457 DEFERRED COMPENSATION PLAN
MINUTES OF ADMINISTRATIVE COMMITTEE MEETING
September 6, 2017 at 9:30 a.m.

Members in Attendance:
Eric Baird, Co-Chair, ICT Business Services
Duane Hill, Accounting and Financial Reporting
Milton Ellis, Labor Relations
Tammy Woodard, Human Resources
Chris Nuttal, POS Fire Department

Staff in Attendance:
Anika Klix, Human Resources

Guests in Attendance:
Peter Hoerber, ICMA-RC
Sonia Rogers, ICMA-RC
Greg Settle, Hyas Group

Meeting was called to order.
Approval of 6/28/17 minutes; Milton move to approve, Duane second, all in favor, none opposed.

Introduction was made of the newest Committee Member, Mr. Chris Nuttal.

ICMA-RC

Peter Hoerber provided a review of where the plans are to date, a review of plan asset allocations, utilization of funds, and trends. Plan allocation by age shows more utilization in U.S. Stock as participants get older.

Trending is up in mobile app utilization and we are still on track with telephone customer service. Text access is also gaining momentum.

2017 has shown some of the highest levels year-to-date. 401k and other outside assets are getting rolled in and the average contribution is around $2,500.

Sonia Rogers provided an onsite education update. Participants at the AOB are being accommodated due to their schedule constraints as well as bus terminal shifts with drop-in appointments.

Phone calls are a popular way of addressing participant questions as well as conference calls, particularly with the police and fire departments. Emails are also very popular. Targeted emails are going out to participants who haven't opted out of receiving emails. There was a slight decrease in contributions when the Pension increase occurred earlier in the year but then they went right back up again.

ICMA-RC plans to incorporate flyers and more information at PNEO (Port-wide New Employee Orientation) and possibly have Sonia on-site to answer questions.

Jim Reinke has conducted several face to face appointments on estate planning, etc. as well as phone consultations. His recorded webinars have been seeing an up-tick.

Current initiatives: ICMA-RC is developing a targeted campaign around Millennials designed to get the younger savers engaged. A report will be presented to the Committee at a later date after the initiative gets off the ground. Using webinar-based technology to watch enrollment presentation with Sonia is coming soon.

"Am I on Track" tool is a new feature that includes a Pension calculator connected to your online account to help participants have a better idea about what their retirement savings might look like.

A handout was provided to the Committee with a rollup of do's and don'ts under new DOL rules in regards to becoming a fiduciary and the role that ICMA-RC plays.

Peter Hoerber gave an update on the Plus fund to run alongside the Columbia fund. They are still in the process of testing and overcoming some challenges. Corey Wiggins will relay the information as it becomes available. ICMA-RC is hoping to get something in place before the end of the 4^{th} quarter 2017.

Auto-rebalancing is functional now but Corey will confirm and update the Committee in the next meeting in December.

At the Port's Retiree luncheon, ICMA-RC received many questions about the required minimum distributions and depletion order.

Hyas Group:
Hyas Group presented the Plan and Investment Performance Report for the Quarter ended 6/30/17. No funds were found to be in violation of the Plan's Investment Policy Statement performance guidelines. The Artisan Mid-Cap Fund, which had been in underperformance in the first quarter after a difficult 2016, has rebounded and is doing well in 2017.

The Hyas Group presented a manager search for alternatives to the Fidelity Strategic Real Return fund, which is on watch for performance issues and its extremely volatile performance history. After some discussion, the Committee decided to replace this fund with the Vanguard Inflation-Protected Bond Fund, a less volatile alternative with a strong track record and low cost. Greg will send Anika language to use when instructing ICMA-RC to make this change by 9/15.

Hyas Group presented a review of a meeting with the manager of the ICMA-RC Plus Fund and discussed the changing demographics of stable value fund investors and how that may present increasing challenges for stable value managers in the future. Hyas Group concluded that the Plus Fund is well-structured to meet potential liquidity demands today, but we will continue to monitor the fund and the changing SV Fund environment as we go forward.

Vote: Tammy Woodard made a motion to replace the Fidelity Strategic Real Return Fund with the Vanguard Inflation-Protected Bond Fund
Duane seconded, all in favor, none opposed. Motion passed.

Meeting was adjourned at 11:10 a.m. and Executive Session followed.