Trustees of Salary Deferral Plan & Matching Plan

Retirement Board Meeting Session

,
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Shannon Zerangue
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Wednesday, February 9, 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	Present	
Carla Green	Citizen Member	Present	
Patricia Palmer	Community and Human Resources Director	Present	
Julie Millians	Benefits Manager	Present	
Chuck Lee	Risk and Safety Manager	Present	
Amy Henson	Assistant Finance Director	Present	9:04 AM

The Board of Trustees for the Salary Deferral Plan and Employee Matching Plan met in Regular Session on Wednesday, February 9, 2022.

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

Ms. Traci Pennell and Mr. Carl Settles with Ascensus (formerly with Truist) attended the meeting telephonically.

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

Minutes Approval

1. **Minutes of Tuesday, November 09, 2021**

The Board voted to approve the minutes from the Regular Meeting Session held on Tuesday, November 9, 2021.

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

Information for Trustees

2. 12832 Presentation from OneDigital of the Quarterly Investment Report

Mr. Walley briefly highlighted enhancements OneDigital has planned for 2022 including monthly employee educational webinars, retirement lifestyle magazine, video training and education, quarterly plan newsletters, virtual fiduciary bootcamps, integration of retirement/health/HR consulting, wealth management services, and a financial wellness program.

Mr. Walley provided an overview of the economy and market status [stocks, bonds, volatility, labor shortage, supply chain issues, inflation, interest rates, consumer demand, housing prices, COVID variants, economic growth, Standard and Poor's

Index (S&P), Dow Jones Industrial Average, NASDAQ, and sector returns].

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 iShares MSCI EAFE International Index K Fund, and the Fidelity® Real Estate Investment Portfolio Fund are under review, however, there are no suggested fund changes at this time.

He further explained that the T Rowe Price Blue Chip Growth I Fund has been under review for several quarters because of its performance and recommended that the Board consider replacing this fund. He reviewed the following funds as solid replacement options:

- Fidelity Advisor® Equity Growth Z Fund
- JP Morgan Large Cap Growth R6 Fund
- MFS Growth R6 Fund

RESULT:	**ACCOMPLISHED**

Motion To: **Approve Fund Replacement**

The Board voted to replace the T Rowe Price Blue Chip Growth I Fund with the JP Morgan Large Cap Growth R6 Fund.

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

3. 12833 Presentation from Ascensus of the Quarterly Management Report

Ms. Pennell explained that Ascensus recently acquired the Newport Group. The transaction expands Ascensus' participant base across the United States and increases the assets administered by Ascensus. There will be no impact to client experience, no change to points of contact, and no interruption of service for Coweta County plan participants. This strategic merger expands the solutions and expertise Ascensus provides.

Ms. Pennell also briefly reviewed Ascensus' technology and security measures to protect participant data, and reviewed ERISA and industry updates, including Administrative Fee Credit Account (AFCA). She explained that Coweta's plan automatically applies AFCA balances toward plan-related expenses, but this option can be changed to allocate the funds pro-rata to participants based upon their account balances should the Board choose to do so.

Ms. Pennell provided an update regarding new e-delivery regulations issued by the Internal Revenue Service (IRS) and the Department of Labor (DOL) in 2020.

Mr. Settles reviewed Ascensus' enhanced engagement tools available to participants including the call center experience, a redesigned homepage for the website, an update to the mobile app, a virtual financial coach (Aimee), and workshops.

Mr. Settles explained that Ascensus recently contributed to an article regarding the influence of fintech (financial technology) on plan design following a 2021 participant survey that was conducted and highlighted some of their innovative thinking currently driving positive financial behaviors of Coweta's plan participants.

In response to a question from Ms. Farr, Ms. Pennell explained that there currently isn't a way for plan participants to view/compare a summary of their two accounts (Salary Deferral and Employee Matching) side-by-side online.

Ms. Pennell further explained that she and/or Mr. Nettles will be contacting Benefits Manager Julie Millians regarding development of an engagement strategy for plan participants.

Ms. Pennell reviewed the 2022 contribution limits announced by the IRS on November 4, 2021, and highlighted key dates associated with compliance and participant notifications regarding the plan.

In closing, Ms. Pennell provided the participation rate, total number of participants with balances, average participant account balance, investment diversification/utilization, asset allocations by age, asset percentage by age, number of terminated participants with balances, withdrawals/distributions, and the total plan assets as of December 31, 2021.

RESULT:	**ACCOMPLISHED**

Action Items

4. 12841 Request Approval/Execution of an Investment Advisory Services Agreement with OneDigital

Board member Mickle explained that on January 6, 2021, the Board of Trustees approved an assignment agreement to transition investment advisory services from Truist to OneDigital because Truist decided to sell its investment advisory services business. The assignment was effective on January 1, 2021, and all the terms, condition, and fees included in the original BB&T contract remained intact. Staff have now received an agreement for investment services from OneDigital. The contract has been sent to the Board of Trustees’ attorney for review.

The Board voted to execute an Investment Advisory Services Agreement with OneDigital, contingent upon final legal review.

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

Comments

Comments

Chairman Fouts called for any comments.

Chairman Fouts asked Mr. Walley to explore the possibility of adding a Roth option to the plan.

Mr. Walley explained that he will be happy to investigate this possibility as another option for plan participants.

Chairman Fouts called for any further comments. There were none.

Schedule Next Meeting

Motion To: **Schedule Next Meeting**

The Board voted to schedule the next meeting on Wednesday, May 11, 2022 at 9:00 a.m.

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

Adjournment

Motion To: **Adjourn**

The Board voted to adjourn the meeting.

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