

**VENTURA COUNTY  
DEFERRED COMPENSATION COMMITTEE  
401(k) Shared Savings Plan  
Channel Islands Conference Room or via Zoom**

**Meeting Minutes for June 23, 2022  
2:00 p.m.**

**Members present**

Shawn Atin  
Kaye Mand  
John Polich  
Jeff Burgh

**Members absent**

Steven Hintz

**Also present**

Patti Dowdy  
Jake O'Shaughnessy  
Joan Steel  
Suzanne Rogers  
Andrew Kremer  
Patty Zoll  
Amanda Diaz  
Andrew Gratt

**The meeting was called to order by Ms. Mand at 2:01 pm.**

**1. Public Comments.**

- a. No public comments were provided

**2. Committee Member Comments.**

- a. Mr. Polich spoke to agenda item 6, Continuation of Remote Teleconference Committee Meetings. A resolution was adopted in February 2022, allowing for the continuation at the discretion of the committee as the Board of Supervisors does. Action is needed when remote meetings are to stop only. Line item 6 from agenda for 401k, 457b, and SRP 457 will be removed
- b. Ms. Zoll introduced Andrew Gratt as recent addition to the Deferred Compensation team, holding the position of Personnel Assistant.

**3. Minutes of Regular Meeting February 10, 2022.**

Motion to approve: 1. Shawn Atin 2. Jeff Burgh **Motion Carries**

**4. SageView Advisory Group Q1 2022 Investment Review.**

Mr. O'Shaughnessy (SageView) discussed a myriad of topics to provide background on the current and possible future state of the markets. Topics such as the ongoing war in the Ukraine and its economic impact on oil, automobiles, and other commodities, the continuation of the supply chain disruption, rising interest rates, rising inflation, and slow global growth were highlighted. Inflation and post-COVID recovery were emphasized as major factors for today's market performance. At the end of Q1 2022, stocks were down 5% and YTD are down approximately 20%

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- leading US into a Bear Market (customary every few years). Although topics discussed have current negative effects on today's market, Mr. O'Shaughnessy expressed that stocks/markets tend to be resilient to inflation and fluctuations; suggesting that there are strong returns after selloffs and should continue to play a significant role in and with County and employee investments.

He continued to provide an overview of action items from the Federal Reserve (FED) as well as the US Legislature and Department of Labor (DOL). With interest rates at or near 0%, inflation was caused, prompting action from the FED to raise rates in order to stave off rapid pace of inflation. Mr. O'Shaughnessy alluded to the market consensus that the FED will likely continue to raise rates to further fight inflation. Within the US Legislature, the house passed the SECURE 2.0 Act which helps to secure a stronger retirement for participants. Most notable provisions in the bill are increases in the Required Minimum Distribution Age, increases in the special "catch-up" contribution limit from \$6,500 to \$10,000 however, the catch-up contributions will need to be in Roth (after-tax) form. The DOL provided regulatory guidance on the dis-allowance of Cryptocurrency within retirement plans, citing risks of fraud, theft, and/or losses. Mr. O'Shaughnessy agreed with the DOL regulatory guidance against cryptocurrency.

Mr. O'Shaughnessy discussed the following funds and their performance along with his recommendations:

- a. **The funds that remained under the median and should continue to remain on the watch list:**
  - i. Fidelity Contrafund K6
  - ii. Fidelity Freedom Income K-Target Date Fund series
  - iii. Janus Henderson Enterprise N
- b. **The fund that is surpassing the median and should be removed from the watch list:**
  - i. Fidelity Overseas K
- c. **The following funds were recommended for mapping\* to another fund:**  
(\*replacing an underperforming fund with a similar fund type that is performing better)
  - i. Columbia Income Opportunities map to Fidelity Cap & Income Fund
  - ii. Lord Abbett Affiliated R6 map to Columbia Dividend & Income Fund
  - iii. Allspring C&B Mid Cap Value map to Victory Sycamore Established Value R6
- d. **The following fund changes along with savings realized per fund change were recommended and approved to be implemented at the next fund change opportunity:**
  - i. Blue Chip Growth to K6 savings of \$32,129 (savings after eliminating 20bps of rev share)  
Expense ratio for K6 45bps
  - ii. Stable Value: MIP II Class 1 to MIP II Class 2 savings of \$78,846 (both are zero rev share)  
Expense ratio for MIP II Class 2 is 35bps

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- iii. Fid Growth Co to K6 savings of \$26,735 (savings after eliminating 20bps rev share)  
Expense ratio of K6 is 45bps
- iv. Fid Mid Cap Stock to K6 savings of \$4,900 (savings after eliminating 20bps rev share)  
Expense ratio of K6 is 51bps

### **A. Motion to Receive and File SageView recommendation**

Motion made: 1. Mr. Atin 2. Mr. Burgh

**Motion Carries**

## **5. Fidelity Investments Quarterly Service Review.**

The Fidelity Quarterly Service Review highlighted the high engagement level of County employees with their deferred compensation plans. It was noted that the engagement level has dipped for employees that are newly hired and within one-two years of employment. It was theorized this may be due to New Employee Orientations (NEO) being conducted virtually for the past 2+ years as compared to the in-person NEO workshops that were held prior to Covid.

