**King County Employees Deferred Compensation Plan**
Board Meeting Minutes
June 10, 2026

**Board Members:** AngaLee Alexander, Gennevie Cook, Tom Friedman, Grey Lewis, Jeff Lundt, Lisa Parriott, Sherry Stroud, Lusha Zhao

**Staff:** O.C. Collier and Valerie Garza

**Guest**: Lisa Aweeka (plan participant), David Batts (plan participant), Robbie Gaskin (plan participant) Kaitlyn Graham (plan participant), Cynthia Lewis, (plan participant), Michelle McKeag (plan participant), and Fernando Arevalo (plan participant), Jayson Davidson of Fiduciary Consulting Group and Guen Toste of T. Rowe Price

**Participant / Employee Comments**
None

**Adopt April 2026 meeting minutes (Action Item)**
Meeting minutes with edits were approved.

**T. Rowe Price Quarterly Report (Discussion Item)**
Guen Toste, T. Rowe Price presented the quarterly "big picture" assessment to the board. Ms. Toste reported that the plan continues to see increases in participation and average deferral rates.

The following Plan highlights were noted as of December 31, 2025:

- Plan Assets were $1,773,402,539 representing approx.15.3% increase from 3/31/25
- The Plan Participant Rate is at 63.1% representing an increase of 5.3%
- There were 15,590 participants, which is an increase of approx. 8.3% from 3/31/25.
- The average Participant account balance was $113,751
- The median Participant account balance was $28,504
- Notably, there were 230 participants with an account balance of over $1M

Ms. Toste provided an update on the pending fund change for the King County International Equity Fund. Pending completion of the participant agreement by the Fiduciary Consulting Group, the earliest trade date is July 23. The fund change noticed will be sent to all participants. The Schwab brokerage account migration was completed, and participants now have the option for pretax and/or Roth. T. Rowe Price conducted 18 educational sessions through April with a total of 329 attendees. The annual Strategic Planning meeting between T. Rowe Price and King County was held in April. AngaLee Alexander and Grey Lewis attended remotely on behalf of the board and found the information informative and a great learning opportunity. A lot of great feedback and discussion on participant engagement and education, beneficiaries, account security, targeted messaging and rebranding. Also discussed were the contract performance targets for targeted participation rate and deferral increases which T. Rowe Price would like the board to weigh-in on.

**Fiduciary Consulting Group (Discussion Item)**
Jayson Davidson presented the first quarter 2026 Performance Report and discussed key economic, labor, and policy statistics impacting market performance. The United States economy expanded at an annualized rate of .5% in the fourth quarter of 2025, with consumer spending and investment contributing positively, while a sharp decline in government spending related to the

extended federal government shutdown weighed on growth. Labor market conditions were relatively stable during the quarter with the March unemployment rate at 4.3%. The Federal Reserve maintained the federal funds rate at 3.50%–3.75% at its March meeting, as inflation concerns tempered expectations for near-term rate cuts. Inflation increased late in the quarter as energy prices surged, pushing March CPI to 3.3%. Global markets continue to be pressured by the Middle East conflict, which has driven heightened volatility, and negatively impacted both equity and fixed income markets. Lusha Zhao requested the data at the 3-year and 5-year mark for previous conflicts.

Mr. Davidson also addressed several questions in relation to the Fiduciary Advisor newsletter on "Newly Proposed Rule is Unveiled to Remove Restrictions on Alternative Investments in Retirement Plans," and "House Passes Bill to Restrict ESG Investment in Retirement Plans." The title refers to removing restrictions, but the focus is on making the fiduciary decision-making process asset agnostic. The Department of Labor's (DOL) proposed language is structured is to say you should be following the rules regardless of the asset class and treating private credit or private equity differently than other assets. The proposed rule for fiduciaries following a process, this is not finalized, it's under comment. It makes it more accessible to consider asset categories that have not been common asset categories in retirement plans. The ESG or socially responsible related bill has passed the House, it has not become law. The Biden administration was a little more flexible on what fiduciaries considered in their decision-making process. The Biden administration didn't say you could look beyond whether this makes money or not, but it did say there are other things besides that you might look at when making a decision that is best for your participants. Under the Trump administration, you shouldn't be looking at those other factors at all, you should be looking solely at what this does for participants from a pecuniary standpoint. Mr. Davidson continued when asked how this would affect the board. It's an index fund, and all the other index funds in the line-up perform in-line with their benchmark and beat peers. The ESG fund is an index fund and there's no issue at this time. Whether you treat it differently if there are performance issues and why is it in the plan? We tried to alleviate that by using an index as opposed to an active fund. It's a good large cap fund. Mr. Davidson added to the question: if the legislation were to be passed would we have trouble adding or switching similar funds? It's federal legislation if you want to align yourself with the DOL initiated rulings and ERISA, it might be more acute issue than a plan governed by state law. You get a little reprieve there if you want to be more flexible. If you are following the letter of the federal law, it would be something to look at. In the event if it was removed from the plan, participants always have access via the Schwab brokerage account. Let's wait to see what the legislation does, if we have to address this more directly we can. Right now, I don't see the fund is a problem, it stands on its own which I think is clearly what the fiduciary construct is asking for.

In response to a question on RMDs, Mr. Davidson said changes on the RMD age and the way it was applied past 73 – that role out is delayed. 73 is the RMD age and changes beyond that need clarification.

**Subcommittee Updates (Discussion Item / Possible Action Item)**
The fees subcommittee reviewed their work on the plan's administrative fees. They detailed for the board the different approaches they considered before settling on their recommendation of

reducing the current $50 administrative to $36. The board decided they will vote on a resolution approving the reduced administrative fee at next month's meeting.

**1Q26 Budget Update/ 2nd Omnibus Request (Discussion Item / Possible Action Item)**
Sherry briefed the board on the 1Q26 budget update and the second omnibus request for the $63K budget shortfall related to labor expenses. The 2026/2027 budget included labor expenses based on 2024 figures and was prior to O.C.'s reclassification. The budget shortfall is $69K but the request is only $63K as O.C. was able to shift budget numbers. The board requested that advance notice and review materials related to the budget in the future. The board unanimously voted to approve the adjustment to the budget for the second omnibus.

Sherry also shared with the board the possibility of potential cost impacts associated with the move to Dexter Horton for Department of Human Resource staff. O.C. will provide additional information to the board on the impact of a building move for potential budget considerations. The fees subcommittee will take this into consideration for review and discussion. A special board meeting may be called to discuss these changes, the fee subcommittee recommendation, and the board will vote on the final recommendation at the next meeting.

**Report of the Chair/Co-Chair**
None

**Report of the Plan Administrators**
None