The Palmer Family of Companies
401(k) Committee Plan Review
Meeting Minutes
February 3, 2019

Committee Members Present:	Jane Smith James Smith Cindy O'Brien John O'Brien
Committee Members Absent:	Carol Smith
Registered Investment Advisors:	Todd M. Tevens Angela C. Rea
Time and Location:	Start 2:00 PM / End 3:30 PM Palmer Food Services, Syracuse Office

General Comments

- The Committee reviewed the minutes from last year's meeting and all of the action items were completed.
- Todd noted that the median account balance for the plan has increased significantly, due to Cindy's efforts in working with Fidelity to remove terminated participants with low balances from the plan on an ongoing basis.
- The Committee discussed the fact that in order to help HCEs defer as much as possible, it is necessary for the plan to fail the tests first and then have corrective distributions made.
- Todd commented that plan participation is as would be expected, with older, more highly compensated employees participating and deferring at higher rates.
- The Committee again discussed automatic enrollment for the plan, and once again decided not to pursue this option.
- Some challenges have become apparent in the process of employees taking loans. Fidelity would tell an employee they were eligible for a loan when their salary would not support repayment, and Cindy would have to tell them later on that they are not actually eligible. Fidelity has improved their screening and is deferring approval directly to Cindy without comment for the most part.
- Committee requests Cindy provide her spreadsheet report one week before each semi-annual meeting.
- Cindy notes approximately 100 employees are newly eligible at each enrollment.

Plan Trends

- Total assets are $7,774,051 as of 12/31/18
- The average account balance is $13,832
- 562 total active participants
- Deposits in the last 12 months are approximately $1,229,104
- 56% of the assets are in the Fidelity Freedom Funds
- 10% of the assets are in the PIMCO Total Return Fund
- 5% of the assets are in the Oppenheimer Global Opportunities Fund
- 23% participation rate in 2018

Investment Review

The Committee was generally pleased with the performance of the funds relative to their Benchmarks, Morningstar category averages, and based on the RPAG scoring system with the following exceptions:

***Investment Changes**: Effective 4/1/2019*

Current Fund	New Fund
Mid Cap Growth	Mid Cap Growth
Eaton Vance Multi-Cap Growth A (EVGFX)	Columbia Acorn A (LACAX)

***Internal Watch List**:*

Large Cap Blend
Eaton Vance Dividend Builder A (EVTMX) *(Second time on list)*

Diversified Emerging Markets
Fidelity Advisor Diversified International A (FDVAX) *(First time on list)*

Mid Cap Value
*Perkins Mid Cap Value S (JMVIX) *(First time on list)*

**Todd noted that this fund has had excellent 3- and 5-year returns, but further analysis at the next Committee meeting would be prudent.*

Todd noted that although 55.7% of employees are invested in only one fund, they are in the Freedom Funds and as such are inherently diversified. Todd also pointed out majority of funds are performing in the top first or second quartile.

Employee Education

Jane led a discussion regarding the senior staff education meetings in Syracuse that are tentatively scheduled for 10/2/19. Jane will confirm and get back to Todd regarding that plan.

The Committee agreed to offer webinars in June for the open enrollment meetings. It was agreed that somewhere between two and four meetings should be scheduled, based on employee interest. 9:00 AM and 3:00 PM would be the best times for employees to attend based on shift changes and employee availability.

Jane suggested that a memo for employees with NetBenefits website access education would be beneficial to participants. Todd agreed to draft a memo for Jane to provide to participants.

Total Plan Cost

Weighted Average Investment Expense	1.09%
Annual Plan Administrative Expense (Billed - $16,695)	0.21%
	1.30%

Action Items

- *Cindy will provide her spreadsheet report to the Committee one week before each semi-annual meeting (CO)*
- *Coordinate fund changes and provide employee notification materials (JS)*
- *Confirm webinar dates, times, and locations. Enrollment meeting target is two to four meetings at 9:00 am and 3:00 pm in June (TT, JO)*
- *Confirm Florida education meetings for senior staff in October and develop plan (JS)*
- *Provide sample memo with NetBenefits website access education piece (TT)*