

Nassau County Deferred Compensation Plan Board

Meeting Minutes – September 22, 2023

On September 22, 2023, the Nassau County Deferred Compensation Plan Board held a regular quarterly meeting at One West Street and via conference call. In attendance were:

Nassau County	Empower	MMA	EPRM
Steve Conkling David Chiang Thomas Iervese Sean Mulligan Glen Tuifel Pat McDevitt Joe Philbin David DeBaun Michael Grunwald Jeff Nogid	Gabe D’Ulisse Theresa Mansbart Robert Lamb Joe Fein Mike Ricciardi Via phone: Ellen Wilson Nina Barbarino Jim Cordes Maria Vazquez Perez	Peter Scott	Doug Zimmerman

Board Chairman Steven Conkling commenced the meeting shortly after 10 a.m.

Agenda items included –

1. Voting Items –
 - a. Approval of Minutes of May 16, 2023 Meeting
 - b. Approve amended Investment Policy Statement
 - c. Approve Beneficiary Designation Policy Statement
2. EFPR Group – 2022 Plan Financial Statements
3. MMA Q2 Investment Report
4. Empower Q2 Plan Report
5. RFP For Plan Administrator

Approval of Minutes

The first order of business was the approval of the meeting minutes of the May 16, 2023 meeting.

EFPR Group – Presentation of 2022 Financial Statements

Doug Zimmerman of EFPR Group reviewed the results of the audit of the plan’s 2022 financials. The audit report package began with a two page independent auditors report, which included the opinion of EFPR Group that:

“the financial statements referred to above present fairly in all material respects the fiduciary net assets available for plan benefits ... as of December 31, 2022 and 2021, and the changes in its fiduciary net assets available for plan benefits for the years then ended, in accordance with generally accepted accounting principles...”

Mr. Zimmerman then reviewed the management’s discussion and analysis, which included financial highlights and condensed financial information for the plan in 2022 and 2021. He also noted the low response rate to verification letters sent to random participants. After discussion, several Board members agreed to contact specific participants who had not returned their letters.

After discussion, a motion was made to approve the 2022 audit report. The motion was seconded and approved by the Board. The Board thanked Doug Zimmerman for his presentation and Doug left the meeting.

In the interest of time, the agenda item regarding the Investment Policy Statement will be addressed at a subsequent Board meeting.

Beneficiary Designation Policy

Empower’s Maria Vazquez Perez presented a proposed Beneficiary Designation Policy document, to provide guidance in the event that a participant’s beneficiary designation is missing or incomplete. The policy provides guidance for dividing a deceased participant’s account in the event that he or she had not provided details as the percentages allocated to multiple beneficiaries. Following discussion, upon a motion made and seconded, the Board approved the Beneficiary Designation Policy.

Q2 Investment Report

Peter Scott from Marsh McLennan provided a review of investment performance through Q2 2023 supplemented by fund performance through August 31st. Following brief remarks on overall year-to-date equity and bond market performance, he informed the Board of the IRS’s delay from 2024 to 2026 of the requirement that catch up contributions by persons with prior year wages of \$145,000 or more be made only on an after-tax basis.

He discussed with the Board Empower’s upcoming replacement of the T. Rowe Price Growth Fund as the underlying investment of the large cap growth separate account; this is the plan’s largest equity holding. Empower will replace T. Rowe Price Growth as subadvisor with American Century Ultra as of December 1st. The Board reviewed T. Rowe Price Growth’s performance earlier in 2023 and determined to supplement the fund with a more conservative large cap growth alternative (Calvert Equity). The Board evaluated T. Rowe Price Growth’s current 2023 outperformance (up 34%, 11th percentile as of Sept. 18) and Empower noted that they could duplicate the current investment structure if Nassau County wished to retain T. Rowe Price Growth. After further discussion, a motion was made to retain T. Rowe Price Growth through a new separate account of Empower; this motion was seconded and approved.

Peter then reviewed three funds that had received low scores for Q2; two of these, BlackRock Mid Cap Growth and AB Small Cap Growth were outperforming their category averages by good margins YTD as of mid-September. The third, Delaware Small Cap Value, has continued to

receive low scores; better performing alternatives will be discussed at the next meeting. Finally, in response to interest from the Board, Peter will review the scoring methodology utilized at the next meeting.

Empower Q2 Report

Gabe D'Ulisse began his remarks by acknowledging that retiring participants are moving from the Northeast; over the past 12 months the plan experienced \$79 million in distributions due to terminations. Gabe provided additional statistics including -

- There are 10,600 participant accounts, with an average account balance of \$168k.
- The Roth feature continues to grow with 550 participants and \$2.2 million in assets.
- New and active loans remained flat; 9.8% of participants have an active loan.
- Goalmaker reached 4,605 participants (43.5%) and accounted for 25% of plan assets.

Mike Ricciardi reported on the continued positive results participants attained through the RIC and mentioned the new tools that will be available to participants post-transition. He also mentioned the NAGDCA award earned on behalf of the plan for the communications initiative related to the Roth implementation, and thanked responsible parties.

Theresa Mansbart updated the Board on activities at the College, noting the College Retirement Enticement to keep their fully paid healthcare benefits. She reported on faculty meetings, department meetings, and one on one meetings with participants.

Robert Lamb provided the Board with a presentation concerning the plan migration to Empower's platform. His presentation covered the timing and content of communications to participants, the new website and login procedures, sponsor resources and other aspects of the migration.

RFP Discussion

The Board excused Empower from the meeting and briefly discussed the status of the RFP for administrative services. Peter Scott provided the Board with a brief summary of the firms that responded; the Board set the date of October 18th to hear presentations from the finalists.