

City of Seattle Voluntary Deferred Compensation Plan Regular Trust Committee Meeting Minutes

Wednesday, January 22, 2025, 10:00 am – 12:00 pm
Hybrid Meeting

TRUSTEES present: Kimberly Loving, Jessica Jaeger, Jeffrey Davis, Tania Torres, Dennis Karl, and Rick Sheridan.

STAFF present: Michelle Ell, Tony Dozier, Jesica DiCione (Plan Staff).

CONSULTANTS present: Ted Grigsby from Hyas Group; Michael Monaco and Gavin Parr from Mondress Monaco Parr Lockwood (MMPL).

GUESTS present: Jim Keeler, Susan Wilson, and Kris Morton, and Frank McCafferty (Nationwide). Andrew Robinson (City Finance), Gary Smith (City Attorney's Office), and Emory Horvath.

BUSINESS

Opening: Rick Sheridan, Committee Chair, started the meeting at 10:01 am.

Introductions: Rick Sheridan welcomed attendees and asked for introductions.

Public Comment: Michelle Ell read an email received from Ahmed Noor, City of Seattle employee, on 1/22/25 regarding Tesla (TSLA) holdings. Mr. Noor's comment did not request divestment but rather stated his concerns regarding Elon Musk's actions and behaviors and requested all City entities to review investments in the company.

Minutes of December 4, 2024 Meeting: Rick Sheridan asked for a review of the meeting minutes.

MOTION: Tania Torres moved to approve the minutes. The motion was seconded by Jeff Davis and passed unanimously.

Plan Staff Update: Michelle Ell discussed the Deferred Compensation Unit's recent move from the Seattle Human Resources Department to the Seattle Retirement department. Ms. Ell mentioned that in connection with this move, Tony Dozier and Jesica DiCione would no longer have plan cell phones but would be accessible by all other regular means.

Ms. Ell mentioned there was a request to move the start time of regular Committee meetings to 9:00am or 9:30am. The Committee members expressed agreement to 9:30am as the starting time for meetings going forward.

Ms. Ell next provided an update on matters related to the Workday payroll system. She noted that the Deferred Compensation Unit is awaiting assistance from the Workday project team and City Payroll on certain issues, including report writing support. Ms. Ell also indicated that Tony Dozier and Jesica DiCione will start a report writer training soon. She also mentioned that issues related to contributions continue to be reviewed and corrected in accordance with applicable IRS guidelines as they are

identified. She also reported on the timing of notices being sent to Plan participants regarding the fee rebate previously approved by the Committee.

Legal Update: Michael Monaco provided an introduction and overview of the draft fee and expense policy. Mr. Monaco noted that the proposed fee and expense policy would allow the Plan to rebate excess fees when the expense account equals or exceeds 150% of the planned average of Plan costs for the year. Jeff Davis inquired about a downturn and if the reserve were to fall below the expected costs for the Plan. Mr. Monaco and Ted Grigsby responded that a change in fee assessment might then be warranted. Jessica Jaeger indicated an interest in further analysis, and Mr. Grigsby commented that he will follow up with her regarding the additional issues raised and provide a revised draft policy. The Committee commented that the policy can be discussed further in a subsequent meeting once this supplemental review and analysis is complete.

Executive Session: Rick Sheridan announced a 20-minute executive session beginning at 10:22am to confer with legal counsel to discuss the legal risks of a proposed action or current practice.

Open session resumed at 10:42am.

Contracting: The Committee discussed a proposal from Nationwide to extend the current recordkeeping contract through the end of 2025 at a reduced fee.

MOTION: Jeff Davis moved to extend the contract with Nationwide through December 31, 2025 at the reduced fee proposed. The motion was seconded by Dennis Karl and passed unanimously.

Mr. Monaco noted that this change would become effective only upon negotiation and signing of a written amendment to the Nationwide contract meeting the terms approved by the Committee.

Adjournment: Rick Sheridan moved to adjourn the meeting. Hearing no objections, the meeting was adjourned at approximately 10:45am.

Next Meeting: The next regular meeting is scheduled for Wednesday, March 26, 2025, at 9:30 am PT. The meeting will be hybrid via WebEx.



Jeffrey S. Davis
Secretary, Deferred Compensation Plan Committee