

## Meeting Minutes – June 18, 2025

On Wednesday, June 18, 2025, the Nassau County Deferred Compensation Plan Board held a regular quarterly meeting at One West Street and via Microsoft Teams video conference call. In attendance were:

Nassau County	Empower	MMA
Steven Conkling	<u>Via Teams/Phone:</u> Gabe D’Ulisse Mike Ricciardi Nina Barbarino	Peter Scott
Joseph Philbin		Jim Hageney
Dennis Maurus		Kevin Broderick
Dawn Wood-Jones	<u>Via Teams:</u> Jeremy Evanko James Cordes Joe Fein Andrew Estreich	
Sean Mulligan		
David Chiang		
Jeff Nogid		
Garrett Wakefield		
Joseph McGahan		
David DeBaun		
Ed Eilenberger		
Harvey Liebman		
Irina Sedighi		
Andrew James		
Amanda Cohn		
Helen Carlson		

Board Chairman Steven Conkling commenced the meeting at approximately 10:00 a.m.

Agenda items included –

1. Voting Items –
  - Approve Minutes of January 30, 2025 meeting
  - Approve Amended Unforeseeable Emergency Withdrawal Policy
2. RFP for Deferred Compensation Plan Auditor
3. Empower Report
  - Stable Value Fund
  - New no-fee S&P 500 Index Fund
  - Asset Allocation Changes
  - Q1 2025 Report
  - Field Report
4. MMA Q1 Investment Report
  - Financial Market Review
  - Fund Performance
  - Review and Recommendations for Low Scoring Funds

Steven Conkling began the meeting by announcing departures and introductions. Steve noted that long-term board member Glen Tuifel of the CSEA has left the Board. Steve welcomed Garrett Wakefield to the Deferred Compensation Board, who will represent the CSEA, and Joseph McGahan, his alternate.

Steve then informed the Board that MMA advisor/consultant Peter Scott will be retiring. He introduced the Managing Partners of Marsh McLennan Agency's Conshohocken, PA-based retirement practice, Jim Hageney and Kevin Broderick.

### **January 30, 2025 Meeting Minutes**

The next item was the review of the meeting minutes of January 30, 2025. After a brief discussion, a motion was made and seconded to approve the meeting minutes, and the meeting minutes were approved.

### **Unforeseeable Emergency Withdrawal Policy and Review Committee**

The next item was a discussion of changes to the Plan's unforeseeable emergency withdrawal policy. Due to the migration of the plan from Prudential's to Empower's administrative platform, slight changes were needed to the Plan's emergency withdrawal policy to ensure consistency with Empower's forms and processes. After discussion, the Board agreed to reconstitute the three-person committee that reviews denied hardship requests. Joseph Philbin, Dennis Maurus and Sean Mulligan, assisted by Harvey Liebman, agreed to serve on this committee. A motion to adopt the unforeseeable emergency withdrawal policy changes and establish the committee was made, seconded, and approved by the Board.

### **Deferred Compensation Plan Audit RFP Update**

Empower's personnel were excused from the room as Steve Conkling updated the Board on the status of the RFP for a new plan auditor, as the contract for EFPR Group was expiring. Steve provided a table summarizing the bids of the five respondents. After discussion, a review committee consisting of David Chiang, Joseph Philbin, and Sean Mulligan, assisted by Harvey Liebman was proposed. A motion was made to establish this RFP review committee, which was tasked with making the decision regarding the hiring of a plan auditor. The motion was duly seconded and approved. (Note: Subsequent to the meeting, Jeff Nogid replaced Joe Philbin on the committee due to a scheduling conflict.)

### **Empower Q1 Report**

**Gabe D'Ulisse** provided Empower's Q1 report. Gabe began by noting that participants had largely remained allocated during the recent equity volatility. Among the highlights in the Q1 Empower report were -

- Plan assets reached \$2 billion as of the meeting date
- The average balance of the 10,920 account holders was \$177,000
- 5,109 or 84% of participants who defer pre-tax have an average contribution rate of 14.1%
- 433 or 7% of participants only contribute after-tax (i.e., Roth only) while another 556 or 9% make pre- and after-tax deferrals (i.e., multiple money types)
- While \$22.7 million came into the Plan as of Q1, net cashflow was -\$12.8 million
- Required minimum distributions (RMDs) were trending up during this period
- A new "Money in Motion" slide detailed where participants rolled account funds to
- GoalMaker participation and new and outstanding loans statistics were presented

**Mike Ricciardi** updated the Board on recent marketing initiatives. Mike remarked that participants are responding favorably to the new service model that includes a holistic approach to financial counseling, including a focus on tax-efficient retirement withdrawal strategies. Recent and ongoing marketing campaigns include –

- Email campaign to all participants concerning no-cost CFP services
- Cybersecurity email to 1,500 participants who do not have a registered account
- Market volatility email sent on May 27, 2025 to 6,900 participants
- Continued outreach to get an email address for 1,700 participants

**Nina Barbarino** provided a report on the activities of the field counselors. She noted that participants were providing positive feedback on the investment advice services now available. Among the activities mentioned were -

- Jim Cordes bringing in 77 enrollments and speaking at an upcoming COBA retirement seminar
- Andrew Estreich counseling retiring Nassau Community College participants
- Nina Barbarino presented at the Consumers Affairs benefit meeting
- Ellen Wilson, Jim Cordes and Andrew Estreich attended, and Ellen spoke at the Police Civilians meeting.
- Separation distributions rolled back into the Plan totaled \$1.72mm YTD

**Joe Fein** reported on Empower's no-fee S&P 500 fee index fund and informed the Board that it was now available. Joe reported on the Stable Value Fund, noting that its market value to book value ratio had improved slightly to 92.4% and was crediting an annualized 2.58%. Joe concluded by describing minor changes made to GoalMaker's asset allocation. Across all vintages, domestic equity was slightly reduced, bond and stable value allocation was increased, and international equity exposure was slightly reduced.

### **NAGDCA Conference Discussion**

The Board discussed the upcoming NAGDCA Conference in San Diego. Several Board members expressed interest in attending. A motion was made to pay expenses for up to seven Board members to attend the conference. The motion was seconded and approved.

### **MMA Investment Review**

Peter Scott of MMA provided a performance review of the plans investments for the first quarter of 2025, updated with performance through June 9, 2025.

He began with a review of domestic equity performance, contrasting negative Q1 performance with improved performance after Q1. He noted the S&P 500 had gained over 16% from late April to early June as tariff concerns diminished. He remarked on the YTD performance of international equity indices, which had strong performance in contrast to the S&P 500.

Peter then reviewed the Q1 and YTD as of June 9, 2025 performance of the Plan's domestic equity, international equity, fixed income, and target date funds. Overall, large and mid-cap fund performance equity was satisfactory, while the Plan's actively managed small cap funds were underperforming. The Plan's fixed income and bond funds were outperforming category averages as of June 9, 2025.

Peter then discussed two low scoring funds, the American Century Mid Cap Value Fund (AMDVX) and the AB Small Cap Growth Fund (QUAYX). AMDVX had underperformed the last two calendar years, yet it retained a four-star Morningstar rating and was outperforming its category and benchmark as of June 11, 2025. No action at this time was recommended.

The AB Small Cap Growth Fund was underperforming as of mid-June despite a 12.27% three-month gain as of June 10, 2025. The fund had received a low score for five of the six prior quarters, and alternatives were recommended although consistent with category performance, most alternatives had a negative YTD return as of mid-June.

**Next Meeting Date**

The Board agreed to meet next on October 9, 2025.

Having no further business, the meeting adjourned at approximately 11:45 am.