

**Creighton University**  
**Retirement Plan Committee**  
**Meeting Minutes**  
**Meeting Held Via Conference Call**  
*June 2, 2021*

**Present:** John Jesse, Angie Mills, Dr. Edward Horwitz, Molly Billings, Randy Jorgensen, Beth Thomas, Sarah Richardson

**Absent:** None

**Consultants:** Jeff Sharp, SilverStone Asset Management, a HUB International company; Tom Scalici, Cornerstone Advisors Asset Management, LLC

Angie called the meeting to order at 9:00 am.

**Market and Economic Overview**

Mr. Scalici provided an overview of the first quarter market and economic commentary and returns. He then reviewed the asset class index performance report, reflecting performance through March 31, 2021, along with selected charts and graphs related to economic performance and markets.

**Principal Platform Review**

Mr. Scalici reviewed the assets in the Principal core fund lineup. The assets began the quarter at \$381,709,297 and ended the quarter at \$385,597,776. During the quarter, contributions were \$4,426,138, withdrawals were (\$14,152,745) and changes in investment values were \$13,609,603. As of March 31, 2021, approximately 74% of assets in the Principal Platform were in equities and 26% were in fixed income, guaranteed income, and cash. Asset allocation portfolios hold approximately 41% of assets on the Principal Platform.

**Principal Platform Fund Performance Review**

The weighted performance of assets for the quarter was 3.57%. This compares to the blended benchmark of 3.26%. The committee reviewed each of the individual fund choices and compared them to the appropriate benchmark. Historical plan performance has annually averaged 11.37% versus the blended benchmark return of 11.17% since July of 2009. The committee also reviewed the Investment Policy Statement (IPS) Performance Criteria Dashboard, the participant activity in the plan as well as internet and voice response usage.

With the recent pull back in some of the big tech stocks, the performance of the large cap growth managers, American Funds Growth Fund of America and the Fidelity Contra Fund has improved. For the year American Funds Growth Fund of America was in the 40<sup>th</sup> percentile of the peer group while Fidelity Contra Fund was in the 74<sup>th</sup>. Thus far YTD, both funds relative performance has continued to improve. Over the last year only the Vanguard Total Bond Market Index fund

performed in the bottom quartile of its peer group since it mirrors the Bloomberg Aggregate Index. Over 5 years there were no funds performing in the bottom quartile of its respective peer group.

### **TIAA-CREF Platform Fund Performance Review**

The committee reviewed the TIAA-CREF Core Fund activity. The TIAA-CREF assets were \$249,925,088 as of January 1, 2021 and finished the first quarter at \$251,337,796. Contributions were \$420,263, withdrawals were (\$5,756,281) and changes in investment values were \$7,109,039.

The overall allocation to equities for the quarter was approximately 54%. The weighted return for the quarter ending March 31, 2021 was 2.85% and the weighted benchmark return was 2.80%. Since 2010, annualized performance has been 8.01% versus the index of 7.47%. The committee reviewed the individual fund performance relative to the appropriate asset class benchmark.

Over the last year, the MFS Value Fund, American Funds 2060 Target Date Fund, the TIAA RASRA-CREF Inflation Linked Bond Fund and the TIAA RASRA-CREF Real Estate performed in the bottom quartile of their respective peer groups. Over three and five years, only the TIAA Real Estate Fund was in the bottom quartile.

### **Total Investment Platform Overview**

The aggregate total plan assets as of the end of the first quarter were \$636,935,571. Contributions during the quarter were \$4,846,401, withdrawals were (\$19,909,027) and changes in investment values were \$20,718,642.

The overall total plan allocation reflects:

- Domestic equities 30.7%
- International equities 4.3%
- Global equities 12.7%
- Asset allocation 28.0%
- Fixed income 4.7%
- Alternatives 2.9%
- Cash and equivalents 16.2%
- Other 0.5%

The combined performance of overall 403(b) plan was 3.28% vs the blended benchmark returns of 3.08%. Since July 2009, annualized returns are 10.53% versus the blended benchmark at 9.98%.

The 457(b) and (f) plans were also reviewed.

Mr. Scalici reviewed plan costs. The overall cost of the Principal and TIAA platforms is 0.43% and 0.39% respectively. Based on a Fiduciary Benchmarks study of 411 plans with between \$500 million and \$1 billion in assets, the median

total cost is 0.55%, with the lowest 25% of plans having total costs below 0.48%. As a result, our plans are very competitively priced.

### **Other Topics Discuss**

Mr. Scalici reviewed the Strategic Education Strategy for 2021 and a recap of 2020 education results. The committee reviewed various demographic reports as contained in the Principal Engage, Elevate and Expand portal.

Match is Back Postcard results were also reviewed.

Mr. Scalici reviewed some proposed provisions of the SECURE ACT II bill which passed the House unanimously. The committee will be updated as required once the bill is in final form.

The committee reviewed the updated Investment Policy Statements. There were several formatting and index/peer group name changes, but most of the document remained the same. Once the committee reviews and approves the updates, it will be executed via DocuSign.

There was a brief review of the communication plan to relaunch of the 457(b) Plan.

With no further business, the meeting adjourned at 10:00 am.