

King County Employees Deferred Compensation Plan

Board Meeting Minutes

February 12, 2025

Board Members: Gennevie Cook, Tom Friedman, Clara Gao, Lisa Parriott, Pat Sainsbury, Sherry Stroud, and Lusha Zhou

Staff: O.C. Collier and Valerie Garza

Guest: AngaLee Alexander (plan participant), Andrew Armstrong (plan participant), Zeraï Asgedom (plan participant), Patrick Brady (plan participant), Kevin Carrere (plan participant), Rebecca Chea (plan participant), Elias Dode (plan participant), Todd Foster (plan participant), Tess Harvey (plan participant), Jennell Hicks (plan participant), Jenny Ho (plan participant), Van Le (plan participant), Grey Lewé (plan participant), Michelle McKeag (plan participant), Jacqueline Schultz (plan participant), Dee Sylve (plan participant), Mario Williams-Sweet (plan participant), Jayson Davidson of Hyas, and Dean Fox, Kelly Hanagan, Taylor Lierheimer, Von Monger, Kelly Parris, Pedro Rodriguez, Guen Toste of T. Rowe Price

Participant / Employee Comments

Todd Foster, plan participant asked that the board to explore options for an employee match and other financial vehicles for retirees.

Adopt December 2024 meeting minutes (Action Item)

Meeting minutes were approved as written

Adopt January 2025 meeting minutes (Action Item)

Meeting minutes were approved as written

Approve 2025 Travel (Action Item)

The Board voted and approved to send a Plan Administrator and four board members to conferences in 2024

Approve resolution 2025-01 Plan Document Update (Action Item)

The Board voted and approved the Plan Document update with resolution 2025-01.

Hyas Consulting Quarterly Report (Discussion Item)

Jayson presented the fourth quarter 2024 Performance Report to the board. He reported that the economy and market haven't changed significantly from the third quarter as US growth has been resilient. Gross Domestic Product is estimated to come in at 2.5% for the year despite a slight slowdown in the quarter. Monthly job numbers continue to support expectations for a strong job market. Inflation remained elevated and above the Federal Reserve targets. The Federal Reserve opted to cut rates by .25% at the November and December meeting which remained steady in January. Expectations for the number and magnitude of cuts have been reduced significantly for 2025. The markets will be digesting what impacts, if any, the new Trump administration policies will have with a focus on tariffs, decreased regulation, and increased federal spending. At quarter end, the Plan did not have any investment options on watch and none in violation of investment policy parameters.

T. Rowe Price Quarterly Report (Discussion Item)

Fourth quarter 2024 information was circulated prior to the meeting. Guen announced that Sam Smith had stepped down from the team, and Kelly Parris and Pedro Rodriguez would join as additional resources to the County. Guen went over the quarterly “big picture” assessment with the board. Both the number of active participants and overall participation rate increased from the previous year as did the deferral rate. Discussion centered on the Plan’s withdrawal rate and asset amounts. There was a total of 4,756 distributions during the year with 458 being rollouts to another plan/account in the amount of \$68.8M. 37% if the participants are age 55 and older and 45% of that group are no longer working for the County.

The following Plan highlights were noted as of December 31, 2024:

- Plan assets were \$1,568,724,629 representing an approx. 13.5% increase since 12/31/2023. This was largely due to market fluctuation.
- The Plan Participation Rate is at 59.4%.
- There were 14,170 participants in the Plan which is an 9.5% increase from 12/31/2023.
- The average Participant account balance was \$110,706.
- The median Participant account balance was \$27,047
- Notably, there were 745 participants with a balance of \$500,000 and above.

Report of the Board Chair

Sherry thanked T. Rowe Price and Hyas Consulting for their presentations as well as the plan participants who came to observe the meeting.

Report of the Plan Administrators

O.C. reported the activities she is currently working on in addition to the daily tasks:

- ❖ Working closely with DRS representative to draft legislation and lobby state officials on instituting auto enrollment statewide. State legislation related to auto enrollment of employees into their respected plans passed the house committee. It will next go to the Senate and if it passes all County employees would be auto enrolled in the plan.
- ❖ Metro Pick is from February 18 thru March 7 at Atlantic Base.
- ❖ Work is continuing on the contract for the third-party administrator.
- ❖ The SME review has been completed for the board applications. The next step is scheduling interviews with the selected applicants.
- ❖ Presentations were given to the Black African Affinity Group, WTD Finance, and WTD North Satellite Construction Office.
- ❖ Attended the retirement class held at DAJD MRJC Division to answer questions from staff on deferred compensation.