

Nassau County Deferred Compensation Plan Board

Meeting Minutes – January 10, 2024

On January 10, 2024, the Nassau County Deferred Compensation Plan Board held a special meeting at One West Street and via conference call. In attendance were:

Nassau County

In Person:

Steven Conkling
Thomas Iervese
David Chiang
Sean Mulligan
Glen Tuifel
Jeff Nogid

Via Phone:

Joseph Philbin
Dennis Maurus
Beaumont Jefferson
David DeBaun
Dawn Wood-Jones
Helen Marie Carlson

MMA

Peter Scott via phone

Board Chairman Steven Conkling commenced the meeting at 11:30 a.m.

Waiver of the Stable Value Adjustment for 2024

The first order of business was a Waiver of the Stable Value Adjustment for 2024 received from Empower. The contract change involves the waiver of a provision that would accelerate the amortization of the market value to book value gap. Without the waiver, this element of the rate-setting formula would reduce this gap over a period of 3.4 years rather than 4.4 years, resulting in a noticeable near-term reduction in the guaranteed crediting rate. In 2023, this contract change was reviewed and approved for that year's rate-setting process. After discussion, upon a motion made and duly seconded, the Board unanimously approved the waiver.

401(a) Fund Lineup

The next order of business was a discussion of what would be included in the fund lineup for the County's new 401(a) Plan. Peter Scott from Marsh McLennan led the discussion. He recommended that a subset of the 457(b) menu be utilized, comprised of the most popular funds from the 457(b) plan that would be sufficient to provide participants with the ability to meet their investment objectives. The proposed fund lineup included investments that comprise 85% of 457(b) plan assets as of September 30, 2023, and included all plan investments that had 2% or more of the 457(b) plan assets.

After discussion, the Board agreed with this fund lineup recommendation.

Next Steps for Selection of 457(b) Plan Administrator

The Board then discussed the next steps necessary to make a decision on the 457(b) Plan Administrator. Peter Scott presented to the Board an updated version of his presentation from October 2023 which summarized the four proposals received for the 457(b) Plan administrator. Peter led an in-depth discussion of the strengths and weaknesses of each firm, and a detailed comparison of the proposals. In particular, Peter focused on: firm organization and history; number, size and type of clients for each firm; total 457(b) assets administered; proposed plan for the service team that would be assigned to the County's Plan; call center and website functionality; plan administration cost, both in total and on a per participant basis; and participant advisory services. Peter spent a significant amount of time discussing each firm's proposal for a stable value product. The Board asked Peter several questions on the impact of a contract cash out in the event the Board selected a new plan administrator.

Following Peter's presentation, the Board agreed that they would continue to focus on the implementation of the new 401(a) Plan. Board Chair Steven Conkling asked the Board members to send him a list of what they would like to include in the letter requesting a best-and-final offer from the firms that previously presented their proposals to the Board. Mr. Conkling stated that he would distribute a draft of the BAFO letter to the Board for their review so it would be ready once the 401(a) Plan was implemented.

Next Meeting

The date for the next board meeting was previously scheduled for February 27, 2024.

Adjournment

Having no further business, the meeting was adjourned shortly before 12:30 pm.