



Snohomish County Council

Committee: Finance, Budget, and Administration
ECAF: 2023-0594
Motion: 23-226

Analyst: Nicole Gorle
Date: June 6, 2023

Consideration:

Authorize the Executive to execute an agreement with Nationwide Investment Advisors, LLC for investment advisory services for the County's deferred compensation plan and approve any subsequent amendments.

Background:

The County offers its employees who work 20 hours or more the option of participating in a deferred compensation plan offered through Nationwide. A deferred compensation plan allows an employee to set aside a portion of their salary, essentially defer receipt of the money, until a later date. Money deferred is not taxed until it is withdrawn, often around retirement. The County offers a 457b deferred compensation plan and for some unions, contributes a specific amount of money based on the employee's contribution.¹ The County wishes to enter into a contract with Nationwide Investment Advisors, LLC for investment advice relating to the deferred compensation plan.

Current Proposal:

Scope: Authorize the executive to execute the agreement and any subsequent amendments. Under the agreement:

- The County will provide Nationwide with an investment policy document and recognizes that any advice given to the County by Nationwide is a recommendation only, investment decisions are the County's responsibility.
- Nationwide will make investment recommendations to the County that take the policy document and other factors into consideration. Nationwide cannot be held liable for any decision made by the County relating to investments of the deferred compensation plan.
- The advisor fee for this services is 0.01%

Duration: Execution through termination (requires 30 day's written notice)

Fiscal Impact: None – the 0.01% will be applied to plan participants.

2023 Budget: No

Future Budget Impact: No

Handling: Normal

Approved-as-to-form: No

Risk Management: No

Executive Recommendation: Approve

Request: Move to GLS June 21st for consideration.

¹ <https://snohomishcountywa.gov/DocumentCenter/View/45778/Deferred-Compensation-Matching-Contribution-Summary?bidId=>