



A Tradition of Stewardship  
A Commitment to Service

**Auditor-Controller**

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## NAPA COUNTY

# DEFERRED COMPENSATION BOARD of CONTROL

Thursday, February 20, 2025, 2:00 pm

**REGULAR MEETING MINUTES**

*1195 3rd Street, ACO Conference Room (Basement)*

1. Call to order: Roll Call.  
*Meeting called to order at 2:02*  
*Members Present: Bob Minahen, Tracy Schulze, Sheryl Bratton, Abe Gardner*  
*Members Excused: Christine Briceno, Becky Craig, (one vacancy)*  
*Staff Present: Cheryl Parker, Auditor-Controller Office, Susie Altman, County Counsel*  
*Consultants: Vincent Galindo - Hyas Group; Bob Gleason - Empower*
2. Discussion and possible action to Elect Chair and Vice Chair.  
*Motion: Minahen - Elect Bratton as Chair and Gardner as Vice Chair.*  
*Second: Schulze*  
*Approved: 4-0-0*
3. Discussion and possible action to approve December 5, 2024 minutes.  
*Motion: Gardner - Approve as presented.*  
*Second: Minahen*  
*Approved: 4-0-0*
4. Discussion and possible action on the Deferred Compensation Board of Control's 2025 Meeting Calendar. Regular meeting dates are the third Thursday of each quarter, in the months of February, May, August, and November, with a requested change for the May meeting to be held on the first Thursday.  
*Motion: Gardner - Approve as presented.*  
*Second: Minahen*  
*Approved: 4-0-0*
5. Public Comment.  
*None.*

6. Discussion and possible action to recommend to Board of Supervisors appointment of an at-large Deferred Compensation Board of Control member.  
*Recruitment for the vacant at-large position concluded with one applicant, Kevin Zeigler, the current CFO of the Napa Superior Courts. Mr. Zeigler introduced himself and provided his background and why he was interested in joining the Board.*  
*Motion: Minahen – Recommend to the Board of Supervisors to appoint Kevin Zeigler to fill the vacant at-large position on the Deferred Compensation Board of Control.*  
*Second: Gardner*  
*Approved: 4-0-0*
  
7. Discussion and possible action on the fourth quarter performance review, ending December 31, 2024, of the Napa County 457(b), 401(a) and PST Deferred Compensation and Retirement Savings Plans from Hyas. This includes market commentary, current fund lineup overview and fee and revenue analysis.  
*Galindo discussed the quarterly performance review and recommended to place Vanguard International Value Inv Fund on watch.*  
*Motion: Minahen – Add Vanguard International Value Inv Fund on the watch list*  
*Second: Schulze*  
*Approved: 4-0-0*
  
8. Discussion and possible action on the following funds previously placed on watch due to violating the Investment Policy Statement:
  - MFS Mid Cap Growth R6 Fund
  - JP Morgan Mid Cap Value R6 Fund (Manager Search Document)*Galindo provided an updated status on each of the two funds listed above. MFS Mid Cap Growth R6 Fund is recommended to retain on watch status. Galindo presented a Manager Search Document for replacement funds for the JP Morgan Mid Cap Value R6 Fund. The Board discussed the report and considered all options presented, looking for a balance of solid performance and reasonable participant cost*  
*Motion: Minahen – Retain watch status on MFS Mid Cap Growth Value R6 Fund and replace the JP Morgan Mid Cap Value R6 Fund with T. Rowe Price Mid Cap Value 1 Fund.*  
*Second: Gardner*  
*Approved: 4-0-0*
  
9. Discussion and possible action on the Target Date Manager Search document.  
*Galindo discussed the search document and the results with the Board, resulting with the recommendation to continue using American Funds as the Target Date Manager. After discussion, the Board agreed with the recommendation. In addition, the Board requested this search be completed again in a year. No action required.*
  
10. Discussion and possible action on fourth quarter plan summary report ending December 31, 2024 from Empower.  
*Gleason presented the quarterly report. The report demonstrated positive plan growth and feedback from County participants. Informational item only, no action.*

11. Discussion and possible action to provide the managed account feature to participants at a fee paid by the participants utilizing the service. (Continued from Dec meeting).

*Altman reviewed the amendment to the Empower contract regarding the managed account feature and found no issue. In addition, she consulted with other Counties that currently offer this service to their participants and found positive outcomes. The feature allows for participants to receive additional investment advice as well as discretionary investment management of their portfolio for a fee that is borne by the participant only. It is a volunteer opt in with a cancellation at any time without any additional cancellation charges. There is no additional set up or costs to the County or the plans. By adding this feature, the record keeper fee will be reduced from 8 basis points to 7 for the entire plan, benefitting all participants regardless of participation in the managed account feature.*

*Motion: Minahen*

*Second: Bratton*

*Abstained: Gardner*

*Approved: 3-0-1*

12. Discussion and possible action on the Plan Document revision for the implementation of the Secure Act 2.0.

*This item to be continued to the next meeting. The IRS has released clarifications regarding the Secure Act 2.0 and will be discussed with the potential of revisiting the implementation of the Roth Option.*

13. Agenda Items for a future meeting:

- *Discussion on a quarterly incentive program for employees to engage in retirement planning meetings with Empower (Schulze)*
- *Discussion of the option for employee contributions using a percent of their paycheck.*

14. Staff Reports/Updates

- *NAGDCA Conference, September 28 – October 1, San Diego  
Schulze, Gardner and Minahen are interested in attending.*

15. Adjourn.

Next regularly scheduled meeting is **May 1, 2025**