

MARIN COUNTY DEFERRED COMPENSATION COMMITTEE

Regular Meeting via Zoom

Thursday, November 12, 2020

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

MINUTES

1. Call to Order

The meeting was called to order at 2:04 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; Reina Barone, Executive Assistant, Department of Finance, County of Marin

3. Open Time for Public & Committee Comment

No discussion

4. Approval of Minutes of August 25, 2020 (Action)

MOTION by Dan Eilerman to approve minutes of August 25, 2020

SECOND by Cloann DiGrazia

AYES:ALL

5. Deferred Compensation Committee Matters

- Add Vanguard 2065 Fund (Action). The Hyas analytics group will work with Nationwide on the timing and communications.

MOTION by Lisa Hatt to add Vanguard 2065 Fund

SECOND by Dan Eilerman

AYES: ALL

6. Nationwide Retirement Solutions (John Steggell)

- Quarterly Summary Report and Quarterly Update QE 9/30/20
John Steggell presented the Nationwide quarterly summary report. John, the Nationwide Relationship Manager, noted that through September 30th, the County's Plan had a total of 15 Corona Related Distributions (CRDs) with an average amount of approximately \$19,000. The Court's Plan still had 2 CRDs with an average of \$28,000. John noted the average deferral rate for the County's Plan has held steady throughout the year and is just below \$7,000. It was also noted that participant account log-in activity hit a record during the quarter as market volatility prompted more inquiries.

Nationwide reported that there were 119 virtual meetings conducted during the quarter; also, there were 25 new enrollments to the County's Plan.

Nationwide is very close to making on-line withdrawals available for 457 plan participants. This could be used in lieu of completing a paper form. The Committee will take up the option more formally at a future meeting.

- CARES Act provision implementation
- Update – Secure Act 2.0
The Committee briefly revisited the topic related to certain, optional Secure Act provisions and, discussed the prospect of adding the Qualified Birth or Adoption distribution option and the in-service, age 59 ½ distribution option. No decision was made, the Committee may take up the action at a future meeting.

7. Hyas Group (Jayson Davidson)

- Quarterly Performance Report QE 9/30/20
Jayson Davidson reviewed the 9/30/20 Quarterly Performance Report. The Third Quarter was good for equity markets on an absolute basis, with most categories continuing the upwards momentum. Bond markets were relatively flat as the economic recovery across the world remains fragile and renewed lock downs and restrictions have been implemented in other countries. While seeing some US market volatility around the election, it is expected that this will subside as results are finalized and a clearer picture emerges with the parties in charge of the different branches of government.
- Funds on Watch
At the end of the quarter, the Plans again had no funds in violation of investment policy parameters and no funds on watch. Jayson noted that the Schroders US Small Mid Cap Trust option continues to struggle this year as its weighting in consumer cyclicals has worked against it. It is still in compliance with policy at this point but will need to strengthen relative performance to remain there by the end of this year.

- Legal and Regulatory Updates

Jayson informed the Committee that the IRS has released plan limits for 2021. The primary deferral limits for 457 plans will not be changing with deferral and age 50 catch-up limits remaining at \$19,500 and \$6,500, respectively. Also a bill was introduced by the House Ways and Means Committee that could have a positive impact on retirement saving and plan administration. The bill contains language allowing for the elimination of the “first day of the month rule,” raising the RMD age to 75 and allowing for further catch-up options for those participants at age 60 and above. Hyas will continue to follow the progress of the legislation and will provide updates to the Committee as warranted.

8. Items for Future Agendas

- Nationwide Account Lock and Online Withdrawals
- Fidelity vs. Vanguard Index Revisit
- Nationwide Annual Review – Calendar Year 2020
- Discuss de minimis distributions
- Annual Nationwide Investment Report

9. The 2021 Deferred Compensation Committee Meetings were scheduled as follows:

- March 2021
 - Thursday, March 11, 2-3:30PM
- May 2021
 - Thursday, May 20, 2:30-4PM
- August 2021
 - Thursday, August 5, 2-3:30PM
- November 2021
 - Thursday, November 4, 2-3:30PM

10. Adjournment

The meeting was adjourned at 3:00 p.m.