

CITY AND COUNTY OF HONOLULU DEFERRED COMPENSATION PLAN COMMITTEE

MINUTES OF THE QUARTERLY MEETING OF THE COMMITTEE

The Quarterly meeting of the City and County of Honolulu Deferred Compensation Plan Committee ("Committee") was held on **Friday, February 13, 2026**, in the Mayor's Conference Room, 530 South King Street, 3rd Floor, City Hall, Honolulu, Hawai'i.

Present: Andrew Kawano (Department of Budget and Fiscal Services (BFS) Director & Committee Chair)

Chamara Silva (Administrative Services Officer & Committee Member designee for Managing Director Michael Formby)

Reid Yamashiro (Deputy Corporation Counsel & Committee Member designee for Corporation Counsel Dana Viola)

Karen Miller (Department of Human Resources (DHR) Assistant Director & Alternate for Committee Member Nola Miyasaki)

Michael Golojuch (Committee Member-Retiree) (via Webex)

John Hashimoto (Committee Member-Active)

Excused: Nola Miyasaki (Department of Human Resources Director & Committee Member)
Connie Kaneshiro (Committee Member-Active)

Staff: Jennifer Bishop (BFS Administrative Services Officer & Deferred Compensation Plan Administrator)

Carrie Castle (BFS Deputy Director & Alternate for Committee Chair Andrew Kawano)

Lynn Wakatsuki (Deputy Corporation Counsel)

Leslie Chinn (DHR Compliance Manager)

Ryan Kinoshita (DHR Benefits, Research and Transactions Branch Chief)

Cynthia Yu (BFS Administrative Specialist) (via Webex)

Guests: Vince Learned (Wealthspire Retirement Advisory (Wealthspire) – Vice President – Advisory Services)

Matt Dickey (Wealthspire – Managing Director of Government Plans)

Jeff Scott (Wealthspire – Senior Vice President – Retirement) (via Webex)

Gavin Gruenberg (Voya – Head of Sales – Government Market, Large Market & Stable Value)

Sharra Querner (Voya – Assistant Vice President, Strategic Relationship Manager)

Jared Nakamoto (Voya – Financial Advisor and Hawaii Case Manager)

Stacey Laxton (Voya – Communications Consultant)

Marisa Sacks (Voya – Financial Advisor)

Andrew Kam (Voya – Financial Advisor)

Paul Buren (Voya – Senior Vice President, Portfolio Manager) (via Webex)

Tony Camp (Voya – Director, Preservation of Capital, Sales and Relationship Management) (via Webex)

I. CALL TO ORDER

With quorum present, Andrew Kawano (Chair) called the meeting to order at 12:16 p.m. and presided as chair of the meeting. Jennifer Bishop (Jennifer) acted as secretary.

II. ANNOUNCEMENTS

There were no announcements.

III. MINUTES OF PREVIOUS MEETING – Action

On a motion duly made by Chamara Silva, seconded by John Hashimoto, and unanimously carried, the Committee approved the Quarterly Meeting minutes from November 14, 2025, and the Special Meeting minutes from December 16, 2025.

IV. PUBLIC COMMENTS – Information

Chair asked if there was any public input. No public testimony was received.

V. VOYA REPORT – Information/Action

A. Overview and Update of the Stable Value Portfolio – Paul Buren (Paul) provided the following update of the Stable Value Portfolio.

1. Firm Overview - The total assets under management (AUM) is \$365 billion which is a \$31 billion increase from the prior year. It was a strong year for AUM, with most of the growth coming from Fixed Income which had an increase of \$19 billion.
 - a. Fixed Income Market Review – Paul explained that the portfolio is managed relative to a benchmark and the duration of the portfolio is hedged within a band around the benchmark. Duration typically stays very close to the benchmark and is a measure of interest rate risk. Generally, returns were positive across the board in fixed income, although very muted. 2025 started with very tight valuations, equities were still doing strong, fixed income assets were in good shape and there was a lot of uncertainty in the economy with a new administration and tariffs.
2. Portfolio Performance and Characteristics – For the year, the portfolio generated almost 8% returns, outperforming the benchmark by 53 basis points. The target is to outperform by 50 to 75 basis points over a full year cycle. Paul explained in detail how each of the 53 basis points were earned and that most of the sectors added value to the portfolio.
3. Overview of Voya's Stable Value– Tony Camp provided the following highlights.
 - a. Total \$69 billion at the end of 2025. Fixed Account grew about \$4 billion in conjunction with the acquisition of OneAmerica.
 - b. No changes in the ratings from S&P, Fitch, or Moody's over the past year.
 - c. The size of Total US Stable Value Market has declined a bit over the past year as separated participants are being marketed to roll their assets over to an IRA.
 - d. Negative cash flow started in late 2022 and is still persists.
 - e. Market to Book ratios still remain in the negative but improving.
 - f. The Plan's Stable Value Market to Book ratio is 95.33% with a 2.92% crediting rate.

