Deferred Compensation
Meeting Minutes
February 25, 2025
In Person with Remote Attendance

Members Present	**Non-Members Present**	
Tom McKone (in person)	Darryl Collier	Joshua Schwartz
April Morgan (in person)	Eduardo Duran	David Fowler
Lisa Smith (in person)	Rachel Bossard	Janice Irving
Leticia Nieto (in person)		

Call to Order
The February 25, 2025, meeting was called to order at 9:32 a.m.

Minutes
Upon a motion by Ms. Morgan and a second by Ms. Nieto minutes of the January 23, 2025, regular meeting was approved.

Hardship Report
Mr. Collier presented the January 2025 hardship report. The 457 Plan showed 38 transactions, of which 14 were pending from the previous month. There were 26 transactions approved and processed, 9 cancelled, and 3 pending. There were 3 not in good order (NIGO) by the participant. The 401k Plan showed 54 transactions processed, of which 21 were pending from the previous month. There were 36 transactions approved, 6 cancelled, and 12 pending. There were 12 not in good order (NIGO) by the participant. Total paid out year to date between both plans is $317,986 with an average distribution of $5,129.

Old Business
Loans Update – Mr. Collier reported that in the 457 Plan, 1,079 or 13.4% of participants have an outstanding loan with an average balance of $10,572 for a total of $11.4M. In the 401k Plan, 814 or 17.3% of participants have an outstanding loan with an average balance of the loan is $5,594 for a total of $4.5M.

Hardship Process Discussion – Mr. Collier reported that at the end of January the hardship process is one hundred percent under the model of Empower and they are using service models to process these transactions. They are still working on deaths with no beneficiary on record but hope to have the plan document amended within the next month to include that. The appeals will continue to go through the Appeals committee. RPA will provide a quarterly report of appeals moving forward. A decision was made to migrate to Empower's internal standard hardship process. Mr. Collier noted there are a couple of items to be discussed regarding the loss of income and whether to continue with the way it was done in the past, however it is in progress and should be implemented by the end of the month.

Plan Expense Account (PEA) – Mr. Schwartz presented a model based on current plan assets. He took the current balance of the PEA as of 12/31/24, which was $204,000, and the $291,000 that is owed to Empower and projected it out. 4.99 bps is coming out now which is Empower's recordkeeping fee by contract. If another 3 bps were added with an end-of-quarter deduction, that would be the additions. This is the estimated monthly expenses totaling approximately $140,000 annually divided by 12. We could pay off $100,000 of the amount due now with the extra money in the PEA, and then the last payment could be made at the end of December with a reasonable balance remaining in the PEA. Upon a motion by Ms. Nieto and a second by Ms. Smith, the committee approved the recommendation by Empower to retain revenues from the interest that is earned in the account.

New Business
Participant Activity Report – Mr. Fowler reported for January 2025 there were 310 one on one meetings, and 6 group meetings with a total of 294 group attendees of which 76 were Financial Friday attendees.

Float Policy - Mr. Collier explained that banks hold money that is either from deposits that come from the CTA to be invested into participant accounts, and hold money, while checks, ACH deposits, and other distributions are being processed before they are transacted into the account, or someone cashes a check. Those amounts sit in the bank earning a rate of interest. Currently, when bank fees are paid off with credits, the remaining amounts that they earn for the time that those monies sit in their deposits, they keep those earnings. Mr. Collier from Empower recommended splitting the earnings so that CTA can retain some of those earnings because currently, the fund is not retaining any. Upon a motion by Mr. McKone and a second by Ms. Smith, the committee approved the recommendation from Empower around retaining revenues from the interest that's earned in the account. Upon a motion by Ms. Nieto and a second by Mr. McKone, the committee approved the Retirement Plan Advisor's recommendation to initiate a 3-basis point deduction from the participant account at the end of the 1st quarter to fund the Plan Expense Account to cover plan operational expenses, including legal investment, advisory and audit.

Investment Due Diligence Report - Mr. Schwartz presented 4Q2024 Investment Review dated February 27, 2025, which showed two funds on watch and two changes.

Retirement of Janice Irving – Mr. McKone announced that Ms. Irving will retire effective 3/1/2025.

General Administration
Bills – Upon a motion by Ms. Smith and a second by Ms. Nieto an invoice for Burke, Warren, MacKay & Serritella for January 2025 was approved.

Adjournment
Upon a motion by Ms. Morgan and a second by Ms. Smith the meeting adjourned at 10:09 a.m.

Respectfully Submitted,

Janice Irving
Plan Administrator