

**457 DEFERRED COMPENSATION PLAN  
MINUTES OF ADMINISTRATIVE COMMITTEE RETREAT  
January 17, 2018 at 9:30 a.m.**

**Members in Attendance**

Elizabeth Morrison, Co-Chair, Finance and Budget  
Eric Baird, Co-Chair, ICT Business Services  
Duane Hill, Accounting and Financial Reporting  
Chris Nuttal, Fire Department  
Tammy Woodard, Director Human Resources – Total Rewards

**Staff in Attendance**

Anika Klix, Human Resources  
Dayton Hostetler, Fire Department

**Guests in Attendance**

Greg Settle, Hyas Group  
Corey Wiggins, ICMA-RC  
Sonia Rogers, ICMA-RC  
Armando Llanes, Sr. Communications and Education Manager - ICMA-RC (phone)  
D’Juana Thomas, Cyber Security, ICMA-RC (phone)  
Andrew Sicora- Senior Manager, Business Continuity – ICMA-RC (phone)  
Maurice Templeman - Director, Information Security & Business Continuity– ICMA-RC (phone)  
Mandeep Singh - Director, Cyber Security Operations– ICMA-RC (phone)  
Sean Hull, Vangaurd  
Michael Manfre, Vangaurd

**Meeting called to order. On 1/17/18 at 10:08 a.m.**

The consensus of the Committee was to extend the service of any Committee member from five (5) years to adding an additional option of a 3-5 year extension. Since Eric Baird’s term expired at the end of 2017, the Committee asked Eric if he would accept to extend his Committee seat another three (3) years to the end of year 2020. Eric Accepted.

**Duane Hill moved to extend Eric Baird’s non-represented employee Committee seat for an additional three (3) years to the end of 2020. Milton Ellis seconded. All in favor. None opposed.**

The Committee discussed the fact that there is an even number of Committee members with two rotating positions; one non-union representative and one union-representative. It was suggested that the Committee discuss the possibility of adding a third employee representative and perhaps open it up to a retiree. The topic will be added to the March meeting agenda.

The Committee reviewed the Administrative Policy and Procedure for Defined Contribution Plans and made some edits to the document. The edits consisted of:

- Changing CEO to Executive Director (throughout)
- Replacing Tay Yoshitani’s name with Stephen Metruck’s name and current date (p.6)
- Updating Committee members’ job titles and reflecting the current Committee members (Exhibits A, C, and D)

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- Adding an optional extension of up to 5 years to the current 5-year term of the two employee representative positions. (Exhibits A and C)

**Duane Hill moved to update the Exhibits in the document and follow-up with Legal to inquire if approval is required by the Executive Director. Milton Ellis seconded. All in favor. None opposed.**

The Committee reviewed the 2018 budget to see if any adjustments were needed this year. The question came up regarding the allotment for communications support. A determination will be made in the next meeting about whether or not that is necessary to maintain in the budget.

Vanguard Presentation

- Sean Hull – Relationship Manager Vanguard
- Michael Manfre - Sr. Manager Vanguard

Presentation topics covered:

- Trends
- Economic Outlooks
- Participant rates
- Target Retirement Funds
- Fund Information

Vanguard will provide the Port with a quarterly newsletter that has a market comparison relative to other top providers.

**LUNCH BREAK**

Fiduciary Fundamentals Training was provided by Greg Settle, Hyas Group

Greg Settle provided a regulatory update and 4<sup>th</sup> quarter plan and investment performance report.

The Committee reviewed the Fee and Expense policy with Greg Settle. In section A.a.2. there may need to be clarification as to why plan assets need to be “adjusted from time to time.” Greg Settle will forward an edited red-line version of the document to the Port for review. A suggestion was offered by a Committee member to append the Fee and Expense Policy document to the IPS to keep them together.

The Committee reviewed the 2018 budget and there was a discussion about whether or not to keep \$3,000 budgeted for communications. Greg Settle and Anika Klix will further review the budget and the Committee will look at it again at the March meeting. There is a possibility that two members may attend the 2018 NAGDCA conference in Philadelphia. Chris Nuttal and Duane Hill both expressed interest.

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ICMA-RC

A 2017 re-cap of re-engagement methods were presented by ICMA-RC. Peter Hoerber reported that there is a slight uptick of about 5% in the 457 plan and an increase in roll-ins. The average account balance was up 11% from 2016.

Jim Reinke provided on-site consultation 8 days in 2017, or about 2 times per quarter. In addition, Jim helped retirees and employees in real-time via phone and/or email.

Sonia Rogers continued to hold in-person meetings, virtual meetings, phone, and email consultation to participants. ICMA-RC has created flyers to model Port processes that have been helpful to give to employees with questions. Sonia plans to hold quarterly pop-up events at both Pier 69 and the airport, as they have been very successful in the past. She is considering taking it “on the road” to other places such as Shilshole Bay Marina and Marine Maintenance, and others. In 2017, Sonia had a table at the Safety Fair at both Pier 69 and the Airport which was great exposure.

ICMA-RC provided a cyber security presentation and information about the cyber security insurance.

Presenters: Maurice Templeman, Andrew Sicora, and Mandeep Singh

Topics covered:

- Financial Services Cyber Threats
- Program Governance Model
- People, Processes, and Technologies
- Program Drivers and Future Direction

D’Juana Thomas explained that the cyber security insurance policy includes \$20 million, including a 3rd party liability component. It provides notification services to plan sponsors and participants. The policy is very broad and doesn’t only cover “cyber-related” breaches, but other breaches as well. The policy covers notifications, but another type of coverage covers any loss to participants. To date, there have been no known security breaches with ICMA-RC.

Armando Llamas, Sr. Communications and Education Manager gave a presentation on planned communications for 2018. The focus this year will be on the participant experience and engaging them in retirement planning. Communications will emphasize the need to define specific goals, increase participation, save more, to be well diversified, and ensure participants are ready to retire. Armando has created materials to support what Sonia does and the Port’s goals. He conducts data analysis to determine where the gaps are and to develop a campaign targeting that segment of the population. It was agreed that Armando would review all communications with the Port prior to their release to participants.

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ICMA-RC is conducting its Realize Retirement Tour again this year. In 2017, it was very successful at Pier 69 but not as well attended at the airport. This year, it will come to Pier 69 and Anika will look into the possibility of having an employee bus bring folks in from other locations if they want to participate. Anika will setup up a wellness reward challenge with Spirit & Wellness for this event where employees can earn wellness points for participating and a system for team sign-ups.

The “Am I on Track” tool on the ICMA-RC website provides participants the ability to do some financial planning. In 2017, 425 Port of Seattle participants utilized the online tool. Auto-rebalancing is available for participants and there will be a message in an upcoming email campaign.

Corey Wiggins presented a mock-up version of the Port of Seattle/ICMA-RC web portal and mobile application. Go-live for the new online tools are planned for February 2018 and they will work with Anika on communication details and ensuring the correct information is linked from the website.

Meeting was adjourned at 4:00 p.m.