

- The Large Cap U.S. Equity Fund outperformed due to an underweight to expensive mega cap growth stocks in favor of securities with lower valuations.
- The Small Cap Fund modestly underperformed during the quarter due to its emphasis on companies with more stable earnings and quality corporate fundamentals.
- The All-International Markets Fund outperformed during the quarter as security selection within value-oriented sectors was rewarded. Exposure to financials was a key add.
- The Multi-Manager Bond Fund experienced strong benchmark relative results as an overweight to corporate bonds and other credit was additive over Treasury securities.
- The Investment Contract Fund performed well relative to the benchmark given the portfolio's higher yield than short-term U.S. Treasuries.
- The Real Asset Fund underperformed for the quarter as an underweight to sectors that had been hard hit by COVID, lodging and retail, detracted from results.
- Tier III passive index funds all performed as expected by tracking their respective benchmarks.

Quarterly Plan Review – Suzanne Rogers, Fidelity Investments presented the quarterly plan statistic summary for the 401(k) and 457(b) Plans.

- **Plan Statistics**

Total Plan Assets as of December 31, 2020 were \$498.1 million, compared to \$452.2 million at the end of the prior quarter.

Total Plan Participants – As of December 31, 2020 there were 2,870 Participants in the Plans.

Digital Contact Information – As of December 31, 2020 82% of participants are registered on NetBenefits, have an email on file, have a mobile phone number on file, and allow electronic delivery of information.

Equity Allocation – As of December 31, 2020 74% of participants have an Age-Appropriate Equity Allocation of funds.

Beneficiary Designations – As of December 31, 2020 68% of participants have a Beneficiary Designation on file with Fidelity.

Financial Wellness – Stan Ichiho presented to the committee an update on the upcoming financial wellness workshops and presentations for the 2021 year. The financial wellness program has been included in the overall SMUD Wellness Program and a larger number of events have been scheduled online for this year.

With no further items on the agenda, the meeting was adjourned.

Participants may submit comments or questions for the Deferred Compensation Committee through Stan Ichiho, of Human Resource Services at MS B251. Please include your name and daytime phone number so the Committee may respond to your request.