

MARIN COUNTY DEFERRED COMPENSATION COMMITTEE

Regular Meeting via Zoom

Tuesday, August 25, 2020

2:00 P.M.- 3:30 P.M.

MINUTES

1. Call to Order

The meeting was called to order at 2:06 p.m.

2. Roll Call

Present: Roy Given, Director of Finance and Chair; Dan Eilerman, Assistant County Administrator; Jeff Wickman, Retirement Administrator; Stephen Raab, County Counsel Representative, Pauleen Temperani, Marin Courts Representative; Cloann DiGrazia, Retiree Representative; Lisa Hatt, Employee Benefits Manager, Human Resources

Absent: Shanea Thompson, MAPE Employee Representative

Others in attendance: John Steggell, Western Region Managing Director, Nationwide; Jake Sours, Program Director, Nationwide; Nicholas Ziegenbusch, Consultant, Investment Management Group, Nationwide; Jim Laffoon, Senior Retirement Specialist, Nationwide; Jayson Davidson, Senior Consultant, Hyas Group

3. Open Time for Public & Committee Comment

No discussion

4. Approval of Minutes of May 14, 2020 (Action)

MOTION by Jeff Wickman to approve minutes of May 14, 2020

SECOND by Cloann DiGrazia

AYES:ALL

5. Deferred Compensation Committee Matters

No discussion

6. Nationwide Retirement Solutions (John Steggell)

- Quarterly Summary Report and Quarterly Update QE 6/30/20

John Steggell presented the Nationwide quarterly summary report. He advised the committee that Nationwide will be adding an account aggregator next quarter. He noted that Schwab has doubled market gains. The Chair and Jayson Davidson agreed that this was due to individuals with large accounts. He also noted that the plans for both the County and the Courts have grown over the past six months. \$3.8 million so far this year has rolled out of the County's plan to other providers.

- CARES Act provision implementation

John Steggell noted that the CARES Act, which was implemented a few months ago, has had little impact. There were no loans, nine COVID-related distributions for the County, and two for the Courts. Pauleen Temperani asked if employees on unpaid leave could take advantage of the CARES Act. The answer was yes.

- Virtual Webinars & Participant Meetings

John Steggell reported that participant calls decreased from the prior quarter when there was pandemic-related market volatility. Enrollments have increased despite the lack of face-to-face meetings. 111 sessions were conducted by phone and GoToMeeting, and the County's plan had 23 new enrollments. He said Nationwide would like to bring speakers to the County post-COVID, including a talk on Women and Retirement. The Chair suggested these events could be taped and put online.

Jim Laffoon thanked Lisa Hatt of Human Resources for partnering with Nationwide on participant education. Jake Sours urged getting the word out on the Nationwide Retirement Workshop Series for Northern California. The Chair asked Nationwide and Lisa Hatt to collaborate on integrating Nationwide participant education with Countywide training and to present a plan at the next meeting designed to meet the Nationwide contract milestones. The Chair was particularly concerned with participant behavior during market fluctuations, i.e., pulling funds out when markets are down and putting them back when markets are up, and pointed out the need for education on preparing for down markets with long-term investing and diversification.

7. Hyas Group (Jayson Davidson)

- Quarterly Performance Report QE 6/30/20

Jayson Davidson reviewed the June 30, 2020 457 Deferred Compensation/OBRA Plans Report. The global pandemic continues to cause economic disruption. The second quarter saw the biggest GDP drop ever. It also saw the recovery of one-half of job losses. The bond market has done well, and equity markets rebounded significantly in every sector, especially in the U.S., which is expected to lead developed market recovery. Total plan assets will be at an all-time high for the County and Courts by August. Allocations remained static as participants stayed the course. PST had no market losses.

- Funds on Watch

There were no funds on watch as of 6/30/20. Schroder US Small and Mid Cap did not do well and will continue to be monitored.

- Annual Investment Policy Statement review (Action)

MOTION by Dan Eilerman to approve Annual Statement of Investment Policy with minor changes clarifying watch criteria for target date fund series

SECOND by Lisa Hatt

AYES:ALL

- Legal and Regulatory Updates

Jayson Davidson provided the committee with a 2nd quarter 457 Plan Fiduciary Advisor Newsletter. Highlights: Department of Labor proposed new fiduciary standards, approved use of private equity in DC retirement plans, and provided guidance on inclusion of ESG (Environmental Social & Governance) funds in retirement plans.

8. Items for Future Agendas

- Presentation of Nationwide/Human Resources participant education plan
- Add Vanguard 2065 Fund (Action)
- Consideration of SECURE Act's optional provisions
- Nationwide Account Lock and Online Withdrawals
- Fidelity vs. Vanguard Index Revisit
- Nationwide Annual Review – Calendar Year 2020
- SECURE Act provision implementation
- Discuss OBRA Plan participants eligible to participate in Full-time 457 Plan
- Discuss de minimis distributions
- Annual Nationwide Investment Report

9. Adjournment

MOTION by Jeff Wickman to adjourn meeting

SECOND by Pauline Temperani

AYES:ALL

The meeting was adjourned at 3:12 p.m.