

**457 Deferred Compensation Plan
Administrative Committee Meeting
February 23, 2022
9:00 a.m. to 9:30 a.m. Executive Session
9:30 a.m. to 12:00 p.m. Regular session
MS Teams**

Agenda

9:00 a.m. to 9:30 a.m. <i>30 minutes</i>	<ul style="list-style-type: none"> Executive session 	Committee only
9:30 a.m. to 9:35 a.m. <i>5 minutes</i>	<ul style="list-style-type: none"> Welcome Approval of January 2022 Retreat minutes 	Committee Co-chair
9:35 – 10:35 <i>1 hour</i>	<ul style="list-style-type: none"> Market and Economic Commentary Plan and Investment Performance Report Report on how ESG Considerations Impact Stock Index and Index Fund Content 	Hyas Group
10:35 a.m. to 11:35 a.m. <i>1 hour</i>	<ul style="list-style-type: none"> 2021 Plan Review SS&C Timeline Upcoming webinars Fee holiday communications Beneficiary campaign 	Mission Square Retirement
11:35 to 12:00 <i>25 minutes</i>	<ul style="list-style-type: none"> Announcements / wrap-up 	All

**Next meeting: Annual Retreat: May 25, 2022
MS TEAMS**

Minutes:

In attendance:

MissionSquare: Sonia Rogers and Peter Hoerber

Hyas Group: Greg Settle

Committee members: Tae Hose, Duane Hill, Milton Ellis, Elizabeth Morrison, Eric Baird

Port Employees: Greg Key, Anika Klix

Elizabeth Morrison gave an indigenous land acknowledgment and the group provided introductions around the virtual room.

Retreat minutes: Duane Hill made a motion to accept the minutes from the January retreat as written. Milton Ellis seconded the motion. All approved. None opposed. Minutes approved.
--

Hyas Group:

Greg Settle reviewed the December 31, 2021 Plan and Investment Performance Report for the Port's 457 (b) and 401(a) Plans. Two funds were found to be underperforming the standards of the Plans' Investment Policy Statement and they are discussed in further detail below:

1. The American Funds EuroPacific Growth R6 Fund was in underperformance following a very poor fourth quarter. The Hyas Group believes the circumstances of the fourth quarter performance were unique and the management of the fund will be proven to be effective in the long-run. Performance is rebounding thus far in 2022, with performance year-to-date in the 32nd percentile vs. peers through February 18, 2022. Greg recommended patience and the Committee took no action.
2. The Vanguard Institutional Target Retirement 2015 Fund was in underperformance; however, the fund is scheduled to be eliminated and assets moved to the Vanguard Institutional Retirement Income Fund later this year, so the Committee took no action.

Greg reported to the Committee that the portfolio management team for the T. Rowe Price Growth Stock I Fund has informed us that they would be happy to discuss how ESG considerations come into play in their selection of securities for the fund's portfolio. Greg will work with Anika to select which Committee meeting will work best for a presentation by their team.

MissionSquare Retirement:

Peter Hoerber informed the group that there is a lot going on in education, outreach, and consultations with participants. Sonia Rogers continues to meet frequently with participants and several webinars were conducted over the last quarter. There was almost a 50% CFP increase in activity and increased CFP education. There was an increase in 457 new enrollment and 401a supplemental savings enrollment. The Financial Wellness Center recently launched and has a robust catalog of user-friendly content for participants and more content is planned in 2022. The mobile app was refreshed with the MissionSquare brand.

There was a 3% increase in roll-ins and a 9.5% increase in roll-outs. RPS surveys: There were 9 surveys with an average of a 9.6 average rating. There were 10 CFP surveys and they received some comments and feedback.

Roth 457 Plan:

The participant rate increased 33% in the Roth plan after communications about the benefits of it. Patty Harte presented information on roll-outs and roll-ins from 2020 to 2021. Sonia has also been reaching out to employees who are planning to retire or separate from service. Sonia sends out communications that they can rollover into their 457 or 401a plans when they are new. Patty gave details on loans and the number of new loans issued in 2021 has fallen compared to 2020.

2022 Communication Strategy

Patty Harte provided information about the communication strategy. Planned education includes webinars on investment basics, the cost of waiting, getting to know your 457, CFP webinars, RPS webinars, and the new Port of Seattle gateway page navigation. Campaigns to drive participation, financial wellness, and retention will continue and increase.

SS&C Transition

- New payroll process: simplified and intuitive
- Dynamic reporting: full suite of industry-standard, pre-defined reports as well as customizable reports
- Plan health dashboard: expanded metrics

- New bank
- New mailing address
- New secure messaging
- New fax number

Enhancements for participants include a refreshed and redesigned website, upgraded mobile app (new credentials will be required and an update to the app if already downloaded)

Timeline: phase 1 Plan: Feb/March with periodic emails to plan sponsors. Communication to participants will take place in April. In May/June there will be employer training webinars. The new platform launches in July/August with ongoing communication through the end of the year.

Fee Holiday Communications

Fee Holiday begins February 1. Communication to participants: the Port can send out communications to active employees and MS can send one out to separated employees. There may be a statement message included as well.

Beneficiary Campaign: there are several participants with no beneficiary on file. Sonia explained that they have a power of attorney document that have been helpful.

**Meeting adjourned at 12:00.
Next meeting: May 25, 2022**