Port of Seattle
457 Deferred Compensation Plan
Administrative Committee Annual Retreat

February 3rd, 2026 – 9:30am – 4:00pm Airport Office Building, Room 4E Agenda		
9:30 a.m. to 9:45 a.m. *15 minutes*	• Welcome & Introductions • Approval of 2025 Q4 meeting minutes • Committee Member designations	Committee Chair
9:45 a.m. to 10:30 a.m. *45 minutes*	• Q4 2025 Performance Report • Review: Investment Line-up Review	FCG: Ted Grigsby
10:30 a.m. to 11:00 a.m. *30 minutes*	Investment Manager Presentation: JP Morgan Large Cap Growth	JP Morgan
11:00 a.m. to 11:10 a.m. *10 minutes*	BREAK	
11:10 a.m. to 11:30 a.m. *20 minutes*	• 2025 Q4 Report • 2026 Communications calendar • MarCom Award presentation	MissionSquare: Tim Oster
11:30 a.m. to Noon *30 minutes*	MissionSquare Plus Fund Review	MissionSquare: Oliver Meng
Noon to 12:45 p.m. *45 minutes*	LUNCH	
12:45 p.m. to 1:30 p.m. *45 minutes*	• Review: Investment Policy Statement • 2026 Budget and Administrative Fee Review	Ted Grigsby Tim Oster Sherie Chipperfield
1:30 p.m. to 1:45 p.m. *15 minutes*	Secure 2.0/Payroll Update	MissionSquare: Tim Oster
1:45 p.m. to 1:55 p.m.. *10 minutes*	BREAK	
1:55 p.m. to 3:15 p.m. *1 hour, 20 minutes*	Auto Enrollment Trends & Discussion	FCG: Ted Grigsby MissionSquare: Tim Oster
3:15 p.m. to 3:45p.m. *30 minutes*	Fiduciary Training: Legislation updates	FCG: Ted Grigsby
3:45 p.m. to 4:00 p.m. *15 minutes*	WRAP UP	Deferred Comp Committee

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Committee members in attendance:
- Milton Ellis, Gregory Miller Jr., Eloise Olivar, Elizabeth Morrison, Kecia Reichstein

Staff members in attendance:
- Sherie Chipperfield, Human Resources
- Macy Matheny, Human Resources
- Susan Thorburn, Human Resources

Guests in attendance:
- Ted Grigsby, FCG
- Tim Oster, Mission Square Retirement
- Scott Seidel, Mission Square Retirement
- Jennifer Pittman, Mission Square Retirement
- Oliver Meng, Mission Square Retirement
- Sofia Aceto, JP Morgan
- Benjamin Travers, JP Morgan
- Steve Lewis, Jr., JP Morgan

Meeting called to order on 2/3/2026 at 9:33 am.

Welcome & Introductions

The Committee members and financial services representatives introduced themselves. Ted Grigsby pointed out that this is the 11th Annual Deferred Compensation Committee Retreat for the Port of Seattle. Although Committee Co-chair, Taesan Hose is unable to attend today's meeting, the Committee still has a quorum and can vote on the various agenda items presented.

Approval of 2025 Q4 minutes

VOTE: Approval of the minutes from the 2025 Q4 meeting.
Elizabeth Morrison moved to approve.
Seconded: Eloise Olivar
All approved: yes
Opposed: no

Committee Member designations

We will discuss committee member designations at the next meeting in an Executive session.

<u>FCG</u>

Q4 2025 Performance Report

Ted Grigsby presented the Q4 2025 Performance Report and discussed current economic conditions, performance of global and domestic capital markets, and impacts to the Plan's investment options.

Here is his summary:
"Financial markets were largely positive across the board. The broader themes throughout 2025 of economic resiliency, contained inflation, and a softening labor market, aided in another positive year for

investors, despite major political headlines, changing trade policies, and significant global events. The Fed delivered long-awaited rate cuts in the second half of the year with three 25bps cuts. US equities responded positively and demonstrated broad participation that extended through the third and fourth quarters. International equities excelled throughout 2025, outperforming domestic markets on the back of a weakening USD and positive global economic activity. Modest movements across the yield curve with continued tight credit spreads lead to another quarter of positive returns."

Investment Manager Presentation: JP Morgan Large Cap Growth

Steve Lewis, Jr. and Benjamin Travers introduced themselves to the Committee. Steve presented an overview of the JP Morgan Large Cap Growth portfolio, which accounts for almost 8% of assets, or $39.4 million, across the Port's four plans. Steve discussed the fund's bottom-up management philosophy and how it has performed well. Their fund is one of the only managers in its space ranked top quartile in both up-market and down-market capture.

Review: Investment Line-up Review

Ted Grigsby reviewed the Port's investment lineup with the Committee. The Committee voted to remove the MissionSquare Plus Fund from the watchlist because it has been performing well. The reason the fund was added to the watchlist in Q1 of 2024 was because the portfolio manager changed but it has been an entire year and there are no concerns.

