

MAIN COUNTY DEFERRED COMPENSATION COMMITTEE

Marin County Civic Center
3501 Civic Center Drive
San Rafael, CA

Tuesday, November 13, 2018
1:30 P.M. – 3:00 P.M.
County Counsel Conference Room
Room 275
Regular Meeting

MINUTES

1. Call to Order: The meeting was called to order at 1:40 p.m.
2. Roll Call: Present: Roy Given, Director of Finance and Chair; Jeff Wickman, Retirement Administrator; Stephen Raab, County Counsel Representative; Cloanne DiGrazia, Retiree Representative;

Absent: Olga McKenna, Employee Representative; Dan Eilerman, Assistant County Administrator; James Kim, Court Executive Officer, Marin Courts Representative; Pauleen Temperani, Interim Human Resources Manager, Marin Courts Representative; Shanea Thompson, MAPE Employee Representative

Others in attendance:

John Steggell, Western Region Managing Director, Nationwide; Jim Lafoon, Sr. Retirement Specialist, Nationwide; Jayson Davidson, Consultant, Hyas Group

3. Open Time for Public & Committee Comment
A draft letter and summary description related to the possible implementation of an auto-enrollment and auto-increase program was distributed for the Committee's consideration. The letter will be forwarded to the appropriate contact in Human Resources. No further action will be required by the Committee at this time.
4. Approval of Minutes - Meeting of August 30, 2018 (Action)
Approval of the August 30, 2018 minutes was tabled, we went forward with the meeting.
5. Deferred Compensation Committee Matters
 - Revenue Participant Distribution Update
The Committee received an update on the revenue share rebate amount of \$300,000 that was credited to participant accounts pro-rate in August of this year. Nationwide is working on the drafting of a statement and online iMessage to alert participants about the deposits.
6. Nationwide Retirement Solutions
 - QE 9/30/18 Quarterly Summary and Quarterly Update
John Steggell provided a brief update on the recent participant education/communication campaign focused on employees not participating in the Plan. As the campaign progresses, the committee will receive additional updates. Mr. Steggell also provided the customary Plan on-site activity and participant demographic review. Attendance at education presentations continues to be sparse; Nationwide will look to offer its social security and healthcare related workshops early next year to drive more participant interest.

7. Hyas Group

- Quarterly Performance Report QE 9/30/18
Jayson Davidson presented the Third Quarter 2018 Performance Report; the Committee discussed general market and economic activity as well as the recent bouts of global market volatility.
- Legal/Regulatory Updates
Jayson informed the Committee that the IRS has released the 2019 plan and deferral limits, the maximum deferral for 457 plans will be increasing to \$19,000. The age 50 catch-up will remain at \$6,000. Also discussed was the possibility of bipartisan legislative action related to retirement plans. With the new split Democratic-Republican House and Senate, this may be an area of compromise.
- Status of Funds on Watch

Jayson alerted the Committee to the recently distributed Hyas Goup memo regarding changes to the Vanguard International Index Fund. Index provider, FTSE Russell, will begin adding Chinese A-share stocks to the index. This process will begin June 2019 and will be carried out in phases over the proceeding several quarters. Vanguard will, in turn, be making adjustments to the International Index Fund. This change will have a marginal impact on the Fund's make-up and the Chinese A-share exposure will be less than 2% of the total index composition. Hyas Group does not recommend any actions related to this change.

There were no funds in violation of investment policy parameters and no actions were recommended or taken.

8. Items for Future Agendas (Discussion)

- Review Vanguard index options relative to Fidelity's recently reduced fee index product.

9. Schedule 2019 Quarterly Meeting (bring your calendars)

The following meetings were scheduled for 2019, all will be held in Rm 275, from 3 – 4:30 p.m.

- March
3/4/19
- May
5/13/19
- August
8/26/19
- November
11/6/19

10. Adjournment

Meeting adjourned at 2:30 p.m.