

**SAN JOAQUIN COUNTY DEFERRED COMPENSATION ADVISORY  
COMMITTEE  
SPECIAL MEETING  
MEETING MINUTES**

Friday, November 7, 2025; 1:00pm  
County Administration Building, Room 146

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**MEMBERS:**

**Present:** Jennifer Goodman  
Sandy Regalo (5-minute late arrival)  
Mario Gardea  
Jason Whelen  
Phonxay Keokham  
Jeff Woltkamp (remote attendance)  
**Absent:** Kathy Herman  
Steve Hopkins

**OTHERS:**

Kimberly Johnson, County Counsel  
Oriana Maghoney, County Benefits Manager  
Shundel Graves, County Benefits Administrative Support  
Donna Strange, County Administrative Support  
Vincent Galindo, Sr Consultant, Morgan Stanley  
John Steggell, Executive Relationship Manager, Nationwide

The Deferred Compensation Advisory Committee meeting was called to order at 1:00pm by Jennifer Goodman, Committee Chair and Plan Administrator.

**Approval of Minutes**

A motion was made to approve the Minutes of the September 2, 2025 Deferred Compensation Meeting and passed with a vote of 5-0.

(Motion: Gardea; Second: Keokham)

**Public Comment**

There was no Public Comment.

**Program Status Reports – Nationwide**

Due to flight complications, Mr. John Steggell of Nationwide was not able to be in-person present. However, he did present an overview of the 3<sup>rd</sup> Quarter Report remotely.

- **Overall Plan Summary**  
The Quarter's beginning balance was close to \$635M, and over the quarter grew by \$32M, ending the quarter with a balance of \$667M.
- **457(b) Plan Overview**
  - 7,757 participants with an average balance of \$81,354.
  - 53% of participants in the plan are employed, and 46% of separated employees have money in the plan, which is a very good thing.
  - 1,427 Roth participants, with a total Roth balance of \$13.5M.
  - The self-directed brokerage account (SDBA) has 11 participants with a total combined balance of \$2M.
  - Salary contributions into the account for the quarter totaled approximately \$6.2M.
  - Almost 53% of new contributions are going into Target Date funds.
  - There are 395 Active Loans; 65 of those are new loans and 19 loans have been closed. The current average loan balance is \$9,215.

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There are two types of loans: 5-year General purpose loans used for any reason, and Primary Residence loans used only for the purchase of your primary residence for up to 15 years.

- eDelivery statistics are climbing:
  - 74% of county participants are no longer receiving paper; fund changes and statements are being received electronically.
  - Online accounts are also growing. There are 5191 participant online accounts (67%)
  - 73% of distributions were also handled online.
  - 90% of participants have beneficiaries on file, and 92% of participants have their email on file. These are really good numbers.
- **401(a) Plan Overview**
  - The 3<sup>rd</sup> quarter saw 9 new enrollments, and a total asset balance of \$38M.
  - There are 153 participants, and the average participant balance is \$248,408.

Mr. Steggell noted that this was another great quarter and the numbers look good.

- **Schwab Personal Choice Retirement Account (PCRA)**  
Mr. Steggell noted that he just received this report on the morning of this Committee meeting, therefore will forward the report for everyone to view.

There were no questions from the Committee regarding this report.

**Third Quarter Performance Report – Morgan Stanley**

Mr. Vincent Galindo presented the third quarter report to the Committee, echoing Mr. Steggell and noting that this was a good quarter and the markets have cooperated, ironically due to the weakening economy. The Morgan Stanley Report included the following:

- **Market Commentary / Economic Indicators**
  - Gross Domestic Product (GDP) – the monetary value of all goods and services, and a good measure of economic activity. The GDP currently stands at 3.8%; up about 4.5% from last quarter.
  - There are signs of weakening, even though the GDP number was impressive. Credit card balances are continuing to go up, and credit card and auto loan delinquencies are also ticking up. He noted the American consumer may be overstretched.
  - Consumer Price Index (CPI) has also gone up from 2.9% to 3.1%.
  - The measure of full employment is an unemployment rate of 5%. Today's Unemployment Rate is at 4.3%, still a relatively healthy number. Job numbers are weakening. ADP reported that October of 2025 was the worst in terms of layoff notices in 20 years.
  - It is expected that interest rates may be lowered in December.
  - Because of the weakening economy, two more interest rate cuts are expected in 2026.

Mr. Galindo shared that depending on the asset class, however, the returns in the markets have been really, really impressive, and he gave the following examples of Year-to-Date measures:

- US Fixed Income (Bloomberg US Agg Bond Index). This historically averaged about 3%-3 ½% and as of this week showed a 7% gain.
- US Large Cap Equity (S&P 500 Index / the domestic stock market) showed a 14.8% gain year to date, and as of this week shows 15.5%.
- International Equity (All County World Index - MSCI ACWI Ex USA Index, or roughly 45 countries outside the US with an investable stock market) showing a 28% gain Year-to-Date.