On a motion duly made by John Hashimoto, seconded by Reid Yamashiro, and unanimously carried, the Committee approved and accepted the overview and update of the stable value portfolio report.

B. Other Issues – no other issues were discussed.

VI. WEALTHSPIRE RETIREMENT ADVISORY CONSULTING REPORT – Information/Action

- A. Matt Dickey (Matt) provided an information regarding Wellness by Wealthspire, 3(38) Target Fund Relationship Pricing and the Wealthspire's Chief Investment Officer, and Fiduciary Advisors.
- B. Watchlist Update – Vince Learned (Vince) presented the fund performance, monitoring updates, and scores reviewed. Vince recommended that the following three funds remain on the quarterly watch list with no immediate changes recommended.
 - 1. American Century US Premier Large Cap Growth Trust II (score of 6 for second quarter in a row);
 - 2. American Century Small Cap Value R6 (score of 5 for second quarter in a row); and
 - 3. Dodge and Cox International Stock I (score of 6 for second quarter in a row).

On a motion duly made by Chamara Silva, seconded by Reid Yamashiro, and unanimously carried, the Committee approved the quarterly watch list.

- C. Legislative and Regulatory Update – Matt provided an update and information regarding managed accounts, fiduciary considerations, and plan governance trends. Matt pointed out the potential benefits and risks associated with managed accounts in retirement programs and 3(21) versus 3(38) fiduciary responsibilities. He noted that even as a 3(38) fiduciary, Wealthspire will not make unilateral investment changes. Instead, Wealthspire will make recommendations for the Committee's consideration
- D. Other Issues – None.

VII. OTHER BUSINESS – Information/Action

- A. Force Out/Cash Out Update – Sharra Querner reported on the processing of 110 terminated participant accounts under \$5,000 which has been completed.
- B. 2026 Committee Member Election Update – Jennifer reported that the nomination period is open through February 25, 2026 with eligibility review by DHR pending.
- C. Third-Party Administrator Services RFP Update – Matt reported that four proposals were received and are being reviewed. Other potential bidders declined to submit proposals. The Working Group will review and provide recommendations to the Committee.
- D. Advisor Managed Account Update – Discussion was held regarding contract provisions and liability language. Requested Wealthspire to reconsider position on liability language in contract provisions and Jeff indicated he will consult with Wealthspire legal counsel and get back to Committee.

VIII. EXECUTIVE SESSION (as required)

No executive session was held.

IX. REPORT ON ADMINISTRATIVE EXPENSES – Information/Action

Jennifer presented the quarterly administrative expense report, including:

- Beginning balance: \$416,987.05
- Receipts: \$30,000.00
- Expenses: \$17,320.41
- Ending balance: \$429,666.64
- Note: Consulting fees delayed and expected next quarter.

On a motion duly made by Chamara Silva, seconded by Reid Yamashiro, and unanimously carried, the Committee approved and accepted the Committee's administrative expense report as presented.

X. NEXT MEETING DATES – Information (subject to change)

Second Quarter – Mayor's Conference Room

Friday, May 15, 2026, 10:30 a.m. – 1:00 p.m.

457 University Training – Neal S. Blaisdell Center

Thursday, August 13, 2026, 9:00 a.m. – 3:00 p.m.

Third Quarter – Mayor's Conference Room

Friday, August 14, 2026, 10:30 a.m. – 12:30 p.m.

Fourth Quarter – Mayor's Conference Room

Friday, November 13, 2026, 10:30 a.m. – 1:00 p.m.

XI. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:14 p.m.

Respectfully submitted,

Jennifer Bishop
Secretary