# Board of Trustees for the Salary Deferral Plan and Employee Matching Plan

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**Retirement Board**

**Minutes**

**August 15, 2024** | **9:00 AM** | **Commission Chambers**

## Board of Trustees for the Salary Deferral Plan and Employee Matching Plan

## Roll Call

| Attendee | Title | Status |
|---|---|---|
| Michael Fouts | Chairman | Present |
| Kelly Mickle | Employee Member 1 | Present |
| Cathy Farr | Employee Member 2 | Present |
| Carla Green | Citizen Member 1 | Absent |
| Annamarie Salazar | Citizen Member 2 | Absent |
| Sandy Wisenbaker | Assistant County Administrator | Present |
| Shannon Zerangue | Clerk | Present |
| Patricia Palmer | Community and Human Resources Director | Present |
| Julie Millians | Benefits Manager | Present |
| Hans Wilson | Finance Director | Remote |
| Amy Henson | Assistant Finance Director | Remote |

The Board of Trustees for the Salary Deferral Plan and Employee Matching Plan met in Regular Session on Thursday, August 15, 2024.

Mr. Zach Walley from OneDigital was in attendance.

Ms. Katrina Vanderdray from OneDigital and Mr. Aaron Schluep from Empower also attended the meeting remotely.

Meeting Called to Order

Chairman Fouts called the meeting to order at 9:10 a.m.

## Approval of Minutes

1. Request Approval of the Minutes from the Regular Meeting Session Held on May 16, 2024

   The Board voted to approve the minutes from the Regular Meeting Session held on Thursday, May 16, 2024.

   Motion to: **Approve**
   **RESULT: Passed (UNANIMOUS)**
   **MOVER**: Catherine Farr
   **SECONDER**: Kelly Mickle
   **AYES**: Michael Fouts, Kelly Mickle, Catherine Farr

## Information for Trustees

2. Presentation from OneDigital of the Quarterly Investment Report

   Mr. Walley briefly highlighted the 2024 Plan contribution limits, engagement tools available to participants, and employer resources such as the fiduciary academy and webinars. He also provided a legislative and regulatory update, noting that the Department of Labor (DOL) updated the definition of an investment advisory fiduciary. The new definition takes effect in September and multiple lawsuits have been filed by various trade groups challenging the DOL's new rule.

   Mr. Walley provided an overview of the economy and market status [S&P index, DOW, NASDAQ, interest rates, volatility, upcoming Presidential election, corporate earnings, GDP, inflation, job availability, unemployment, sector returns, delinquencies (auto loans, mortgages, credit cards), stocks, bonds].

   Mr. Walley also provided a brief review of the asset allocation breakdown for the Salary Deferral Plan, noting a Plan portfolio total value of $20,590,181 as of June 30, 2024. He explained that all funds, investments, and scoring metrics in the Employee Matching Plan are exactly the same and the total portfolio value was $20,260,810 as of June 30, 2024. In closing, he explained that following several months of monitoring fund performance, OneDigital recommends replacing the Delaware Ivy Mid-Cap Growth R6 Fund with the Janus Henderson Enterprise Class N Fund.

In response to a question from Chairman Fouts regarding a minimum initial purchase of $1 million as indicated in the Morningstar Report for the Janus Henderson fund, Mr. Walley explained that this requirement is waived for the County's retirement plan(s).

Motion to: **Replace Delaware Ivy Mid-Cap Growth R6 Fund**

The Board voted to replace Delaware Ivy Mid-Cap Growth R6 Fund with the Janus Henderson Enterprise Class N Fund.

**RESULT: Passed (UNANIMOUS)**
**MOVER**: Michael Fouts
**SECONDER**: Kelly Mickle
**AYES**: Michael Fouts, Kelly Mickle, Catherine Farr

3. Presentation from Empower of the Management Report

Mr. Schluep provided an overview of the year-over-year changes (June 2023-June 2024) in terms of participant engagement. He briefly highlighted Plan analytics including participant assets, number of participants with a balance, investment strategy utilization, average account balance, participation rate, participant activity, number of participants contributing over 10%, and lifetime income score, including ways to improve it. In closing, he explained that the number of participants and the average account balance has increased, there is a strong participant engagement with the Empower system, and the rate of return for participants who are invested in the Target Date Funds or who are utilizing the My Total Retirement Tool is better than the rate of return for those participants who are making their own investment choices.

In response to a question from Ms. Vanderdray, Mr. Schluep explained that a list of participants who have not signed up to utilize the Empower system is available. Those participants are currently receiving emails regularly to encourage them to create a login and password, and those communications can be increased.

In response to a question from Chairman Fouts, Benefits Manager Millians explained that representatives from Empower will be attending the County's Benefits and Wellness Fair in October.

Mr. Schluep also explained that Retirement Plan Advisor Samirian Hill has accepted another position with Empower and Lead Retirement Plan Advisor Sam Lyons will step in to conduct account reviews with participants. This is a free service provided by Empower for participants, and he encouraged everyone to take advantage of this opportunity.

In response to a question from Ms. Farr, Mr. Schluep explained that currently there are ninety-eight (98) eligible employees who are not making any contributions to the retirement plan.

## Comments

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

## Schedule Next Meeting

Motion to: **Schedule the Next Meeting**

The Board voted to schedule the next meeting on Thursday, November 14, 2024 at 9:00 a.m.

**RESULT: Passed (UNANIMOUS)**
**MOVER**: Michael Fouts
**SECONDER**: Catherine Farr
**AYES**: Michael Fouts, Kelly Mickle, Catherine Farr

## Adjournment

Motion to: **Adjourn**

The Board voted to adjourn the meeting.

**RESULT: Passed (UNANIMOUS)**
**MOVER**: Kelly Mickle
**SECONDER**: Catherine Farr
**AYES**: Michael Fouts, Kelly Mickle, Catherine Farr