

**City of Seattle Voluntary Deferred Compensation Plan  
Regular Trust Committee Meeting Minutes**

Wednesday, March 25 2026, 9:30 am – 11:30 am  
Hybrid Meeting

**TRUSTEES present:** Jeffrey Davis, Dwight Dively, Jessica Jaeger, Dennis Karl, and Kimberly Loving.

**STAFF present:** Michelle Ell, Tony Dozier, and Jesica DiCione.

**CONSULTANTS present:** Ted Grigsby and Jayson Davidson from Fiduciary Consulting Group; Michael Monaco and Gavin Parr from Mondress Monaco Parr Lockwood (MMPL).

**GUESTS present:** David Ramirez, Cynthia Egger and Sean Howard from Empower; Gary Smith (City Attorney's Office); Emory Horvath.

**BUSINESS**

**Opening:** Jeff Davis, Committee Secretary, started the meeting at 9:30 am.

**Introductions:** Jeff Davis welcomed attendees and asked for introductions.

**Public Comment:** No public comment.

**Minutes of January 28, 2026 Meeting:** Jeff Davis requested a review of the meeting minutes.

**MOTION:** Dennis Karl moved to approve the minutes. The motion was seconded by Kimberly Loving and passed unanimously.

**Plan Staff Update:** Michelle Ell updated the Committee on the transition to Empower. Ms. Ell discussed that Empower is finalizing the set up for the Plan, including implementation of distributions and refining the process for rollovers into and out of the Plan. She stated that Empower is working on a pension estimator to add their website. She stated that Plan Staff had been contacted by employees who had trouble creating accounts on the Empower site, and that the issue was resolved and the process had been running smoothly since then. She noted that the annual NAGDCA Conference will be held in Orlando, Florida on September 27-30, 2026 and asked Committee members to contact Plan Staff if they would like to attend.

**Empower Service Update:** David Ramirez reported to the Committee regarding the transition process, current and upcoming participant education efforts, and participant engagement to date. He stated that Empower had created a robust communication campaign for active and separated employees with account balances, sending numerous materials to create Plan awareness including: announcement emails, videos, a FAQ document, a transition guide, and transition education seminars. He reported that as of the end of February, 4,410 out of 11,694 participants had registered on the Empower site, reflecting very high participant engagement. He stated that Empower's Customer Care Center received 1,218 phone calls in the opening quarter, the majority of which were regarding the website, investments, and distributions. He noted that calls to Empower had a 0.5% abandon rate, with an average of 9 seconds before the call was answered. He stated that Empower had met its guaranteed service levels for the period.

Cynthia Egger reported on Empower's participant engagement plan and the role of Sean Howard, the education consultant, in that engagement plan. Empower reported that as of March 15, Mr. Howard had attended 8 group meetings with 546 total participants. He had also attended 57 individual meetings and participated in 21

retirement readiness reviews, and assisted 5 participants with enrolling into the Plan, 7 participants with roll-ins, and 4 participants with deferral updates.

**Legal Counsel Report:** Michael Monaco presented a draft Fee and Expense Policy Statement to the Committee, outlining the objectives of the Administrative Reserve Fund derived from participant fee assessments. The Policy provides guidance on the use of the reserve funds with the objective that the Plan maintain sufficient funds at any time to cover at least one year of projected Plan expenses. Additionally, if the Administrative Reserve Fund exceeds and is projected to continue to exceed projected expenses by 150% over a one-year period, the Committee may consider a rebate of fees back to participant accounts and other actions. After a thorough discussion, the Committee voted on adoption of the policy.

**MOTION:** Dwight Dively moved to adopt the Fee and Expense Policy Statement, as presented. The motion was seconded by Dennis Karl and passed unanimously.

