

STRIVE
FINANCE COMMITTEE MEETING – August 24, 2017

Scott Coleman, Marna Lake, Cathy Staten, Joe Warner

PRESENT FROM STRIVE:

Sharon Jacksi, Chris Bergquist, Linda Briggs

ITEM	OVERVIEW OF MEETING
1	Minutes of the Previous Meeting
2	403b Plan Review
3	General Discussion & Committee Feedback

Minutes of the Previous Meetings – Scott Coleman called the meeting to order. It was moved & seconded that the minutes of the previous meeting from June 27, 2017, be accepted.

403b Plan Review – Scot McMorris, and Carmeron Hinshaw from Mutual of America, and Andrew Kramer from 320 Park Analytics in New York (a subsidiary of MOA) presented the information about the MDS 403(b) retirement plan. We have been with MOA for about a year. Scot went over the Demographic plan review. There are 137 active accounts, with 111 active employees contributing. The benchmark fee report shows total fees of .88% basis points, with an average plan of our type costing 1.42%. The total plan assets at August 21, 2017, were valued at \$4,012,014.

Andrew handed out the Benchmarking Report, and went over the Executive Summary starting on page 1. He mentioned that every fund that is offered to MOA employees is offered to their clients. There is a 9 member investment committee that chooses the funds. They meet face-to-face twice a year. If a fund manager needs to be fired, they do it. They don't try and market-time the investments. Page 7 of the Benchmarking Report measures the quality of the funds. The net performance of the funds is equal to the gross performance less the investment fees. They care a lot about risk—there are no aggressive fund offerings. The funds have very good Morningstar ratings, and MOA does not window dress the lineup. Page 10 shows the net expense ratios of the funds. Section 2 includes thorough data on every fund. On page 35 is an example of a target date allocation. The vast majority of the 2040 retirement fund includes index funds, resulting in good performance and low fees. Starting on page 127, the fund performance is presented shown relative to the benchmark. The fund percentile ranking starts on page 138 of the Benchmarking Report.

MOA keeps their investments very simple. They believe in money over the long term, and are very conservative. They don't believe commodities or tech fund are appropriate for retirement funds. They want the funds to grow. \$1,000 is the lower limit for involuntary distribution for terminated employees. MOA notifies the prior employee, and the funds are rolled into an IRA. Their strategy is to increase the number of participants, and will be onsite for employee education every year.

General Discussion & Committee Feedback – Chris reported that the change to Networks Unlimited, and Mutual of America have gone well. The conversion to ADP is almost done. The financial audit is going well, and the field work is done. Our net income ended up at around \$730K, with programs operations at a break even.

The meeting was adjourned.