COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 5/24/2022

To: Board of Supervisors
Department or Agency Name(s): Auditor-Controller-Treasurer-Tax Collector
Staff Name and Phone Number: Erick Roeser - 565-3285
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:
Deferred Compensation Plan Documents Update

Recommended Action:
Approve the resolution authorizing the Auditor-Controller-Treasurer-Tax Collector to update and execute changes to Deferred Compensation Plan documents as necessary to comply with Internal Revenue Service requirements.

Executive Summary:
The Auditor-Controller-Treasurer-Tax Collector is requesting the Board approve the resolution authorizing the Auditor-Controller-Treasurer-Tax Collector to update and execute changes to Deferred Compensation Plan documents as necessary to comply with Internal Revenue Service requirements. In accordance with IRS requirements, the County's Plan documents are currently subject to a six-year restatement cycle.

Discussion:
The County Deferred Compensation Plan ("Plan") is managed by the Auditor-Controller-Treasurer-Tax Collector ("ACTTC") and is administered through a contract with Nationwide Retirement Systems, Inc. ("Nationwide"), and includes the 401(a), 457 and Part-time, Seasonal, Temporary ("PST") plans. The County maintains the Plan on behalf of all eligible employees under a negotiated Memorandum of Understanding/Salary Resolution, appointed or elected officials, other participants, such as retirees, and beneficiaries.

Qualified retirement and deferred compensation plans are required to have written plan documents that define the terms and conditions related to the operation and administration of the plan. Since the County's Salary Resolution changes from time to time and the laws pertaining to retirement plans are constantly changing, the written Plan documents must be periodically updated to comply with these changes.

On a short-term basis, Plan changes can be accommodated with an interim amendment, but every six years the IRS requires all pre-approved plan documents to be completely restated to incorporate the interim amendments and to document Plan operations since the last restatement period. The County's Plan documents are currently subject to a six-year restatement cycle, which must be completed by July 31, 2022

and with an effective date of January 1, 2022.

As the provider of Plan administrative services, Nationwide assists the County with the compliance process and has provided draft Plan document amendments. The County, as Plan Sponsor, is responsible for maintaining the Plan documents and keeping the Plan in good standing. Plan document changes typically include any changes to employer 401(a) matching contributions, as negotiated with bargaining units and included in the Salary Resolution, various eligibility and vesting requirements, and conditions for Plan participant allocations and distributions.

The ACTTC is requesting Board authorization to update and execute Plan documents to reflect Plan terms and conditions as necessary to comply with IRS requirements.

Strategic Plan:
n/a

Prior Board Actions:
12-13-16 - Deferred Compensation Service Agreement

02-21-12 - Plan Document Amendment

12-24-10 - Nationwide Contract Amendment

05-22-07 - Nationwide Contract Extension

05-28-02 - Deferred Compensation Plan Modification (Resolution #02-0568)

01-07-02 - Non-Board Amendment

FISCAL SUMMARY

Expenditures	**FY 21-22 Adopted**	**FY22-23 Projected**	**FY 23-24 Projected**
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

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Narrative Explanation of Fiscal Impacts:
No fiscal impact.

Staffing Impacts:			
Position Title (Payroll Classification)	**Monthly Salary Range (A-I Step)**	**Additions (Number)**	**Deletions (Number)**

Narrative Explanation of Staffing Impacts (If Required):
n/a

Attachments:
Resolution - Amending and Restating Deferred Compensation Plan Documents

Related Items "On File" with the Clerk of the Board:
County of Sonoma 401(a), 457 and PST Deferred Compensation Plan Documents