**Fiduciary Consulting Group:** Ted Grigsby provided a budget analysis and reviewed projected Plan expenses, the current value of the Administrative Reserve Fund, and considerations for potential fee reductions and participant rebates. He reported that as of February 2026, the Plan had \$2.19 billion in assets with a total expected annual expense cost of \$1.2 million. He stated that as of the meeting date, the administrative reserve account held slightly more than \$2 million. Mr. Grigsby then reviewed projected future fee assessments to Plan participants for each basis point in 0.005% increments. Jayson Davidson reviewed how long the reserve funds would last in various scenarios, showing that with savings from changes to the recordkeeper contract and other factors, even a 15% market decline would not exhaust the administrative fee reserve. Based on their review, Mr. Davidson and Mr. Grigsby suggested a reduction in annual administrative fee assessments from 8 basis points to 6 basis points. In addition, Mr. Davidson reviewed alternative fee assessment methodologies that would change the assessments paid by groups of participants.

**MOTION:** Dwight Dively moved to reduce the annual administrative fee assessment from 8 basis to 6 basis points as soon as administratively feasible. The motion was seconded by Jeff Davis and passed unanimously.

Jeff Davis noted that the Administrative Reserve Fund held over \$2 million, and that with projected annual plan costs of approximately \$1.2 million, the Plan was over the target reserve amount by about \$800,000. In response to a question from Dwight Dively, Jayson Davidson stated that rebates to Plan participants previously authorized by the Committee have been made on a pro-rate basis, in relation to participants' account balances.

**MOTION:** Dwight Dively moved to rebate \$800,000 from the Administrative Reserve Fund, to be allocated to participants on a pro rata basis as soon as administratively feasible. The motion was seconded by Dennis Karl and passed unanimously.

Mr. Grigsby then discussed the Seattle Credit Union investment Proposal and the Seattle Credit Union Contract. He stated that the Plan has had an arrangement with Seattle Credit Union since the 1980s where participants could defer their funds into credit union investments. One option is the main pool ("Accumulator"), providing a current annual interest rate of 1.5%, and the other option is a 3-year certificate of deposit ("CD").

Michael Monaco discussed the Seattle Credit Union investment option in comparison to other Plan investments, and the terms of the contract with Seattle Credit Union. He stated that if the Committee wished to terminate the Credit Union investment option and transfer participants into another Plan investment, the contract would allow termination as of July 1, 2026, with 90 days prior notice. He stated that in addition, his office and FCG had negotiated an extension to allow termination as of December 1, 2026, with 90 days advance notice. Mr. Monaco stated that without a change in the Seattle Credit Union contract terms or termination of the contract, there would continue to be an option each year for the Seattle Credit Union arrangement be terminated, to be exercised at least

90 days before the contract anniversary date, and otherwise the contract would continue to auto-renew each year for another 12 months.

Mr. Grigsby discussed the Seattle Credit Union's proposals to improve its investment options by increasing the Accumulator yield to the greater of 3% or 1-year Treasury Bills - 0.5%. He stated that another option available to the Committee would be to transfer the Seattle Credit Union investments to the Putnum Stable Value Fund, which has historically outperformed the Seattle Credit Union offerings. Jayson Davidson provided some information regarding a similar situation in another city's deferred compensation plan some years ago. Jeff Davis clarified the options as terminating the contract with the Seattle Credit Union and moving the funds to the Putnam Stable Value Fund, or accepting the higher rate proposed by the credit union. Michael Monaco mentioned that if the Committee is interested in remaining with the Seattle Credit Union, he would not recommend continuation of an annual review for termination or renewal of the investment contract, but negotiation of new contract termination provisions to allow changes or contract termination, consistent with other Plan investment options. Jayson Davidson reported on the number of Plan participants holding investments under the Credit Union's certificate of deposit and Accumulator fund options.

**MOTION:** Jeff Davis moved to terminate the contract with Seattle Credit Union and transfer the participant funds held in credit union accounts to the Putnum Stable Value Fund as soon as administratively feasible. The motion was seconded by Dwight Dively and passed unanimously.

**Adjournment:** Jeff Davis moved to adjourn the meeting. Hearing no objections, the meeting was adjourned at 10:44 am.

**Next Meeting:** The next hybrid meeting is scheduled for Wednesday May 27, 2026, at 9:30 am PST.



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Jeffrey S. Davis  
Secretary, Deferred Compensation Plan Committee