

Nassau County Deferred Compensation Plan Board

Meeting Minutes – December 17, 2024

On Tuesday, December 17, 2024, 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	EFPR
Steve Conkling Glen Tuifel Dennis Maurus David Chiang Jeff Nogid Joe Philbin Sean Mulligan David DeBaun Ed Eilenberger Mike Grunwald Harvey Liebman Irina Sedighi Andrew James Amanda Cohn Helen Carlson Via Teams/Phone: Beaumont Jefferson Tom Iervese Dawn Wood-Jones Marisa Howard	Gabe D’Ulisse Joe Fein Mike Ricciardi Ellen Wilson <hr/> Via Teams: Nina Barbarino Robert Lamb <hr/>	Peter Scott	Doug Zimmerman

Board Chairman Steven Conkling commenced the meeting shortly after 10:00 a.m.

Agenda items included –

1. EFPR Group – Presentation of 2023 Audited Financial Statements
2. Voting Items
 - Approval of Minutes of September 26, 2024 meeting
 - Approval of Empower contracts
3. RFP for Plan Auditor
4. MMA Q3 Investment Report & review of scoring methodology
5. Empower
 - 3rd Quarter Report
 - Stable Value Fund
 - SECURE 2.0 Update

EFPR Presentation of 2023 Audited Financial Statements

Doug Zimmerman of EFPR Group reviewed the results of the audit of the plan's 2023 financials. Doug noted that his firm issued a clean opinion with no exceptions. He provided background on the audit process and reviewed the management's discussion and analysis, which included financial highlights and condensed financial information for the plan in 2023 and 2022.

He noted that all figures reconciled following the transition in the recordkeeping platform from Prudential to Empower, and participants responded to requests for confirmations of transactions. He is working with Empower to finalize figures on transfers to and from the plan, which is the last outstanding item prior to finalizing the report.

The Board thanked Doug Zimmerman for his presentation and Doug left the meeting.

Approval of Meeting Minutes

The next order of business was the approval of the meeting minutes of the September 26, 2024 meeting. After brief discussion, a motion to approve the minutes was made, seconded and approved.

Empower Contracts

Steve Conkling informed the Board that the negotiations on the Empower contracts (the service agreement, trust agreement, managed account agreement and self-directed brokerage agreement) were concluding with an anticipated January 1, 2025 effective date. He requested the Board provide the authority for him to execute the documents. A motion was made to provide this authority and was seconded and approved by the Board.

Auditor RFP Update

Steve Conkling informed the Board that the audit contract with EFPR Group was in its 7th year and an RFP was necessary for the 2024 plan audit and future years. He will release an RFP, and upon receiving responses determine with the Board whether a subcommittee is needed.

MMA Q3 Investment Report

Peter Scott of MMA provided a review of the performance of the Plan's investments for the third quarter of 2024 including investment performance as of December 6, 2024.

He began with an overview of financial market performance through early December. The S&P 500 had gained over 29% as of early December; the plan's top three equity positions all recognized strong comparative gains relative to their category averages. A broadening of equity gains resulted in value-oriented stocks outpacing growth stocks in Q3, a positive sign. The Plan's target date, international and small cap continued to outperform their categories while the Plan's mid cap funds had mixed results. Post Q3, domestic equity funds had gains through early December while bonds and international equity experienced post Q3 losses.

Low Scoring Investments

Low scoring funds included Calvert Equity, T. Rowe Price Growth, AB Small Cap Growth and American Century MidCap Value. Peter discussed the potential replacement of Calvert Equity; this GoalMaker component had drifted to become a large cap blend fund as its investment manager continued to shun most of the “Magnificent Seven” companies that have fueled the large cap gains in 2023 and 2024.

After reviewing the current performance and portfolio positioning of Calvert Equity in depth, Peter recommended to the Board that it be removed from GoalMaker as it no longer had characteristics of a large cap growth fund. Following discussion, the Board expressed its interest in reviewing potential large cap growth alternative to both Calvert Equity and T Rowe Price Growth at the next meeting.

Empower Q3 Report

Gabe D’Ulisse provided the Empower plan report for Q3 2024. He began his remarks by noting the new deferral and catch up limits for 2025, including the \$11,250 catch up limit for participants who are between ages 60 and 63 during the plan year. Mike Grunwald discussed Payroll’s ability to identify affected participants and administer the provision, as well as the future requirement that higher income participant catch-up contributions be made only as after-tax Roth contributions. Gabe noted that Empower will soon make available self-certification for participant financial hardship withdrawals.

Stable Value Update – Joe Fein discussed the Stable Value Fund and its rate setting process. He noted that the fund’s current market value to book value ratio was 92.7%. He discussed the portfolio’s current duration and yield, and the impact of current withdrawals on the crediting rate. He noted that the Q1 2025 rate would be unchanged from the current 2.56% annualized rate. Joe also reviewed for the Board the contractual waiver of the market value amortization adjustment provision, that if objected to, would have effect of reducing the crediting rate.

Plan Statistics – Gabe reviewed Q3 plan statistics, which included -

- Plan assets of \$1.988 billion
- The Plan had 10,971 accounts and a current average account balance of \$181,211.
- Cash flow remained negative with \$61.4 million of contributions and \$121.1 million in disbursements through Q3. Positive investment performance in Q3 was \$85.0 million.
- The average participant contribution rate is 14.0%, with over 42% of participants contributing over 10% of pay. Year-to-date Roth contributions through Q3 were just under \$4.0 million, while rollovers were \$4.5 million.
- GoalMaker participation remained strong with 41.4% of participants using GoalMaker, accounting for 25.0% of plan assets.

Mike Ricciardi provided the field report. He informed the Board that they have hired a representative to serve the Community College beginning January 6, 2025. He discussed a number of participant activities including a retiree seminar scheduled for Spring. He provided details on an in-plan Roth conversion web facility available in Q2 2025 that would allow

participants to convert funds to Roth after they acknowledged the tax consequences and irrevocable nature of the conversion.

Ellen Wilson provided the Board with an update of the recent activities of the field representatives. Among the items were –

- 2025 contribution limits flyers. These were sent to contacts for distribution to participants. Nina Barbarino is working with HR to have the updated Plan Highlights Brochure & 2025 payroll calendar distributed. Jim Cordes is having the information placed on COBA's new Health & Wellness app.
- Ellen had pre-retirement meetings with more than 25 retiring members of the Police Department, with the majority retiring in July. Mike Grunwald has assisted with 3-year catch up calculation data. Ellen also mentioned her October Crossing Guard Unit meeting with 60 attendees.
- Ellen informed the Board that the Community College is planning a retirement incentive in August 2025; participants need to submit a letter to take advantage of this in early January.
- Ellen then reported on Nina Barbarino's work with the Police Academy recruits to assist with consolidation of outside accounts into the Plan, and Jim Cordes' attendance at the annual DPW BBQ meeting where he spoke in front of over 90 members. He enrolled over 20 new participants, capturing 12 increases and four (4) rollovers into the Plan.

Next Meeting Date

The Board set January 30, 2025 as the next meeting date.

Having no further business, the 457(b) meeting was adjourned at 11:45 a.m.