



Entities that have been incorporated by a state and are authorized to administer local, governmental affairs. This includes cities, towns, counties, as well as governmental services, e.g., fire departments and police forces.

INTERNAL USE ONLY

CAPTRUST EXPERIENCE

CAPTRUST AT A GLANCE

Clients – 65

Total Assets – \$29 billion

Plans/Pools – 96

Plan/Pool Types – DC (65), DB (20), OAP (11)

Top Providers – TIAA, Voya, Empower, MissionSquare

EXPERIENCED ADVISORS

- Fred Sloan (12)
- Dale Connors (6)
- Dori Drayton (6)
- Eric Bailey (4)
- Jeremy Chambers (4)

INDUSTRY BACKGROUND

POINTS OF INTEREST

- With federal relief funds and the \$1 trillion infrastructure legislation that passed last year, cities will have new resources to tackle challenges such as making public transportation more equitable, investing in IT technology, and addressing budget shortfalls from COVID.
- The Great Resignation has resulted in high turnover in the public sector. Many professionals are exiting the field for more competitive salaries and flexible schedules in the private sector while a rising number of employees are retiring or approaching retirement. The baby boomer population is far larger than the younger generations behind to replace it.

COMMON TERMS

- | | |
|--------------------|--------------------|
| • Administration | • Legislation |
| • Advisory council | • Operating budget |
| • Appropriation | • Residents |
| • Authority | • Trustee |

EXTERNAL RESOURCES

- National Association of Counties [naco.org](https://www.naco.org)
- National Association of Towns and Townships [natat.org](https://www.natat.org)
- National League of Cities [nlc.org](https://www.nlc.org)
- State Municipal Leagues [nlc.org/membership/state-municipal-leagues](https://www.nlc.org/membership/state-municipal-leagues)
- United States Conference of Mayors [usmayors.org](https://www.usmayors.org)

FOR THE CHALLENGER

CHALLENGES

Administration

- State law regulations may influence investments
- All content provided for meetings, along with the meetings themselves, are public
- Some plan changes may require a change to public law, and thus may take longer to accomplish
- Recruitment and retention - hard to retain talent that can move to private sector for more money
- State government plans may have hundreds of municipalities using the same contract. Administration with the coordination of payrolls and regular reporting can be more challenging than for private clients

Retirement

- It can be more difficult to implement automatic provisions, depending on the anti-garnishment laws of the state
- Getting trustees to engage in true fiduciary duty in a very short amount of time
- Funding the pension plan is the most challenging and getting city councils, who turnover bi-annually, to understand the needs and the balance

CLIENT OUTCOMES

- Consolidated 403(b) plan from 15 providers to one and re-enrolled participants into target date funds, big steps for a government entity
- Launched lifetime income solutions
- Engaged vendor to develop a custom distribution microsite
- Introduced governance process
- Leveraged participant advice services, lowered costs, and added more communication for the employees, resulting in immediate positive feedback
- Able to win a lot of trust right away by our approach of not being commissioned, being salary, and able to provide unbiased advice