

**MONTEREY COUNTY 457 DEFERRED COMPENSATION
ADMINISTRATIVE COMMITTEE MEETING**
May 20, 2020 ~ 2:00 p.m.
Via Zoom Teleconference Meeting



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; Mary Zeeb, Treasurer

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

Nationwide: Jake Sours, Program Director; Justin Bryant, Retirement Specialist; John Steggell, Managing Director

HYAS Group: Ned Taylor, Sr. Consultant;

Call to Order & Roll Call - 2:04pm

- 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.

None

- 2) Approve Minutes of Regular Meetings on February 19, 2020.

Action: Moved by Guillermo Mixer, seconded by Sara Bowe. Minutes approved.

Ayes: Steve Vagnini, Mary Zeeb, Irma Ramirez-Bough, Rupa Shah, Dewayne Woods, Guillermo Mixer, Sara Bowe

Nay: None

Abstained: Steve Cagle

- 3) Approve attendance for the 2020 Annual NAGDCA Educational Conference.

Action: Continue item to the next regular committee meeting. Moved by Mary Zeeb, seconded by Dewayne Woods. Item continued by Chair.

- 4) Consider assignment of County personnel for annual account reconciliation responsibility, or direct staff to negotiate with outside consultants to perform the annual reconciliation as recommended by Hayashi and Wayland. (Chair – Dean Carothers)

Action: Assign the annual calendar year reconciliation process to the Office of the Auditor/Controller and the Human Resources Department. Moved by Rupa Shah, seconded by Steve Vagnini.

*Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Dewayne Woods, Sara Bowe, Guillermo Mixer, Steve Cagle
Nay: Irma Ramirez-Bough
Abstained: None*

5) Legal and regulatory updates including discussion of the CARES Act – (Hyas Group – Ned Taylor)

No action required.

Mr. Steve Cagle exited the meeting.

6) Consider amending the Monterey County Deferred Compensation 457b plan document in accordance with new legislation in the CARES Act.

a) Consider updating the plan’s distribution provisions to allow participants impacted by COVID-19 to take in-service distributions up to 100% of the participants balance no to exceed \$100,000.

Action: Upon recommendation of Mr. Ned Taylor, approve amending the plan document to allow in-service distribution of up to 100% of the participant’s balance not to exceed \$100,00 for participants impacted by COVID-19. Moved by Steve Vagnini, seconded by Mary Zeeb.

*Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Dewayne Woods, Sara Bowe, Guillermo Mixer, Irma Ramirez-Bough
Nays: None
Abstained: Sara Bowe*

b) Consider updating the plan’s loan provisions:

i) Increase the loan limit for participants impacted by COVID-19 and who take a loan on or before September 22, 2020, to up to 100% of the balance not to exceed \$100,000.

Action: Continue item to the next regular committee meeting. Moved by Steve Vagnini, seconded by Sara Bowe. Item continued by Chair.

*Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Dewayne Woods, Sara Bowe, Guillermo Mixer, Sara Bowe
Nay: Irma Ramirez-Bough
Abstained: None*

ii) Allow participants with outstanding loans and who have repayments due between March 27, 2020 and December 31, 2020 to delay the repayment of the loan for up to one year.

Per Ned Taylor, no action required on this item. All plan participants are automatically allowed to delay repayment of loans per the CARES Act.

7) Consider amending the Monterey County Deferred Compensation 457b plan document withdrawal provision in accordance with new legislation in the SECURE Act which allows up to a \$5,000 withdrawal for the birth or adoption of a child.

Action: Motion to adopt the SECURE Act legislation and amend the plan document. Moved by Steve Vagnini, seconded by Irma Ramirez-Bough.

Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Dewayne Woods, Sara Bowe, Guillermo Mixer, Sara Bowe, Irma Ramirez-Bough

Nays: None

Abstained: None

- 8) Consider directing Nationwide to modify loan repayment procedures from payroll deductions to Automatic Clearing House and authorize the Chair to execute the Plan Loan Procedures document with Nationwide. (Nationwide - John Steggell)

Action: Motion to modify the loan repayment procedures to Automatic Clearing House and authorize the chair to execute the Plan Loan Procedures document for new loans and allow participants with existing loan to elect ACH withdrawals. Moved by Rupa Shah, seconded by Mary Zeeb. .

Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Guillermo Mixer, Sara Bowe, Irma Ramirez-Bough

Nays: None

Abstained: Dewayne Woods, Sara Bowe

- 9) Hear First Quarter 2020 Performance Review – as of March 31, 2020 (Hyas Group – Ned Taylor)

- Market commentary
- Current Fund lineup overview
- Plan data review
- Fee and revenue analysis
- On watch fund: Hood River Capital

Mr. Ned Taylor recommended to keep the Hood River Capital fund on the watch list.

No action required.

- 10) Receive an update from the Sub-Committee and consider approval of the use of funds from the Plan Committee Administrative Budget for reimbursement of the Human Resources Department, Auditor Controller’s Office, and/or the Office of the County Counsel for employee time actually spent on Plan administration services (subject to not less than quarterly invoicing) either an ongoing basis or for only the 2020 budget year.

Item received out of order after item #4.

Action: Motion to determine if Committee members are willing to consider using funds for reimbursement to the Human Resources Department, Auditor Controller’s Office, and/or the Office of the County Counsel. Moved by Dewayne Woods, seconded by Rupa Shah.

Ayes: Steve Vagnini, Steve Cagle, Irma Ramirez-Bough

Nays: Mary Zeeb, Rupa Shah, Guillermo Mixer, Sara Bowe, Dewayne Woods, Dean Carothers

Abstained: None

Item received. No action.

- 11) Consider augmenting the 2020 Plan Committee Administrative Budget in an amount to be determined in consideration of Agenda items 4 and 10.

This item was taken off the agenda based on Committee action on Item 10.

- 12) Consider adoption of a Fee Policy. (Hyas Group – Ned Taylor)

Action: Motion to adopt the Fee Policy. Moved by Irma Ramirez-Bough, seconded by Sara Bowe. Item approved unanimously.

Ayes: Steve Vagnini, Mary Zeeb, Rupa Shah, Dewayne Woods, Sara Bowe, Guillermo Mixer, Sara Bowe, Irma Ramirez-Bough

Nays: None

Abstained: None

13) Hear quarterly reports and plan statistics as of March 31, 2020. (Nationwide- John Steggell)

No action required.

14) Hear information related to Nationwide enhancements. (Nationwide – Jake Sours)

No action required.

15) Staff comments.

None.

16) Committee referrals to staff.

Mrs. Mary Zeeb requested a written report for each item on the committee agenda for review prior to each meeting.

Adjourn to the next regular meeting of the Committee on August 19, 2020 at 2:00 p.m., Monterey Room, 2nd Floor, 168 West Alisal Street, Salinas, CA or via Zoom teleconference

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