplying the average number of participants covered under the medical policy or plan, and the applicable dollar amount for that plan year. The applicable dollar amount is adjusted each year based on changes in the projected per capital amount of National Health Expenditures by HHS.

## Executive Compensation

**Universal Proxy Cards:** On October 26, 2016, the Securities and Exchange Commission (SEC) proposed amendments to the proxy rules to require parties in a contested election to use universal proxy cards that would include the names of both registrant and dissident nominees. The proposed proxy system is designed to allow shareholders to vote by proxy in a manner that more closely resembles how they can vote in person at a shareholder meeting. The SEC also proposed amendments to the form of proxy and proxy statement disclosure requirements to specify clearly the applicable voting options and voting standards in all director elections. The SEC issued a press release and an accompanying fact sheet on the proposed rules. Comments are due on January 9, 2017.

<https://www.sec.gov/rules/proposed/2016/34-79164.pdf>

**Pay-for-Performance Metrics:** On November 8, 2016, Institutional Shareholder Services Inc. (ISS) announced changes to the methodology underlying its pay-for-performance models for companies in the U.S., Canada, and Europe to take effect February 1, 2017.

ISS will present relative evaluations of return on equity, return on assets, return on invested capital, revenue growth, EBITDA growth, and cash flow (from operations) growth. The additional financial measures will supplement ISS' use of total shareholder return (TSR) as a key metric for assessing corporate performance. Pay-for-performance updates for U.S. companies include the following: (1) a new standardized comparison of the subject company's CEO pay and financial performance ranking relative to its ISS-defined peer group will be added to ISS' benchmark policy proxy research reports; and (2) the Relative Degree of Alignment (RDA) assessment will only be considered in the overall quantitative concern level when the subject company has a minimum of two years of pay and TSR data.

<https://www.issgovernance.com/iss-announces-pay-performance-methodology-updates-2017/>

**This issue of the Quarterly Regulatory Update was written by:**

**Anjuli Cargain, The Miller Law Group  
Ami J. Givon, GCA Law Partners LLP  
Elizabeth Harris, Orrick Herrington & Sutcliffe**





# Creative Solutions Addressing Financial Well-Being

## S.F. Chapter Meeting, September, 2016

The September meeting was titled Creative Solutions Addressing Financial Well-Being. **Katie Hockenmaier**, Principal with Mercer, and **Scott Knowles**, Sr. Manager, Global Benefits with Cisco Systems, Inc. co-presented to an enthused audience. The event was interactive and lively and included many questions from attendees, generating a good amount of dialogue.

Scott and Katie are responsible for designing and executing Cisco's Financial Well-Being strategy. They shared with the group how the program was essentially designed from scratch; beginning with seeking buy-in from senior leadership at Cisco. Scott's job was significant: he needed to demonstrate how the program would ultimately help Cisco employees. They outlined how the program was launched, parts of the program that worked well, areas for improvement, as well as enhancements made along the way.

One particular area of interest was Cisco did not label groups – i.e., Generation X, Millennials, etc. Instead, they used pictures/personas that employees could most identify with. Cisco felt a single platform would not be as effective because

each region of the country can vary so much; therefore, they allowed employees to be self-selected into these various categories. Overall, they have found the program to be successful and a positive experience for employees to match their persona. They attributed much of the program's success to financial coaching that will bring a more personal touch to help employees navigate their financial well-being. An employee can engage with a coach in person or online to learn how to change their financial behaviors. Coaches can be used to help employees in areas of paying down student loans, debt management, ROTH IRAs or IRAs outside the Plan.

The chapter greatly appreciates Scott and Katie sharing their unique perspectives on how to build a successful wellness program, how it's been received at Cisco, and how other sponsors may be able to apply what they learned when building or enhancing their own programs. We look forward to hearing more from Cisco and other plan sponsors who are taking a similar approach to employee financial wellness benefits.

All in all, it was a very successful event in a cool new venue called SPUR.



Attendees enjoyed the new venue (SPUR) and its cool staircase.



Chapter members gather for networking after the topic was presented.



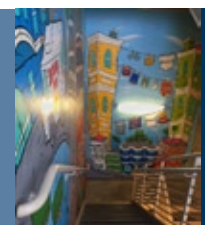
Yvonne Nyberg and Bill Berry (Orrick) with Karen Mack and Andrew Ferguson (Altman Cronin)



Kristina Cox, Recology with Scott Knowles.



Speakers Scott Knowles and Katie Hockenmaier with Gary Shipper (Wells Fargo), Claire Eyges (The Newport Group) and Jacqueline O'Connor (Wells Fargo)





# California Secure Choice Retirement Plan

## S.F. Chapter Meeting, November, 2016

On Thursday, November 10, the Chapter held a seminar on the California Secure Choice Retirement Plan. The panelists included **Nari Rhee**, PhD, and manager of the Retirement Security Program at UC Berkeley's Labor Center; **Grant Boyken**, former California Deputy State Treasurer, and **David Morse**, a partner at K&L Gates, LLP.

