

# MARIN COUNTY DEFERRED COMPENSATION COMMITTEE

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

**Tuesday, March 19, 2019**  
**1:30 P.M. – 2:30 P.M.**  
**County Counsel Conference Room**  
**Room 275**  
**Regular Meeting**

## MINUTES

1. Call to Order

The meeting was called to order at 1:35 p.m.

2. Roll Call:

Present:

Roy Given, Director of Finance and Chair; Jeff Wickman, Retirement Administrator; Stephen Raab, County Counsel Representative; Olga McKenna, Employee Representative; Cloanne DiGrazia, Retiree Representative; Dan Eilerman, Assistant County Administrator; Shanea Thompson, MAPE Employee Representative (*left meeting at 1:50pm*)

Absent:

James Kim, Court Executive Officer, Marin Courts Representative

Others in attendance:

Jayson Davidson, Consultant, Hyas Group; John Steggell, Western Region Managing Director, Nationwide (*attended by phone*); Jim Lafoon, Sr. Retirement Specialist, Nationwide

3. Open Time for Public & Committee Comment

None

4. Approval of Minutes - Meeting of August 30, 2018 and November 13, 2018 (Action)

MOTION by Jeff Wickman to approve minutes of August 30, 2018

Second by Dan Eilerman

AYES: ALL

MOTION by Jeff Wickman to approve minutes of November 13, 2018

Second by Dan Eilerman

AYES: ALL

5. Deferred Compensation Committee Matters

- Revenue Participant Distribution Update:

The revenue share participant rebate topic was readdressed. The Committee was informed that Nationwide received reimbursement from the County's deferred compensation plan fund for the \$300,000 rebate that was credited to participant accounts on a pro-rata basis in August 2018.

6. Nationwide Retirement Solutions

- QE 12/31/18 Quarterly Summary and Quarterly Update:

John Steggell delivered the Nationwide 12/31/18 Quarterly Summary Report and briefed the Committee on assets, deferrals and participation. Deferral amounts are at an all-time high and enrollment activity in 2018 was strong. Additionally, John reported that last year's participant distribution activity was consistent with no major spikes.

- Participant Enrollment Campaign:  
John Steggell provided an update on the recent participant education/communication campaign focused on employees not participating in the Plan. At this stage, with last years' enrollment activity being up, Nationwide is considering the campaign to be a success.

#### 7. Hyas Group

- Quarterly Performance Report QE 12/31/18:  
Jayson Davidson delivered the Fourth Quarter 2018 Performance Report; the Committee discussed the board, global equity market sell-off that took place during the quarter as well as its impact on the Plan's investment options. It was also noted what has been a robust rebound to start 2019 with most of the losses from the prior quarter being completely erased.
- Funds on Watch:  
Jayson reported that at the end of the fourth quarter, there was one fund in violation of performance related investment policy parameters, the MFS Blended Research Core Equity Fund. The Hyas Group will continue to monitor this Fund and will provide additional information as warranted.

MOTION was made by Dan Eilerman to place the MFS Blended Research Core Equity Fund on watch.

Second by Jeff Wickman

AYES: ALL

Additionally, Jayson informed the Committee of two qualitative items. The first was at TCW, the parent company of MetWest. TCW announced the retirement of Jamie Farnham, Director of Credit Research. While this is a senior level departure, the Hyas Group does not anticipate much impact on the MetWest Total Return Fund. Jamie Farnham had no investment management responsibilities for the Fund and the Hyas Group does not recommend any actions. The second was an announcement from Vanguard that they intend to add a small exposure to Saudi Arabian stocks within their international and emerging markets indexes. This is keeping with index provider FTSE Russell's decision to do the same.

- Review Index fund Comparison Analysis  
Jayson delivered prepared analysis on the prospect of replacing certain Vanguard index funds with the Fidelity index fund counterpart. The Committee discussed the small fee and performance benefits that could come with a move to Fidelity; the Committee did not think the benefit was large enough to merit a change, that there may be certain intangible benefits to investing with Vanguard that are not born out in the numbers. The Committee requested that the topic be revisited later this year and that Hyas Group continue to monitor whether Vanguard decides to match or beat Fidelity's current pricing.

#### 8. Items for Future Agendas

- Future Agenda Items (Discussion)

#### 9. Adjournment: Meeting adjourned at 2:30 p.m.