TOWN OF PALM BEACH

MINUTES OF THE DEFINED CONTRIBUTION PLAN COMMITTEE MEETING HELD ON

Tuesday, November 28, 2023

I. <u>CALL TO ORDER AND ROLL CALL</u>

The Defined Contribution Plan Committee Meeting was called to order on Tuesday, November, 23, 2023, at 1:00 pm. On roll call, all appointed members were found to be present with the exception of Mr. Miracle.

II. <u>APPROVAL OF AGENDA</u>

Motion was made by Board Member Guelli, seconded by Board Member Marx, to approve the Agenda, as presented. Motion carried unanimously.

III. <u>APPROVAL OF MINUTES</u>

a. <u>Minutes from August 10, 2023 Meeting</u>

Motion was made by Board Member Barth, seconded by Board Member Guelli, to approve the Minutes of the August 10, 2023 meeting, as presented. Motion carried unanimously.

IV. <u>COMMUNICATIONS FROM CITIZENS</u>

No one indicated a desire to speak.

V. <u>PRESENTATION BY ANDCO CONSULTING</u>
<u>*Dave West, AndCo Consulting*</u>

a. <u>Market Review</u>
b. <u>Investment Performance Review</u>
c. <u>Fiduciary Education</u>

d. Review of MissionSquare Fees for QDRO Services

Mr. West spoke regarding the asset overview for the 457 and 401a Plans. He stated that the fiscal year closed with a total of $64,705,488 in both plans, with over 72% being from the 457 Plan. He stated that there were no major changes in the allocations and the participants.

He spoke regarding specific bond indexes that performed well, including Dodge & Cox Income Fund with a 3.18% return and the Inflation Protection Securities Fund return was also positive. He spoke regarding the performance of the Neuberger Berman High Yield Fixed Income fund and stated that it is underperforming the benchmarks. He spoke regarding research that AndCo did on this fund and spoke about the benchmarks. He stated that the recommendation is to retain the fund at this time and continue to track it.

He spoke regarding the MissionSquare Inflation Focused Fund and stated that he didn't feel that the performance divergence justifies making any change. He spoke regarding challenges with making a change in this type of investment category.

He spoke regarding the potential of adding a money market fund option and spoke regarding the process for adding it to the portfolio. Chair Debrincat stated that the Board will not be pursuing a money market fund option because it doesn't appear that it would be a valuable option any longer.

Ms. Justice spoke regarding an optional service that is provided by MissionSquare for employees that are getting divorced. Mr. Brezak provided additional information on how the process works currently. Mr. West spoke regarding the fiduciary requirement to confirm that the fees for this service are reasonable.

Mr. West spoke regarding the Fiduciary Education for 2023 and stated that the fees for the Defined Contribution Plan continue to be competitive.

VI. MISSIONSQUARE UPDATE
Howard Brezak, MissionSquare

Mr. Brezak provided background information on the update, which focuses on two key points that resulted from conversations that he had had with employees at the Town's benefits fair. He provided a brief overview of the Balance Summary for the Plan. He spoke regarding the categories for benchmarks for the 457 Plan, including retirement readiness, investment diversification, participation rate, and eligible participants and displayed the dashboard for each category. He also spoke regarding the average account balance and yearly contribution for the 457 Plan. He reviewed the plan participation by age. He spoke regarding targeted and focused planning for certain demographics in order to ensure that they will have the funds to retire. He spoke regarding the participation asset allocation and stated that it was healthy. He spoke regarding the number of participants that don't have beneficiaries for the 457 and 401 Plans and spoke regarding working with Town staff to tighten up the process for ensuring there are complete files and beneficiaries on record. Mr. Debrincat expressed concern that he had not changed any information since enrollment but was notified that he had no beneficiaries on record. Ms. Justice provided background information on the enrollment process. She also spoke regarding challenges with making changes to beneficiaries online. Mr. Brezak stated that the beneficiary information should have been transferred when MissionSquare transitioned to the new platform at SS&C. He stated that he will provide a list of those who don't have beneficiaries. Ms. Garth spoke in support of doing periodic audits on this type of information.

Mr. Brezak spoke regarding providing free financial planning services to employees, as well. He stated that he would like to take a focused approach to employee outreach. He presented the scope of services for financial planning services through MissionSquare. He spoke regarding doing a webinar rather than in-person meetings. Ms. Garth inquired about what the financial planner would do differently than what services are currently provided, to which Mr. Brezak responded. He also spoke regarding having targeted meetings with certain employees. Discussion ensued on the education that has been taking place. Mr. Brezak spoke regarding implementing the proposed education in the new year.

VII. TENTATIVE MEETING SCHEDULE FOR 2024

Thursday, March 29, 2024
Thursday, May 16, 2024 – *Conflict with other committee*
Thursday, August 15, 2024 – *Conflict with other committee*
Thursday, November 14, 2024

Ms. Justice spoke regarding rescheduling the Committee meetings due to conflicts and stated that there has been interest by Committee members to schedule the meetings on the same day as the Retirement Board meetings. Discussion ensued.

VIII. ANY OTHER MATTERS

There were no other matters discussed.

IX. ADJOURNMENT

There being no further business, the Defined Contribution Committee meeting of November 28, 2023, adjourned at 1:41 pm.