Nari provided a comprehensive update on the nature of the retirement security problem and the lack of access to workplace savings plans in California and the United States as a whole. Grant gave us a full understanding on how the program came to fruition and what will be expected as it relates to implementation and execution of the program. Our last speaker, David, closed the seminar with a discussion about the legal and regulatory challenges around all state retirement initiatives. California is among seven other states to offer a state-run solution.

The discussion was lively, timely, and important to solving workplace coverage for all Americans. State sponsored plans are beginning to take shape as an alternative for small plan sponsors who may or may not have retirement savings plans in place today. If small employers have a plan, are they a good benefit at a competitive cost?

The San Francisco Chapter will keep members informed of the progress of the California plan in particular.

The program was very well received by the members who were well fed with hearty snacks and plenty of options from a local microbrewery, Hopsy.

A special thanks to the entire Orrick team. Board member Bill Berry graciously offered the Orrick conference room space. We had plenty of room for the members, panelists, and beautiful tables for the food and microbrewery beer!



Lori McKenzie (Charles Schwab), Ami Givon (GCA Law Partners) and Elizabeth Groenwegen (Aon Hewitt).



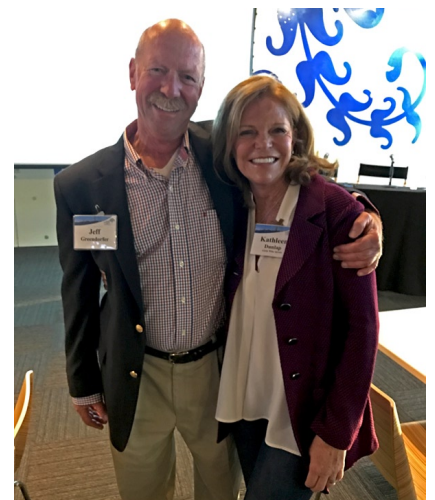
The Orrick location was perfect for learning and networking.



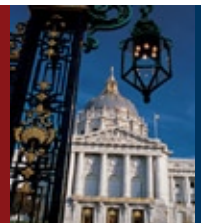
Our esteemed panelists: Grant Boyken, David Morse, Nari Rhee and Ben Travers.



Matt Petri (T. Rowe Price) with Steve Smith (Diversified Investment Advisors).



Long-time member Jeff Greendorfer with Kathleen Dunlap (Girls Who Invest).





# 2017 CHAPTER MEETINGS

---

THURSDAY, JANUARY 19  
LEGISLATIVE AND REGULATORY UPDATE  
WELLS FARGO PENTHOUSE  
420 MONTGOMERY STREET

THURSDAY, MARCH 16  
SAN FRANCISCO CHAPTER MEETING  
CHARLES SCHWAB  
100 POST STREET

WEDNESDAY, APRIL 26  
SAN FRANCISCO CHAPTER MEETING  
SPUR  
654 MISSION STREET

THURSDAY, MAY 19  
SPRING CONFERENCE  
8:00 A.M.-1:00P.M.  
ONE KEARNY CLUB  
23 GEARY STREET

# The WP&BC San Francisco

## Thank You 2016-2017 Sponsors

Platinum

SAGE  
VIEW

Gold

BLACKROCK

MOSS ADAMS LLP  
Certified Public Accountants | Business Consultants

EMPOWER  
RETIREMENT™

Fidelity  
INVESTMENTS

GALLINA LLP  
CERTIFIED PUBLIC ACCOUNTANTS

WELLS  
FARGO

TRUCKER ♦ HUSS  
A PROFESSIONAL CORPORATION  
ERISA AND EMPLOYEE BENEFITS ATTORNEYS

Vanguard®

T.RowePrice  
INVEST WITH CONFIDENCE

Silver

LINDQUIST CPA  
LEADERSHIP • QUALITY

MORRISON  
FOERSTER

ALTMAN & CRONIN  
BENEFIT CONSULTANTS, LLC

Prudential

ORRICK

TRANSAMERICA  
Retirement Solutions

HansonBridgett

charles  
SCHWAB

Bronze

BPM  
BURR PILGER MAYER

MERCER

BUFFINGTON & AARON

GCA  
LAW PARTNERS LLP

Principal  
Financial  
Group

PRIMARK  
BENEFITS  
RETIREMENT • PLAN • EXPERTS



# CHAPTER INFO AND BOARD OF DIRECTORS



**WESTERN PENSION & BENEFITS COUNCIL  
SAN FRANCISCO CHAPTER**  
1900 Point West Way, Suite 222  
Sacramento, CA 95815-4706  
415-730-5479  
Email: [info@wpbcsf.org](mailto:info@wpbcsf.org)  
Website: <http://wpbcsanfrancisco.org>

