

# WASHOE COUNTY DEFERRED COMPENSATION COMMITTEE

## MEETING MINUTES

Wednesday, August 29, 2018

### Committee Members Present

Darrell Craig, Chairman  
Cathy Hill, Secretary Treasurer  
Kendra Materasso, Second Judicial District Court  
Russ Morgan, Comptroller (Comptroller alternate)  
Scott Thomas, Vice-Chairman  
Scottie Wallace, WCEA

### Also Present

Ashley Berrington, Human Resources  
Joe Carter, AndCo  
Mike Fleiner, AndCo  
Bob Gleason, MassMutual  
Kristie Harmon, Human Resources  
Stephan Hollandsworth, Legal Counsel  
Vicki Scott, Human Resources

### Committee Members absent

Stephanie Shuman, WCDAIA

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#### 1. Call to order and roll call

Meeting was called to order at 1:00 p.m. and a quorum was confirmed.

#### 2. Public comment

None

#### 3. Approve May 9, 2018 and June 5, 2018 meeting minutes.

Chairman Craig called for a motion to approve the minutes as written. Member Wallace moved, Member Materasso seconded; the motion carried three to one with Member Hill abstaining.

#### 4. Treasurer's report reviewing the Deferred Compensation Administrative Fund. (Cathy Hill)

Member Hill referred the Committee to the Treasurer's Report noting the date in the first column header was incorrect; the date should be June 30, 2018 not June 30, 2017. Member Hill further noted that the cash balance in the fund is low. Member Hill questioned the expense for attendance at the upcoming NAGDCA Conference cautioning the Committee to keep in mind the current low balance. Ashley Berrington questioned the \$1,650 expense for Seminars and Meetings. Member Hill will verify the expense for Seminars and Meetings and update the Committee at the next meeting.

#### 5. Discussion regarding the current and future Washoe County Deferred Compensation Committee structure in light of the Washoe County District Attorney Investigator's Association decision to step off of the Committee, and discussion and possible action about the procedure for removing the DAIA as a Committee member and options for replacing the DAIA on the Committee, including presenting the Board of County Commissioners with a resolution for its approval.

The Committee discussed the procedure for removing and replacing the District Attorney Investigator's Association (DAIA) as a Committee member. Legal Counsel advised the Committee to make a recommendation regarding committee member structure by way of Resolution to the Board of County Commissioners.

Member Hill made a motion to present to the Board of County Commissioners a resolution recognizing the removal of the DAIA and replacing that position with a retiree participant of the Deferred Compensation Plan. This position would be appointed by the Deferred Compensation Committee. Member Materasso seconded; motion passed unanimously.

#### 6. Quarterly review of MassMutual's account service objectives. (Bob Gleason)

Mr. Gleason provided an overview of the Second Quarter 2018 Summary Sheet and the *MassMutual @ Work for You* report highlighting plan and participant activity statistics.

Mr. Gleason referred the Committee to the Satisfaction Table on page 13 in the *MassMutual @ Work for You* report. Mr. Gleason explained that the table compiles results of participant surveys. Mr. Carter asked if it was possible to include benchmarks from municipalities relative to Washoe County. Additionally, Ashley Berrington inquired if MassMutual could increase the number of Washoe County participants who are asked to complete the survey. Mr. Gleason will check to see if benchmarks are available and if it is possible to increase the number of participants who are asked to complete the survey. The Committee would like the survey results included in future reports.

7. Discussion and review of Exhibit B: Fees within the Retirement Plan Consulting Services Agreement between AndCo Consulting and The Washoe County Deferred Compensation Plan, and discussion and possible action regarding the new proposal of a flat-fee structure in lieu of the current structure of basis point based on plan assets. (Mike Fleiner)

Mr. Fleiner proposed that the Committee move from the current basis point fee structure to an annual flat fee in the amount of \$60,000. Member Hill referred the Committee to the Retirement Plan Consulting Services Agreement; specifically item 13 where it states the terms of the Agreement commence October 1, 2018 and terminate September 30, 2021 thereby extending the Agreement one year. Mr. Morgan suggested that the new agreement reflect the current terms January 1, 2017 through December 31, 2019 and modify the fee structure to the proposed annual flat fee of \$60,000. Mr. Fleiner responded that he could have AndCo's Compliance Department revise item 13 to reflect the dates in the current agreement January 1, 2017 through December 31, 2019.

Member Hill made a motion to accept the addendum to the current contract with the fee structure only to recognize an all-inclusive annual fee of \$60,000 for the services denoted in the agreement. Member Wallace seconded; motion passed unanimously.

8. Report and presentation regarding fund performance update for the most recent quarter, and possible recommendation, discussion, and action to change investment fund lineup. (Mike Fleiner)

Mr. Fleiner reviewed the Investment Performance Review report for period ending June 30, 2018.

9. Review, evaluation and discussion regarding RFP responses received for a new provider of recordkeeping and administrative services for the County's deferred compensation plans and possible action regarding selection of finalist as a result of these discussions. (Mike Fleiner/Joe Carter)

Mr. Carter referred the Committee to the Summary to Request for Proposal report. The report provided a preliminary review of the responses received from nine of the 12 vendors solicited.

Mr. Carter provided a review of the strengths and weaknesses of each of the nine respondents: Empower, ICMA, Lincoln, MassMutual, Nationwide, Prudential, TIAA and Valic. The specific details are outlined in the Summary to Request for Proposal report.

At this time, ICMA and Voya are the two strongest vendors based on their responses to the RFP. AndCo recommends both ICMA and Voya to present as finalists.

Member Wallace made a motion to accept AndCo's recommendation to invite ICMA and Voya to present as finalists. Member Materasso seconded; motion passed three to two with Member Hill and Member Thomas abstaining.

10. Comments by Committee or staff members (this item is limited to announcements or topics/issues proposed for future workshops/agendas).

Ashley Berrington reminded the Committee that the annual review of the Investment Policy is due in November and that item will be included on the agenda for the meeting in November. Additionally, the fee structure is also due for review in November. The Committee decided to review the fee structure at the meeting in February.

11. Public comment. No action will be taken upon a matter raised under this portion of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken. The Committee may ask that a matter be listed on a future agenda during the Public comment periods or during the following item: "Comments by the Committee or staff members." Comments shall be limited to two minutes in duration. Persons may not allocate unused time to other speakers.

None

12. Adjournment

Meeting adjourned 3:09 p.m.