

**457 Deferred Compensation Plan
Administrative Committee Meeting
May 25, 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>	● 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 February 2022 minutes 	Committee Co-chair
9:35 – 10:35 <i>1 hour</i>	<ul style="list-style-type: none"> ● 1Q22 Performance Report ● Fiduciary Advisor Newsletter ● MissionSquare Plus Fund FAQ Handout 	Hyas Group
10:35 a.m. to 11:35 a.m. <i>1 hour</i>	<ul style="list-style-type: none"> ● Q1 2022 Plan Review ● 2022 Communications Planning ● Technology transition update 	Mission Square Retirement
11:35 to 12:00 <i>25 minutes</i>	<ul style="list-style-type: none"> ● Announcements / wrap-up 	All

**Next meeting: August 24, 2022
MS TEAMS**

Minutes:

In attendance:

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

MissionSquare: Sonia Rogers and Peter Hoerber

Hyas Group: Greg Settle

Port Employees: Anika Klix

Approval of February 2022 meeting minutes: Milton Ellis moved to approve the minutes. Shawn Griffin seconded. All approved. None opposed. Minutes approved.

Hyas Group:

Greg Settle reviewed the March 31, 2022, Plan and Investment Performance Report for the Port's 457(b) and 401(a) Plans. Four funds were found to be underperforming the standards of the Plans' Investment Policy Statement (IPS) and they are discussed in further detail below:

The American Funds EuroPacific Growth R6 Fund was again in underperformance following a very poor fourth quarter. Although the unforeseen impacts of the war in Ukraine and continuing COVID-19 impacts in China have contributed to the fund's difficulty, the Committee agreed that it is best to place the fund on Watch status.

Vote: Milton Ellis moved to put the American Fund EuroPacific Growth R6 fund on watch. Shawn Griffin seconded. All approved, none opposed. Motion carries.

The T. Rowe Price Growth Stock Fund I is having a very poor 2022, following a poor performance year in 2021. The Committee voted to place the fund on Watch status.

Vote: Milton moved to put the T Rowe Price Grown fund on watch. Tae Hose seconded. All approved, none opposed. Motion carries.

The Vanguard Institutional Target Retirement 2015 Fund was again in underperformance of the standards of the IPS. Greg reminded the Committee that 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.

The American Funds Pac World Growth and Income Fund R6 was underperforming the standards of the IPS. The fund has been on Watch for several years. The Committee asked Hyas Group to prepare a manager search for alternatives to this fund for presentation at the next Committee meeting.

Greg provided an update on the MissionSquare Plus Fund's personnel changes. Although the Hyas Group is comfortable with the changes made and the fund's performance, we recommended that the fund remain on Watch and the Committee concurred.

Greg informed the Committee that Dodge and Cox has just released a new, zero-revenue share version of the Dodge and Cox Stock Fund offered in the Port's plans. Greg recommended that the Committee direct MissionSquare to transfer to this fund from the currently held revenue-share version. A motion was made and passed to make this change. He will send Anika language by May 31.

Vote: Milton Ellis moved to move to the non-revenue sharing version of the Dodge & Cox fund. Duane Hill seconded. All approved, none opposed. Motion carries.

NAGDCA conference is in Baltimore in September. Committee member should start thinking about whether they want to attend or not.

MissionSquare Retirement:

Q1 2022 Plan Review
2022 Communications Planning
Technology transition update

Peter Hoerber thanked Duane Hill for his service on the Committee and at the Port and best of luck on his retirement.

MissionSquare is celebrating fifty years in service and there will be some celebratory events happening.

Q1 2022 Plan review:

Between Q4 2021 and Q1 2022 there has been a drop in the asset totals but the increase in the number of participants. Market volatility has happened before, but MS communications are about how to make good long-term financial decisions.

Roth 457 plan has had an uptick in utilization. 270 are contributing to Roth. Avg age is 45 and avg contribution \$282/pay period. 164 people are contributing to both pre-tax and Roth plans simultaneously.

Rollouts Q1 2022 vs Q1 2021
(chart in presentation)

Market volatility: global markets continue to prove challenging in the face of Russia's invasion of Ukraine. Other causes are due to rapidly rising inflation, interest-rate hikes from the Federal Reserve.

Sonia Rogers re-capped some recent trends with participants. Beneficiary information outreach went out so that participants check to ensure they have beneficiary designations on file. Participants are also asking about retirement age clarifications and feasibility to withdraw from pensions, deferred comp, etc. Doug Headley, CFP, has been assisting with various complex issues such as inheritance planning, etc. The Roth provision has sparked interest and Sonia continues to educate them on the differences and the benefits.

Peter Hoerber reviewed the education and events calendar for 2022. There are ongoing CFP webinars available and are communicated to participants as well as through Port channels.

RPS survey results for Q1 resulted in a 9.6 average rating; 7 surveys were completed during Q1 2022.

CFP survey results for Q1 resulted in a 7.6 average rating; 5 surveys were completed during Q1 2022.

2022 Strategy

Plan goals and objective for 2022 include more education, focus on participation and savings, financial wellness, and retention in the plans.

MS continues to have a multi-channel approach to drive engagement through their communications: video, website, mobile, email, social media, webinars, consultations, and phone calls. Targeted messaging will also go out to participants depending on their career and retirement phase.

Meeting adjourned at 12:00pm
Next meeting: August 24, 2022