Trustees of Salary Deferral Plan & Matching Plan

Retirement Board Meeting Session

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Shannon Zerangue
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Wednesday, May 11, 2022 | **9:00 AM** | **Commission Chambers**

~ Minutes ~

Call to Order

Attendee Name	Title	Status	Arrived
Michael Fouts	Chairman	Present	
Kelly Mickle	Board Member	Present	
Currently Vacant -	Board Member	Absent	
Cathy Farr	Employee Member	Absent	
Carla Green	Citizen Member	Remote	
Shannon Zerangue	Clerk	Present	

The Board of Trustees for the Salary Deferral Plan and Employee Matching Plan met in Regular Session on Wednesday, May 11, 2022.

Board member Carla Green attended the meeting remotely.

Mr. Zach Walley from One Digital (formerly with Truist) was in attendance.

Ms. Katrina Vaderdray from One Digital and Ms. Traci Pennell from Ascensus also attended the meeting remotely.

Chairman Fouts called the meeting to order at 9:00 a.m.

Minutes Approval

1. **Minutes of Wednesday, February 09, 2022**

It was the consensus of the Board to defer an official vote to adopt the minutes from the Regular Meeting Session held on Wednesday, February 9, 2022 until the majority of the Board could attend the meeting in person.

RESULT: DEFERRED/NO VOTE

Information for Trustees

2. 13028 Presentation from OneDigital of the Quarterly Investment Report

Ms. Vanderdray explained that the House of Representatives has advanced the SECURE 2.0 Act to the Senate. She highlighted the following as a few of the goals for the proposed legislation and explained that OneDigital will keep the Board updated on its progress:

- Expand automatic enrollment features
- Help small businesses offer retirement plans through credits and incentives
- Provide a safe harbor for corrections of employee elective deferral failures
- Increase the age for required beginning date for Required Minimum Distributions (RMD)
- Treat student loan payments as elective deferrals for purposes of making

contributions

- Increase the dollar limit for mandatory distributions from $5,000 to $7,000

She also briefly highlighted litigation associated with the cost for administering plans, publication from the Department of Labor (DOL) cautioning extreme care before considering the addition of cryptocurrency or related products as an investment option, and litigation associated with fiduciary training including monitoring all plan investments, benchmarking the plan to control fees, and cybersecurity. In closing, she reviewed some steps to help identify cybersecurity risks and vulnerabilities for the plans.

Ms. Vanderdray fielded a question from Ms. Mickle regarding the need for a separate cybersecurity policy for the plans if there is already an entity-wide policy in place.

Mr. Walley provided an overview of the economy and market status (volatility, negative returns, stocks, fixed income markets, unemployment, inflation, interest rates, wage growth, war in Ukraine, supply chain issues, COVID, potential recession, housing market, and consumer demand).

Mr. Walley presented asset allocations for both plans, highlighted fund performances, and provided monitoring/scoring reports for funds and the investment style analysis. He explained that the performances of the DFA World ex U.S. Government Fixed Income I Fund, the Fidelity® Small Cap Index Fund, and the Fidelity® Real Estate Investment Portfolio Fund are under review, however, there are no suggested fund changes at this time. He also reminded the Board that because of its underperformance the T Rowe Price Blue Chip Growth I Fund is in the process of being replaced with the JP Morgan Large Cap Growth R6 Fund as approved by the Board on February 9, 2022.

RESULT:	**ACCOMPLISHED**

3. 13029 Presentation from Ascensus of the Quarterly Management Report

Ms. Pennell explained that Ascensus has acquired the Newport Group. This transaction expands Ascensus' participant base and increases the assets managed by Ascensus. There will be no impact to client experience, no change to points of contact, and no interruption of service for Coweta's plan participants.

Ms. Pennell also briefly reviewed Ascensus' technology and security measures to protect participant data, and reviewed ERISA and industry updates, including the Administrative Fee Credit Account (AFCA), the SECURE Act 2.0 that has advanced to the Senate, and the Protecting America's Retirement Security Act approved by the House Committee on Education and Labor to be advanced to the House of Representatives.

Ms. Pennell highlighted Ascensus' enhanced participant engagement tools including a virtual financial coach (Aimee) and financial wellness hub (Financial Finesse). She also explained that Mr. Carl Settles (Communications Specialist) is available to address any educational needs for plan participants.

Ms. Pennell noted the 2022 contribution limits, ERISA compliance dates for calendar-year plans, and key dates for participant notices.

In closing, Ms. Pennell provided the participation rate, total number of participants with balances, average participant account balance, activity summary by source and fund, investment diversification/utilization, asset allocations by age, asset percentage by age, number of terminated participants with balances, withdrawals/distributions, participant website usage, and total plan assets as of March 31, 2022.

RESULT:	**ACCOMPLISHED**

Comments

Comments

Chairman Fouts called for any comments. There were none.

Schedule Next Meeting

Motion To: **Schedule Next Meeting**

The Board voted to schedule the next meeting on Wednesday, August 10, 2022 at 9:00 a.m.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Michael Fouts, Chairman
SECONDER:	Kelly Mickle, Board Member
AYES:	Michael Fouts, Kelly Mickle, Carla Green
ABSENT:	Currently Vacant -, Cathy Farr

Adjournment

Motion To: **Adjourn**

The Board voted to adjourn the meeting.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Michael Fouts, Chairman
SECONDER:	Kelly Mickle, Board Member
AYES:	Michael Fouts, Kelly Mickle, Carla Green
ABSENT:	Currently Vacant -, Cathy Farr