VOTE: Remove the MissionSquare Plus Fund from the watchlist.
Elizabeth Morrison moved to approve.
Seconded: Kecia Reichstein
All approved: yes
Opposed: no

The committee will be keeping the Artisan Mid Cap Institutional fund, the AB Small Cap Growth fund and the Vanguard International Value Investment Fund on the watchlist. While both the Artisan Mid Cap Institutional fund and the AB Small Cap Growth have shown improvement, the Committee will continue to monitor it. The Vanguard International Value Investment Fund is still underperforming and will be reviewed at the next meeting for removal and replacement.

Ted Grigsby discussed the current investment line-up structure and FCG's efforts to establish Collective Investment Trust (CIT) arrangements that will allow lower cost investment options. Ted will update the Committee at the next meeting.

The Committee took a break from 11:08 am to 11:20 am.

<u>MissionSquare</u>

Oliver Meng and Jennifer Pittman introduced themselves. Oliver manages the MissionSquare Plus Fund and Jennifer creates the marketing materials for our deferred compensation plans.

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2025 Q4 Report

Tim Oster provided an update on plan assets, contributions, and distributions. Jennifer also provided an overview of participant trends and engagement noting that there were 279 new enrollees into the 457 Plan. Over the previous year there were 321 individual meetings conducted with participants and 64 financial plans delivered.

2026 Communications calendar

Tim informed the Committee of the various communication campaigns planned for 2026 such as the Super Catch-up/Age 60-63 campaign at the end of the January, the Save your Raise campaign targeted for late February and July as well as the Quarterly newsletter.

MarCom Award presentation

Tim presented the MarCom Award to the Port in recognition of their participant education campaign conducted last year.

MissionSquare Plus Fund Review

As the fund manager, Oliver Meng presented information on the MissionSquare Plus Fund which is one of the largest and oldest funds (40 years). Oliver provided insight into the firm's management approach, process, and people involved in managing the Plus Fund. The fund prioritizes capital preservation, liquidity, and stability. Their strategy takes a 4-tier approach which includes: 1. Cash for liquidity, 2. Shorter duration, 3. Laddered maturities, and 4. Total return. They include multiple wrap providers in each tier and include guaranteed insurance contracts (GICs) in the third tier. The Plus Fund has performed in the top quartile or decile over every period up to a ten-year look-back. The current market-to-book ratio is 96.84% and the Fund maintains an AA average credit quality rating.

The Committee took a lunch break from 12:06 pm to 12:45 pm.

Review: Investment Policy Statement

Ted Grigsby went page by page and discussed the Investment Policy Statement and what each section meant along with advice on how to manage the plan to be the best Fiduciaries of our Port plans. The only change that was made was to update the year to 2026. Milton Ellis will sign the document.

VOTE: Vote to adopt the Investment Policy Statement for 2026.
Eloise Olivar moved to adopt.
Seconded: Elizabeth Morrison
All approved: yes
Opposed: no

2026 Budget and Administrative Fee Review

Ted Grigsby provided provided an administrative budget analysis and discussed the potential for the Committee to vote and reduce the administrative fee that pays for consulting costs along with other plan costs. Sherie Chipperfield provided an accounting of the current balance and spending. The Committee will address at a future meeting and consider modifying the administrative fee.

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VOTE: Vote to adopt the Budget for 2026.
Eloise Olivar moved to adopt.
Seconded: Gregory Miller
All approved: yes
Opposed: no

Secure 2.0/Payroll Update

The Committee briefly discussed Section 603, the Roth Mandate, from Secure Act 2.0. The Port's HRIS team is assisting what is needed to implement the changes to the Port's HR and payroll system. The Port plans to make it's best effort to implement the Roth Mandate in 2026.

The Committee took a break from 2:02 pm to 2:13 pm.

Auto Enrollment Trends & Discussion

Ted Grigsby gave a brief overview of the auto enrollment legislation that was passed recently in Washington State. Ted went over statistics on adoption of auto enrollment, trends from similar employers, industry insights and the impact of auto-enrollment on PERS (the pension benefit that the majority of the Port's employees are enrolled in).

In preparation for this presentation, Ted met with NAGDCA Executive Director, Matt Peterson, to discuss best practices for auto-enrollment. NAGDCA is working on guidance to share with employers. Ted will share whatever information NAGDCA sends with the Committee at a future meeting.

Auto-enrollment would need to be bargained for per each collective bargaining agreement contract. The initial group we can select for auto-enrollment would be new hires that are non-represented. The Port's HRIS and Payroll system is able to separate out employees by pay group so it would be possible to integrate auto-enrollment in phases.

Ted went over data estimations on what employees enrolled in PERS 1, 2 and 3 could expect with their pension payouts at retirement. FCG is able to customize this data for all of the different pensions that Port employees are enrolled in to use as a communications tool when the Port rolls out auto-enrollment.

The Committee will continue to discuss auto enrollment at our next meeting.

Fiduciary Training: Legislation updates

Ted Grigsby from FCG presented training on the various legislation updates that will affect our deferred compensation plans. Ted discussed cases that covered topics such as excessive fees, alternative investments, fiduciary coverage, and conflict of interest disclosures. Ted also discussed ERISA fiduciary practices and best practices for plan sponsors not covered by ERISA.

Meeting ended at 4:00 pm