

Clackamas County
Deferred Compensation Committee
Meeting Minutes for November 13, 2023 – Via Zoom

This document is intended to be a meeting summary. For additional details, please review the meeting handouts. Recordings of committee meetings will be provided within one year of the meeting. Visit the committee's webpage for easy access to meeting materials - <https://www.clackamas.us/meetings/des/dcc>

Voting Members Present: Elizabeth Comfort, Miranda Dean, Kristi Durham, Brian Nava, Bronson Rueda, Rob Sadowsky and Ben Wiley

Voting Members Not Present: Nikki Edge, Evelyn Minor-Lawrence, Robert Russo and Bob Vroman

Also attending: Nicholas Axline, Shelley Fredrick, Billie Hurley, Toni, McGarvey, Sierra Payette, Brent Petty, Greysen Stefani and Wendy Stefani

The meeting began at 10:00 a.m.

Get Connected, Stay Connected Update

Sierra presented the Q2 and Q3 Campaign metric report.

The Q2 campaign was a Digital Engagement campaign to coincide with the launch of the updated participant experience on the participant website. A mobile app email was launched as well. Unique open rates were well above the benchmark. Employee engagement across the first 3 quarters of 2023 were pretty consistent with a noticeable uptick in mobile app engagement as the year went on. Over the past 3 years employee engagement overall has increased significantly.

The Q3 campaign was the COLA email campaign. An Enrollment email was deployed on 8/24/23 and 9/7/23 along with an Increase Deferral Amount email deployed on 8/14/23 and 9/7/23. With the Enrollment email there was a noticeable uptick in engagement with the second deployment. The Increase Deferral Amount email engagement was fairly consistent between both deployments with the age 20-29 group exhibiting a higher engagement rate than the age 30-49 and age 50+ targeted groups.

Meeting Minutes

Elizabeth made a motion to approve the June committee meeting minutes with no changes and the July committee meeting minutes with an update that the meeting video is now available and Miranda seconded the motion.

Yes – 7 No – 0 Abstain - 0 Motion passes

NAGDCA Conference

The Conference was nearby in Seattle this year and delivered valuable information, validation for the committee's plan-related decisions plus provided an excellent opportunity to network with other deferred comp administrators. The 2024 conference is scheduled for September 15 – 18 in Phoenix, Arizona.

3rd Quarter Investment Report

Brent presented the 3rd Quarter Investment Report to the committee. Fund performance in the 3rd quarter was down with the exception of Cash. At that time it was uncertain what the impact of events in the Middle East would have on the market.

Brian and Miranda participated in the Fiduciary training provided by NWCM.

The IRS has postponed the implementation of the Roth Catch-up provision of Secure Act 2.0. In addition, the public comment period requested by the DOL wrapped up on 8/10/2024 with additional guidance regarding Secure Act 2.0 expected later in 2023 or sometime in 2024. NWCM is following The Women's Retirement Protection Act which seeks to address the retirement gap impacting women along with the Auto Reenroll Act of 2023 which would allow employers to reenroll a participant that had previously opted out. NWCM will keep us posted on these legislative items.

There are 2 funds on watch which include Invesco Developing Markets and Lord Abbett High Yield. They will remain on watch and no action is required at the time of this meeting.

Brent reviewed the Target Date Portfolios which account for approximately 40% of the plan assets. The majority of these assets are held by participants that are within 10-15 years of being retirement eligible. The JPMorgan Equity Income fund was not technically on watch at the time of this meeting, but has underperformed its benchmark which could lead to it being added to the watch list in the future.

Secure Act 2.0

The committee decided to review Secure Act 2.0 optional provisions for voting at regular committee meetings as time allows instead of holding a special meeting.

The committee decided to review the Domestic Abuse Withdrawal option. Brent informed the committee that the majority of his other clients had decided to adopt this option which provides participants facing domestic abuse the ability to withdraw up to \$10,000 depending on account balance and the option of paying back the withdrawal over a 3 year period and be refunded for income taxes paid on the amount withdrawn. Kristi provided perspective that domestic abuse does happen to plan participants and it's financially burdensome.

Rob made a motion to adopt the Domestic Abuse Withdrawal option and it was seconded by Brian.

Yes 6 No 0 Motion passes

Other Business

Shelley reported that a credit to participant accounts is scheduled for processing on December 1, 2023 to bring the EASE account balances back to \$70,000 for General County and \$700 for Housing Authority.

The meeting adjourned at 11:19 a.m.