

November 14, 2024 - 9:00 am – 12:00 pm
No Executive Session
MS Teams
Agenda

9:00 a.m. - 9:15am <i>15 minutes</i>	<ul style="list-style-type: none"> Welcome & Introductions Approval of June Q2 2024 meeting minutes 	Committee Chair
9:15 a.m. – 10:00 a.m. <i>45 minutes</i>	<ul style="list-style-type: none"> Market and Economic Commentary Plan and Investment Performance Report 	Hyas Group
10:00 a.m. 10:15 a.m.	<ul style="list-style-type: none"> Break 	All
10:15 a.m. – 11:00 a.m. <i>45 minutes</i>	<ul style="list-style-type: none"> Marketing Materials Benchmark Data Marketo Data Collection Information Potential effects on Deferred Comp plans from election 	Mission Square Retirement
11:00 a.m. – 11:45pm <i>45 minutes</i>	<p style="text-align: center;">Announcements / Discussion time</p> <ul style="list-style-type: none"> Agenda Items for Annual Retreat (January 2025) 	All
	<p style="text-align: center;">Next meeting: RETREAT – JANUARY 16, 2025 IN PERSON FOR LOCAL PARTICIPANTS</p>	

Minutes:

In attendance:

Committee members: Elizabeth Morrison, Taesan Hose, Shawn Griffin, Milton Ellis, Eloise Olivar, Kecia Reichstein, Eric Baird

MissionSquare: Tim Oster, Jennifer Lynch, Sonia Rogers

Hyas Group: Ted Grigsby

Port Employees: Sherie Chipperfield, Chandra Winston, Teddy McDonald

Welcome & Introductions

Milton Ellis called the meeting to order at 9:01 a.m. All Port employees, Committee members and representatives from MissionSquare and Hyas introduced themselves with their titles and explained what their roles are on the committee.

Approval of June Q2 2024 meeting minutes

The committee voted to approved the minutes from the June 5th Deferred Compensation Committee meeting.

VOTE:

Motion: Milton Ellis moved to approve the minutes from the June meeting.

Seconded: Elizabeth Morrison seconded.

Roll Call vote: all in favor

HYAS

Market and Economic Commentary

Ted Grigsby from Hyas presented the Third Quarter 2024 Performance Report. From the report, Ted informed the committee that the U.S.'s economic growth remained resilient while both unemployment and inflation showed signs of easing, leading to the Federal Reserve interest rate cut of 50 bps in September and then a cut of 25 bps before the November meeting. Growth outside the US has been slower and other economies have been more aggressive with their interest rate cutting stances.

As of quarter-end, the Port of Seattle Plans had one fund that was being held on the watch list, the MissionSquare Plus Fund R12, due to a recent change in leadership of the fund's management. Ted recommended for the fund to remain on watch. The Artisan Mid Cap Instl Fund was in violation of standard performance criteria, and Ted recommended that the fund be placed on watch. The Committee voted to add this fund to the Port of Seattle's watch list.

VOTE:

Motion: Elizabeth Morrison moved to add the Artisan Mid Cap Instl Fund to the watch list.

Seconded: Shawn Griffin seconded.

Vote: all in favor

Plan and Investment Performance Report

The Port of Seattle Plans' aggregate assets stood at \$433,277,567 as of September 30, 2024. The breakdown of assets for the 457, 401a Supplemental, Police 401a, and Fire 401a were \$325,006,853, \$45,366,666, \$32,906,460, and \$29,997,588, respectively. The total weighted average record keeping, and investment expenses stood at 0.256% for the aggregated plans.

The Committee discussed the implementation of the Vanguard CITs for both Police and Fire. The mutual fund TDFs were converted to the Trusts in July of 2024 and are reflected in this report. The performance for the TDF CIT funds have been slightly better than their mutual fund counterparts.

MissionSquare

Tim Oster discussed the enhanced catch-up provision of the Secure Act 2.0 for participants aged 61 to 63 years old. MissionSquare will enable this provision in 2026 if the Port does not take action in the short-term. However, if the Port prefers to allow this provision sooner, they may opt to do so. The adjustment to contributions will have to be tracked and processed through the Port's own payroll system.

Tim Oster provided an overview of the Plan. He reviewed participant demographics, Plan assets, and cash in/out flows. Year-to-date contributions and roll-ins for all Plans have been approximately \$19.5mm, while distributions and rollouts came in at \$18.9mm. The majority of Plan assets that have rolled out have been to Fidelity, Schwab, and Edward Jones. There is approximately \$3.4mm in outstanding loan balances, which is about 1.05% of the 457 Plan assets. Education and participant support efforts have been strong this year, with MissionSquare conducting 493 retirement plan consultations, 108 certified financial planning consultations, 25 delivered financial plans, 36 CFP webinars that covered 225 Port employees. MSQ is continuing to develop their education and support efforts and are hoping to launch a campaign. Currently there are contractual limitations to MissionSquare's outreach, intended to limit or minimize sales efforts. However, in order to more fully advertise education seminars and support events, the Committee will explore whether they are able to loosen the communication restrictions.

Agenda Items for Annual Retreat (January 2025)

The Committee discussed several potential topics for the retreat set for January 2025.

Some of the topics discussed include an investment line-up review, benchmarking plan fees, DOL Cyber Security review, fiduciary training about fees, analysis of the administrative fee, recent legislation about auto-enrollment and auto increases and discussion of a strategy to reduce plan leakage.

The meeting was adjourned at 11:48am