

**Creighton University**  
**Retirement Plan Committee**  
**Meeting Minutes**  
**Meeting Held Virtually**  
*December 5, 2023*

**Present:** John Jesse, Angie Mills, and Judi Szatko, Sarah Richardson

**Absent:** Randy Jorgensen and Dr. Edward Horwitz

**Consultants:** Tom Scalici and Amanda Kesler, Cornerstone Advisors Asset Management, LLC, Jeff Sharp HUB International

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

**Approval of Meeting Minutes**

The minutes of the August 24, 2023, meeting were approved.

**Market and Economic Overview**

Mr. Scalici introduced the committee to Ms. Kesler. Ms. Kesler provided Q3 economic commentary and returns. She then reviewed the asset class index performance report, reflecting performance through September 30, 2023, along with selected charts and graphs related to economic performance and markets. Interest rate policy, inflation and geopolitical events continue to drive market volatility.

**Total Investment Platform Overview**

The aggregate total plan assets as of the end of the third quarter were \$585,726,946. Contributions during the quarter were \$8,797,891, withdrawals were (\$19,283,019) and changes in investment values (\$15,240,706).

The overall total plan allocation reflects:

- Domestic equities 31.4%
- International equities 4.0%
- Global equities 10.9%
- Asset allocation 30.3%
- Fixed income 4.1%
- Alternatives 2.9%
- Cash and equivalents 15.7%
- Other 0.5%

The combined performance of overall 403(b) plan for September 30, 2023, was -2.49% versus the blended benchmark returns of -2.72%. Since July 2009, annualized returns are 8.72% versus the blended benchmark at 8.36%. Since that time, more than \$528 million in benefit payments have been made to terminated and retired plan participants. During the same period, the plan has had \$512 million in earnings.

### **Principal Platform Review**

Mr. Scalici reviewed the assets in The Principal core fund lineup. The assets began the quarter at \$421,408,069 and ended the quarter at \$401,595,119. During the quarter, contributions were \$8,797,891, withdrawals were (\$16,323,615) and changes in investment values were (\$12,435,141). As of September 30, 2023, 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 42.3% of assets on the Principal Platform.

The weighted performance of assets for the quarter was -2.95% versus the blended benchmark of -3.30%. The committee reviewed each of the individual fund choices and compared them to the appropriate benchmark. Historical plan performance has annually averaged 9.31% versus the blended benchmark return of 9.23% since July of 2009. The committee also reviewed the Investment Policy Statement (IPS) Performance Criteria Dashboard.

On May 3rd, the conversion from TIAA to Principal was completed with \$31.6 million in assets moved for 263 account balances. Of this amount, \$19.5 million moved in kind with \$12.2 million being liquidated and mapped into different like-kind funds per the mapping schedule.

The money in the TIAA Plan Expense Reimbursement Account was also transferred. Remaining at TIAA is \$188 million in 1,053 participant accounts. About \$3.8 million of those assets are in the TIAA Traditional and in the TIAA Stable Value Fund, which will transfer over the course of the next few years.

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

The committee reviewed the TIAA-CREF Core Fund activity. The TIAA-CREF assets as of July 1, 2023, were \$190,061,713, and ended the third quarter at \$184,131,827. Contributions were \$0, withdrawals were (\$2,959,404) and changes in investment values were \$2,805,565.

The overall allocation to equities for the quarter was approximately 49%. The weighted return for the quarter ending September 30, 2023, was -1.48% versus the weighted benchmark at -1.43%. Since 2010, annualized performance has been 6.68% versus the index of 6.36%. The committee reviewed the individual fund performance relative to the appropriate asset class benchmark.

The same information was reviewed for the 457(b) and (f) plans. At the end of September 30, 2023, total plan assets for the 457(b) were \$5,849,471, with overall equity exposure at 73%. Assets in the 457(f) plan were \$177,976 with equity exposure at 100%.

### **Fund Performance**

The committee reviewed the Individual fund IPS criteria Dashboard. The Dashboard reflects individual fund benchmark performance for various periods of time (i.e. 1,3,5 year periods). There were no funds over 5 years that performed in the bottom quartile of their respective peer group. No new fund changes were recommended during the meeting.

### **Additional Topics of Discussion**

The Fidelity Contrafund is moving to a lower cost share class on 1/2/24.

A plan amendment was made to allow for flexible distributions and removal of 30-day distribution delay for withdrawals from the plan.

The 457(b)-recordkeeping fee to Principal changed from \$2,500 to \$4,500 annually.

The plan expense reimbursement account was reviewed showing plan fees paid from Principal and TIAA for the plan from 1/1/2022 – 9/30/2023.

The committee discussed continuing fiduciary training. A recorded presentation will be available to the committee on the Bridge and can be accessed when convenient for committee members.

The committee discussed alternatives to the Principal Fixed Income Guaranteed Option including the current rate of 1.55% and “New Vintage” rates 1 and 2 available. The Vintage 1 rate is 4.65% while the Vintage 2 rate is 5.95%. A migration fee of 1.5% is charged to participants to move to Vintage 1 and a 3% fee is charged to move to Vintage 2. Fees are charged up front at the time of transition to the Vintage 1 and 2 options. The Vintage rates are re-set every 6 months.

After discussion, the committee agreed to switch the plan to Vintage 1. The breakeven point for participants is roughly 6 months with the new rate providing a much higher benefit thereafter.

The committee reviewed the Retirement Plan Investment Committee Charter & Operating Procedures.

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