Andrew Kremer, Fidelity Workplace Financial Consultant for the County of Ventura, summarized Q2 2022 employee participation. Mr. Kremer highlighted June's appointments were fully booked with the ability to hold one-on-one's virtually aiding in the increase in appointments – specifically with the HCA and Safety employees. He highlighted the various monthly topics for employees with "College Planning" in June, "Creating Retirement" in July, and "Top Things to do Before You Retire" in August. He emphasized the following:

1. Many employees are increasing their contributions into plans and utilizing auto increase for contributions, as well as rolling over monies from previously held qualifying plans.
2. More mid-career employees checking in on their progress towards retirement which allows Mr. Kremer to go through income planning and more long-term investments.
3. Employees are wanting to increase their financial wellness and save more through 529, Roth IRAs, BrokerageLink, or other saving opportunities.

Suzanne Rogers and Joan Steel (Fidelity) concurrently reviewed Q1 2022 Plan Statistics. Areas of interest include total plan assets exceeding \$1.4 billion with an active employee participation level of 7,453 participants. Ms. Rogers highlighted that the County of Ventura is higher than its peer group with regard to participation rates. Further mention was made regarding participants having proper age-appropriate asset allocation at 76% (peer average is at 71%) and loan/withdrawal levels holding consistent at 27.7% of active participants having at least one loan outstanding (peer average is at 17.5%). Participant engagement was 85% of actives contacting Fidelity by phone or through

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NetBenefits. Over 40% of active participants are saving 8% of base salary, with 34% saving 10% or more.

Mr. Atin recommended review and follow up on committee investment policy language regarding target date funds; inquiring as to their purpose for being placed on the watch list. Ms. Steel (Fidelity) spoke to who the funds are designed for and referenced the Glide path (more risk when younger and transitioning over time into more conservative). She continued by discussing market fluctuation and relevance to other income funds. Mr. O'Shaughnessy followed with a recommendation for further review of target date funds.

**A. Motion to Receive and File SageView recommendation to further discuss**

Motion made: 1. Mr. Atin 2. Mr. Burgh

**Motion Carries**

**6. Continuation of Remote Teleconference Committee Meetings.**

- a. No further discussion on agenda item 6. Refer to agenda item 2: Committee Member Comments for clarification.

**7. Information Agenda.**

Ms. Zoll provided some background detail on the informational items:

- a. 401(k) Expense Reimbursement Credit Account – Q1 2022
  - i. A total of \$193,887.64 was received for Q1 2022 in the Expense Reimbursement Credit Account. Current balance for the Total RCP account = \$997,687.34.
- b. 401(k) Safe Harbor Hardship Withdrawals – Q1 2022
  - i. Total approved withdrawal amount of \$156,765.55 out of \$200,766.16 requested
- c. 401(k) Facts and Circumstances Hardship Withdrawals – Q1 2022
  - i. Total approved withdrawal amount of \$41,623.31 out of \$42,738.14 requested

**A. Motion to Receive and File**

Motion made: 1. Mr. Atin 2. Mr. Burgh

**Motion Carries**

**Ms. Mand adjourned the meeting at 3:12 pm**

Respectfully submitted,



Andrew Gratt  
Deferred Compensation Personnel Assistant

**VENTURA COUNTY  
DEFERRED COMPENSATION COMMITTEE  
Section 457 Plan  
Channel Islands Conference Room or via Zoom**

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**Ms. Mand called the meeting to order at 3:13 pm.**

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**2. Committee Member Comments.**

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**Motion Carries**

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**A. Receive and File SageView recommendation to further discuss**

Motion to further discuss: 1. Mr. Atin 2. Mr. Burgh **Motion Carries**

**6. Continuation of Remote Teleconference Committee Meetings.**

No further discussion on agenda item 6. Refer to agenda item 2: Committee Member Comments for clarification.

**7. Information Agenda.**

- a. 457 Expense Reimbursement Credit Account – Q1 2022
  - i. A total of \$111,422.93 was received for Q1 2022
- b. 457 Emergency Withdrawals – Q1 2022
  - i. Total approved withdrawal amount of \$83,214.31 out of \$106,277.79 requested

**A. Motion to Receive and File**

Motion made: 1. Mr. Atin 2. Mr. Burgh **Motion Carries**

**Ms. Mand adjourned the meeting at 3:15 pm**

Respectfully submitted,



Andrew Gratt  
Deferred Compensation Personnel Assistant