*The Newsletter welcomes contributions from its members. If you would like to submit a topical benefits-related article or compile the quarterly regulatory update for an upcoming issue, please contact Tina Chambers at: [tchambers@sageviewadvisory.com](mailto:tchambers@sageviewadvisory.com)*

## EMPLOYMENT OPPORTUNITIES

*If you wish to post an employment opportunity on our website, please read the following note:*

Listings must comply with applicable regulations for employment advertising. Online job postings are free to WP&BC San Francisco Chapter members. Call Jenifer McDonald at the Chapter office for more information, (415) 730-5479. Email all listings to [info@wpbcsf.com](mailto:info@wpbcsf.com)

**Want to get involved in the  
San Francisco Chapter?**

**Contact Tina Chambers to  
volunteer!**

## WP&BC San Francisco Chapter

### OFFICERS

**Tina Chambers**, President  
SageView Advisory Group  
[tchambers@sageviewadvisory.com](mailto:tchambers@sageviewadvisory.com)

**Kevin Nolt**, Vice President  
Trucker♦Huss, APC  
[KNolt@truckerhuss.com](mailto:KNolt@truckerhuss.com)

**Michon Caton**, Secretary  
Gap, Inc.  
[Michon\\_Caton@gap.com](mailto:Michon_Caton@gap.com)

**Karen Mack**, Treasurer  
Altman & Cronin Benefit Consultants, LLC  
[kmack@altmancronin.com](mailto:kmack@altmancronin.com)

**Andrew Ferguson**, Immediate Past President  
Altman & Cronin Benefit Consultants, LLC  
[aferguson@altmancronin.com](mailto:aferguson@altmancronin.com)

### BOARD MEMBERS

**William Berry**  
Orrick, Herrington & Sutcliffe LLP  
[wberry@orrick.com](mailto:wberry@orrick.com)

**Claire Eyges**  
The Newport Group  
[Claire.Eyges@newportgroup.com](mailto:Claire.Eyges@newportgroup.com)

**Ami Givon**  
GCA Law Partners LLP  
[agivon@gcalaw.com](mailto:agivon@gcalaw.com)

**Matt Gouaux**  
The Permanente Medical Group, Inc.  
[matthew.l.gouaux@kp.org](mailto:matthew.l.gouaux@kp.org)

**Lori McKenzie**  
Charles Schwab & Co., Inc.  
[Lori.McKenzie@schwab.com](mailto:Lori.McKenzie@schwab.com)

### Brad Wall

Moss Adams LLP  
[brad.wall@mossadams.com](mailto:brad.wall@mossadams.com)

### Alison Wright

Hanson Bridgett LLP  
[AWright@HansonBridgett.com](mailto:AWright@HansonBridgett.com)

### COMMITTEE CHAIRS

**Jahiz Agard**, Newsletter Editor  
Trucker♦Huss, APC  
[jagard@truckerhuss.com](mailto:jagard@truckerhuss.com)

**Jessica Chen**, Membership  
Aon Hewitt  
[jessica.chen.2@aonhewitt.com](mailto:jessica.chen.2@aonhewitt.com)

**Allen Knott**, Program Committee Co-Chair  
The Principal Financial Group  
[knott.allen@principal.com](mailto:knott.allen@principal.com)

**Gary Shipper**, Program Committee Co-Chair  
Wells Fargo Funds Distributor, LLC  
[gary.shipper@wellsfargo.com](mailto:gary.shipper@wellsfargo.com)

**Alison Wright**, Brown Bag Lunches  
Hanson Bridgett LLP  
[AWright@HansonBridgett.com](mailto:AWright@HansonBridgett.com)

**Mike Zelda**, 2017 Spring Conference  
Moss Adams LLP  
[mike.zelda@mossadams.com](mailto:mike.zelda@mossadams.com)

**Jenifer McDonald**, Chapter Administrator  
WP&BC San Francisco Chapter  
[jenifer@wpbcsf.org](mailto:jenifer@wpbcsf.org)

Membership in the WP&BC San Francisco Chapter is open to individuals who are productively, substantially and continuously engaged in work in the field of employee benefits. Any individual who has been engaged in work in the field of employee benefits may become a member upon submission of a completed membership application, payment of dues, and approval by the Chapter Board of Directors. To join, visit <http://www.westernpension.org>.

### DISCLAIMER

While the Western Pension & Benefits Council seeks to include accurate and up-to-date information in the Newsletter, the Western Pension & Benefits Council makes no warranties or representations as to the accuracy of the material included in the Newsletter and assumes no responsibility for any errors or omissions in the content. Information contained in the Newsletter is believed to be correct as of the date of submission; however, the accuracy of the information may be affected by subsequent developments.

The Newsletter is provided on the understanding that the Western Pension & Benefits Council is not engaged in rendering legal, accounting or other professional advice. If legal advice or professional assistance is required, the services of an appropriate professional should be sought.

