

## MINUTES

### RETIREMENT ADMINISTRATIVE COMMITTEE

TUESDAY, SEPTEMBER 15, 2020 – 11:00 A.M.

COMMISSIONERS' COMMITTEE ROOM

Present: Commissioner Tillotson, Commissioner Stimpson, Martin Marshall, Roxann Holloway and Jim Craig

Also Present: Steve Oman, Jason Tether, Carolina LaMonica, Jeff Blanchard, Kai Peterson, Andrew Hodges, Ashley Allard, Ryan Clark, Sean Powers, Kim Murphy, Tracy Stace, Scott Holtz, and Bev Kampmueller.

#### I Approval of Minutes

*Motion by Craig, supported by Stimpson, to approve the minutes of the May 30, 2019 meeting. Motion carried.*

#### II Economic & Market Overview, Defined Benefit Financials & Review of EnvestNet Asset class Portfolios

Jeff Blanchard, Senior Investment Consultant with MassMutual, discussed the Market & Economic Review.

Jeff further presented the Financial Statement of Accounts and reviewed fund performance for the Defined Benefit plan.

Jeff explained that EnvestNet grades each fund using 12 to 15 different metrics which are used to determine what fund managers are on watch. He would imagine to see continued volatility almost every week leading into and through the election. MassMutula keeps a close eye on the funds and EvnvestNet as well.

Jason Tether explained that the Committee selected a portfolio weighting a 60/40 allocation as it seems to be the most consistent.

#### III EnvestNet Portfolio Review

Ryan Clark from EnvestNet explained the short duration products are what is hitting the watch list. While these products are on watch the difference is in the performance. Money market and short duration products are very minute. Following our process we are still going to place those managers on watch even though the differential is very small. From an overall performance of the plan this is not going to be a major contributor one way or another.

Jason invited anyone to contact him if there are any questions after the meeting.

#### IV Defined Benefit Actuarial & Valuation Information

Kai Peterson, Consulting Actuary, reviewed the market value of assets and plan liabilities. He reported that as of 07/31/2020 the plan is 83% funded.

Kai stated that he would categorize this plan as good but not great as compared to other plans. The big difference is funding policy. While some plans have a shorter amortization period this plan has a more conservative 20 year amortization period.

There was discussion regarding the benefits and disadvantages with changes to the amortization period. What is actuarially sound and what is within the budgetary constraints of an entity.

Marty asked Kai to prepare information with the public sector specific mortality table and a 19 year amortization schedule were used instead of a 20 year.

#### V Defined Contribution Plan Review

Carolina LaMonica reviewed the Defined Contribution plan. She reviewed the plan demographics and noted there have been about 51 terminations recorded this year with withdrawals being low. Also have seen an increase in rollovers into the plan.

Carolina reviewed plan balances noting employees in the under age 30 group are only invested in the fixed accounts. She explained she will be working with Jason, Steve and Bev to create an email communication to help remind employees on where their funds are invested and assist with any information to educate on investment options.

#### VI Report on Communication Action plan

Jason Tether stated that we have held several educational webinars this year for employees to participate in regarding the Defined Contribution and Defined Benefit Plan. He further stated we have had good employee participation with these types of meetings and have plans for more moving forward.

Carolina LaMonica reviewed the online tools available to participants and reported an uptake on participant visits to the RetireSmart website. Also noting MassMutual has

taken measures to strengthen its cyber fraud prevention.

Carolina shared a product MassMutual is offering. HealthBridge is a free life insurance program for eligible healthcare workers on the front line of the COVID-19 pandemic. The HealthBridge program offers 3-year term life insurance policies to employees of licenses hospitals, urgent care centers, nursing homes, assisted living facilities, hospice inpatient facilities, or emergency medical service providers. Further information can be found at [www.massmutual.com/cm/healthbridge](http://www.massmutual.com/cm/healthbridge)

## VII Other Business

Jason Tether explained that MassMutual has entered into a definitive agreement to sell their retirement book of business to Empower Retirement Services. They are expecting to see no disruption of service with this transition. While they are waiting for further details it is expected to be business as usual until the end of the year. It was also announced that Empower would be keeping approximately 90% of the MassMutual employees.

With technology advancements Empower Retirement Services has become the largest DB/DC vendor in the retirement marketplace.

## VIII Adjournment

*Motion by Marshall, supported by Tillotson to adjourn at 1:04 P.M. Motion carried.*