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- **On Watch Funds**

- **MFS Mid Cap Growth Fund**

This fund underperformed outside the pandemic. Recommendation is to retain watch status.

- **Vanguard International Value Inv**

Scheduled to be replaced on Friday, November 14<sup>th</sup>

- **DFA Real Estate Securities**

From a sector standpoint, was overweight telecom, underweight healthcare. Recommendation is to retain watch status.

- **Vanguard International Growth Adm**

Technology, communications, healthcare, energy.

2021 and 2022 years were weak, but has come back very, very strong. However, still violating metrics. Recommendation is to place on watch.

Mr. Galindo also noted another fund; Invesco Gold & Special Mineral Fund. The year-to-date return is greater than 104%. The lead manager will be retiring, so the recommendation is that this fund be placed on watch, not for performance related issues but for the knowledge that the team coming to take the manager's place has been in place since February as second in command.

Mr. Galindo inquired of counsel/Committee Chair, as to whether or not this can be placed on watch alongside Vanguard International Growth due to this not having been agendaized, or must it wait for a future Agenda?

The response was that it would need to be an emergency situation to be added to this Agenda. Due to no emergency, this will wait for a later date.

A motion was made to place the Vanguard International Growth Fund on watch, as passed with a unanimous vote.

(Motion: Keokham; Second: Whelen).

- **Current Fund Lineup Overview and Fee/Revenue Analysis**

Mr. Galindo outlined the current Fund Lineup, drawing attention to the plan value over time. Going back to 2020, the Plan's Market Value was roughly \$496M. Fast forward to YTD September 2025, the Plan's Market Value stands at \$629M; an increase of approximately \$132M.

Plan fee structure was also discussed, and Mr. Galindo outlined how the fees are calculated and how the fees are and/or can be used.

**NAGDCA Conference Debrief**

The Committee listened to multiple members discuss their attendance at the 2025 NAGDCA Annual Conference. Their responses included the following:

- Mr. Keokham felt the conference was very good. The 2.0 Session was interesting given the difference in plans, mentioning that some plans protect the balance of the fund and others being more friendly to participants. Having spoken to a person from Chicago, he found out that their organization gives employees a certain amount of money for hardship purposes. He also found interest in the collective interest trust and fees that are lower. Mr. Keokham was disappointed with the AI sessions, feeling they were more like a supercharged chatbot session. He found interest in the private assets in the DC plans, which might be something to consider in the future.
- Ms. Regalo shared that she and Ms. Johnson attended a session on auto enrollment/auto enrollment strategy. They listened to several entities speak on the subject and heard that those entities have increased their auto enrollment by quite a bit and in one case, increased it by about 30%.

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- Mr. Gardea found the AI session very interesting but also concerning as it may take some jobs away. He shared that every session he attended had talk about saving for future healthcare; especially for public safety members; and the potential for a healthcare trust as a supplement to deferred compensation.

**Deferred Compensation Election Update**

Ms. Oriana Maghoney shared that the Deferred Compensation Advisory Committee Election was held. There are two positions needing to be filled; a Participant Representative and an Alternate Representative. There were two eligible candidates, and ballots were sent out and returned during the month of October. On November 5, 2025, the ballot count took place at 1:00pm. The Board of Supervisors will approve the winners at the December 9<sup>th</sup> Board Meeting. The new Committee members will begin their service at the first meeting of the new year, February 26, 2026. The candidate with the most votes will hold the seat as a voting member of the Committee and the other candidate will serve as an alternate Committee member. The candidates will be notified of the results within a week.

**Comments from Committee Members**

- There were comments and questions regarding contributions from the County to an employee's 457(b) plan and how that plays out in relationship to the contribution limit. What would happen if an amount were 'matched' and how much of that would count against the limit. The Committee member asked if there was/is a strategy or plan that might offer both?

The answer was that the 457 is a different section of the tax code. Mr. Galindo suggested the County contribution should go into the 401(a) plan, and the employee could put the full amount into the 457(b). Making the shift would amount to FICA savings at the county level.

To make the change, a simple amendment to the 401(a) adoption agreement would be needed to direct the employer contributions.

Mr. Whelen volunteered to bring the topic back to the February meeting.

Ms. Goodman stated that staff will do some research as to what options are available, and bring those back to share at the February meeting to then take an active vote.

- Ms. Goodman commented that at the last meeting, the Committee talked about a charter and some fee policies. Team is continuing to work on that, and it is expected that will also be brought to the February meeting for a formal adoption.
- Question from a Committee member: Are there other valuable conferences worth attending, or is NAGDCA the 'one and only'.
  - Pensions & Investments (PNI) has a DC West Conference every year. It is slanted a bit towards the corporate.
  - Mr. Galindo feels NAGDCA is the best but the challenge is the time of year, which isn't always convenient for everyone. Next year's conference will be in Orlando.
  - There is also a Fiduciary Essentials conference. Next conference will be in 12-18 months, probably in California.

**Meeting was adjourned at 1:52pm**

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Respectfully Submitted,



Jennifer Goodman  
Committee Chair and Plan Administrator  
JG:dms