

Lane County

Deferred Compensation Committee Meeting

November 15, 2021

- I. Krystal Tullar (Workforce Wellness Manager) called the meeting to order at 9:00 am and acted as meeting facilitator in Steve Mokrohisky's absence.. Present were: Clint Riley, Robert Tintle, Krystal Tullar, Kara Joers, Lisa Willis, JoAnn Miller, Audrey White (Hyas Group), Patti Harte (MissionSquare), and Delana Hansen (MissionSquare). Steve Mokrohisky and Christine Moody were unable to attend.
- II. Approval of the May 20, 2021 minutes. Robert moved to approve the minutes as presented. Krystal seconded the motion. Approved unanimously.
- III. Welcomed new committee members, Kara Joers (PW) and Lisa Willis (HHS).
- IV. Hyas Group provided the Third Quarter 2021 Performance Report which included the following items:
 - a. Market Commentary – Third Quarter 2021 was a bumpy ride. There was increased volatility as markets weighed the prospects of continued economic expansion against rising inflation fears. These inflation fears coupled with the Federal Reserve communicating its continued intent to slow, and eventually end, the asset purchase program have caused interest rates to increase measuredly since the end of Second Quarter. Yet corporations continued to report record profits, consumers continued to spend at record levels, and large cap growth stocks continued to beat nearly every other asset class (except for commodities).
 - b. Legal and Regulatory Updates – It was noted that earlier this month the Committee voted to add the in-service withdrawal provision at age 59.5 to the 401(a) Plan; This provision is currently offered in the 457(b) Plan.
 - c. Current Fund Lineup Overview –
 - a. On watch funds:
 - i. Allspring Special Mid Cap Value Fund remains on watch status.
 - ii. Hartford MidCap R6 – Hyas Group made a recommendation to replace the Hartford MidCap Growth Fund, which represents about half a percent of the overall portfolio holdings at \$774K. The four alternative funds discussed included the MFS Mid Cap Growth Fund, the Artisan Mid Cap Fund, the JP Morgan Mid Growth Fund, and the Touchstone Mid Growth Fund. After Committee discussion that focused on performance vs. benchmarks, peer group rankings and expenses, Krystal moved to replace the Hartford MidCap Fund (HFMVX) with the JP Morgan Mid Growth

Fund (JMGMX). Lisa seconded the motion. Approved unanimously. Hyas Group will work with MissionSquare to facilitate this transaction.

b. Vanguard recently announced their intent to merge the Target Date Fund Investor share class with the Target Date Fund Institutional share class in February 2022. The County's plans make use of the Institutional share class and the resulting merger will bring reduction in fees from 9 bps to 8 bps. There is no action required by Lane County for this change; Hyas Group will monitor the process and timing with MissionSquare.

- Plan Data Review – As of September 30, 2021, total assets were approximately \$150.7 million, a decrease of approximately \$900,000.
- Fee and Revenue Analysis

V. Annual Investment Policy Statement Review – Hyas Group Krystal moved to approve. Joanne Seconded. Approved unanimously.

VI. MissionSquare provided a 3Q 2021 Plan Review which included the following:

- The CFP program is underway, however, the number of participant meetings with CFPs has been low. Patty is exploring ways to increase participant involvement.
- The Committee also recognized DeLana's hard work and positive response from the County participants. Her tenure, location, and expertise are a good fit for servicing the plans. DeLana also commented that she has helped quite a few folks roll-in dollars from their IAP to the 457.
- Patty also addressed the increased rollout activity from 2Q at \$1,045,940 to \$1,631,776 for 3Q21. There has been a large number of participant retirements over the last several months.

VII. Open Discussion

- a. Financial Wellness Fair – The plan had been to do two Fairs a year, but it is not feasible to put another one on the 2021 calendar. The committee decided to plan for Fairs in February and August. Krystal and her team will begin planning for February.