

MONTEREY COUNTY 457 DEFERRED COMPENSATION

ADMINISTRATIVE COMMITTEE MEETING

February 19, 2020 ~ 2:00 p.m.

County Government Center ~ Monterey Room ~ 2nd Floor

168 West Alisal Street ~ Salinas CA 93901



Proposed Minutes

Committee Members Present: Dean Carothers, SEIU Representative; Sara Bowe, Management Council Representative; Irma Ramirez-Bough, Human Resources Director; Steve Vagnini, Assessor/Clerk/Recorder; Steve Cagle, Retiree Representative; Dewayne Woods, Assistant Chief Administrative Officer; Rupa Shah, Auditor/Controller; Bill Mixer, DSA Representative

Committee Members Not Present: Mary Zeeb, Treasurer

Staff Present: Brian Briggs, Deputy County Counsel; Paulette Clark, Employee Benefits Program Manager; Melissa Zamora, Associate Benefits Analyst

Nationwide: Kent Morris; Jake Sours, Program Director; Justin Bryant, Retirement Specialist

HYAS Group: Ned Taylor, Sr. Consultant; Ted Grigsby, Sr. Consultant

Hayashi & Wayland: Mike Nolan, Partner

Call to Order & Roll Call - 2:05pm

1. Public Comment (Limited to 3 minutes per person).

This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda, but under the jurisdiction of the Deferred Compensation Administrative Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification; make a referral to staff for factual information, or request staff to report back to the Committee at a future meeting.

2. Approve Minutes of Regular Meetings on November 20, 2019

Action: Moved by Dewayne Woods, seconded by Steve Vagnini. Minutes approved unanimously.

3. Receive updated report from Hayashi Wayland on 2017 audit and consider accepting withdrawal of the previously accepted 2017 audit Management Letter and accepting a Revised Management Letter for the 2017 Audit.

Action: Motion to accept the revised letter dated June 28, 2019 by Hayashi and Wayland. Moved by Steve Vagnini, seconded by Irma Ramirez-Bough. Abstained by Dewayne Woods. Motion passed.

4. Consider approval of the use of funds from the Plan Committee Administrative Budget for reimbursement of Human Resources Department employee time actually spent on Plan administration services (subject to not less than quarterly invoicing) in a total amount not to exceed \$68,948 in the 2020 budget year. (Irma Ramirez-Bough)

Action: Motion to create sub-committee to review time actually spent by support staff from the Human Resources Department, the Office of the Auditor/Controller, and the Office of the County Counsel to administer the deferred compensation plan. Dewayne Woods, Steve Vagnini, and Mary Zeeb were appointed to the sub-committee. Dean Carothers was designated and an alternate appointee in the event. Mary Zeeb is unable to serve on the sub-committee. Moved by Steve Vagnini, seconded by Bill Mixer. Approved unanimously.

Item continued to next agenda by the Chair pending recommendation from the sub-committee.

Mr. Steve Vagnini left the meeting.

5. Consider approval of the Plan Committee Budget for 2020 calendar year.

Action: Motion to approve budget as submitted subject to potential future amendment. Moved by Irma Ramirez-Bough, seconded by Sara Bowe. Approved unanimously.

6. Receive quarterly reports and plan statistics as of December 31, 2019. (Nationwide- John Steggell)

Action: Motion to receive reports. Moved by Rupa Shah, seconded by Sara Bowe. Approved unanimously.

7. Receive Fourth Quarter 2019 Performance Review – as of December 31, 2019 (Hyas Group – Ned Taylor)

- Market commentary
- Current Fund lineup overview
- Plan data review
- Fee and revenue analysis
- MVA tracking update

Mr. Ned Taylor submitted a memorandum from Hyas Group regarding the departure of the Hood River Small Cap Growth Fund Portfolio Manager. Mr. Taylor has recommended to place the fund on the watch list.

Action: Motion to place the Hood River Small Cap Growth Fund on the watch list. Moved by Irma Ramirez-Bough, seconded by Sara Bowe. Approved unanimously.

Action: Motion to receive the reports from Hyas Group. Moved by Sara Bowe, seconded by Irma Ramirez-Bough. Approved unanimously.

8. Receive update on the DFA US Large Cap Value I Fund. – (HYAS Group - Ned Taylor)

Action: Motion to receive updated. Moved by Sara Bowe, seconded by Irma Ramirez-Bough. Approved unanimously.

9. Consider approval of the updates to the Statement of Investment Guidelines. (HYAS Group – Ned Taylor)

Action: Motion to approve updates to the Statement of Investment Guidelines. Moved by Irma Ramirez-Bough, seconded by Sara Bowe. Approved unanimously.

10. Presentation of tools and enhancements available to plan participants to address concerns expressed at the last regular committee meeting. – Nationwide

No action required.

11. Receive information related to the 2020 communication and education plan and provide direction to staff (Nationwide – Jake Sours)

Action: Motion to receive information. Moved by Sara Bowe, seconded by Bill Mixer. Approved unanimously.

12. Staff comments.

Deputy County Counsel, Brian Briggs recommended to change the agenda item language from “received reports” to “hear reports” in order to relieve the need for any Board action on reports.

Update received from Associate Benefits Analyst, Melissa Zamora, on the implementation of the Vanguard FTSE Social Index Adm Fund to the plan fund line up effective 2/18/2020.

13. Committee referrals to staff.

None

Adjourned - 3:58pm

***Adjourn to the next regular meeting of the Committee on May 20, 2020 at 2:00 p.m.,
Monterey Room, 2nd Floor, 168 West Alisal Street, Salinas, CA***

Copies of staff reports are available upon request at the County Administrative Building,
Human Resources Dept., 168 W. Alisal St., 3rd Floor, Salinas 93901