



# BOARD OF SUPERVISORS

COUNTY OF BUTTE, CALIFORNIA

Resolution No. 11-042

**RESOLUTION CLARIFYING THE STRUCTURE AND STATUS OF THE BUTTE COUNTY DEFERRED COMPENSATION PROGRAM AND PLANS, REDEFINING THE COMMITTEE STRUCTURE IN SUPPORT OF THE PROGRAM AND PLANS, AND NOMINATING THE TRUSTEES OF THE PLANS**

**WHEREAS**, on February 10, 1981, the Board of Supervisors adopted Resolution 81-31 that authorized the Chair to sign an *Agreement for Administration – Deferred Compensation Plan* with Sacramento Savings' Deferred Compensation Plan; and

**WHEREAS**, on February 24, 1981, the Board of Supervisors adopted Resolution 81-43 adding Section 13.12 to the Personnel Rules of the County of Butte establishing a deferred compensation program and the *Deferred Compensation Advisory Committee (Advisory Committee)*; and

**WHEREAS**, the *Advisory Committee*, includes the Auditor-Controller, Personnel Director, County Treasurer-Tax Collector, or their designees, and two (2) employee members nominated by mutual agreement of the recognized employee organizations in the County; and

**WHEREAS**, Section 13.12 of the Personnel Rules became Section 12.12 in September 2002; and

**WHEREAS**, the Personnel Rules are currently being revised and the intention is to remove all references to the *Advisory Committee* from the Personnel Rules; and

**WHEREAS**, on January 5, 1988 the Board of Supervisors adopted Resolution 88-3, which adopted the ICMA Retirement Corporation ("ICMA-RC") deferred compensation plan; and

**WHEREAS**, on August 20, 1991, the Board of Supervisors adopted the *County of Butte Deferred Compensation Plan* (for Regular Employees) as a single template acceptable to both Sacramento Savings and ICM-RC, and the *County of Butte Deferred Compensation Plan for Part-Time, Seasonal and Temporary Employees*, with Sacramento Savings only, to provide a retirement plan alternative to Social Security for Extra-Help and Temporary/Seasonal Workers; and

**WHEREAS**, on May 25, 1993, the Board of Supervisors established a rabbi trust known as the *Trust Under the Butte County Employees' Deferred Compensation Plan* for the purpose of providing maximum protection of employees' deposits, as well as establishing the *Butte County Deferred Compensation Trustee Committee (Trustee Committee)*; and

**WHEREAS**, the *Trustee Committee*, includes the Auditor-Controller, Treasurer-Tax Collector, and two (2) employee members serving on the Advisory Committee; and

**WHEREAS**, in November 1994, Sacramento Savings merged with First Interstate Bank and on January 31, 1995, members of the Trustee Committee signed two agreements with First Interstate Bank; and

**WHEREAS**, on August 13, 1996, the Auditor-Controller, as a member of the Trustee Committee, presented a report to the Board of Supervisors advising them that effective September 1, 1996 Great-West Life and Annuity Insurance Company would be replacing First Interstate Bank/Wells Fargo Bank as the plan administrator; and

**WHEREAS**, on August 21, 1996, the four members of the Trustee Committee signed two Letter Agreements with Great-West regarding changes to various charges; and

**WHEREAS**, on August 22, 2002, the Auditor-Controller and Treasurer-Tax Collector, on behalf of the Employer and the Trustee, signed three documents with the Great-West/BenefitsCorp; one 457(b) Plan for full-time employees and elected/appointed officials, one 457(b) plan for temporary/seasonal/part-time employees, and one document appointing the Employer (Board of Supervisors) as Trustee of the plan; and

**WHEREAS**, on August 22, 2002, the Auditor-Controller, the Treasurer-Tax Collector, and an employee representative, representing the Trustee Committee, signed a Resolution adopting amendments to the Great-West document effective January 1, 2002; and

**WHEREAS**, on August 8, 2006, the Board took the following actions related to the Great-West plan documents:

- Signed a Plan Sponsor Agreement and New Account Form to enroll the Plan in the Ameritrade Self-Directed Brokerage;
- Signed two Applications for a Group Annuity Contract with Great-West;
- Signed Amendment No. 1 to the *Agreement for Recordkeeping and Communication Services Section 457 Plans – Group #98466-01 and 98466-2* with Great-West; and

**WHEREAS**, on August 8, 2006 the Board signed an amendment to the Administrative Services Agreement with ICMA-RC, as well as an amended and restated Plan and Trust that was effective January 1, 2006; and

**WHEREAS**, in February 2008 the Treasurer-Tax Collector and Administrative Services Officer in the Auditor-Controller's Office signed two *Adoption Agreements Great-West Retirement Services Section 457(b) Eligible Deferred Compensation Plan for Governmental Employers* as the Employer's Authorized Signers with effective dates of January 1, 2002; and

**WHEREAS**, in February 2008 the Chief Administrative Officer signed for the Employer and the Treasurer-Tax Collector and one employee representative signed as Trustees, naming the Employer's Committee as the Trustee of the plans; and

**WHEREAS**, on August 5, 2008 the Board of Supervisors amended the County's Trust to comply with IRS requirements and received updated copies of the ICMA-RC and Great-West plans; and

**WHEREAS**, currently all deferred compensation assets are held by either ICMA-RC Retirement Corporation or Great West Retirement Services in trust or annuities, therefore the *Trust Under the Butte County Employees' Deferred Compensation Plan* no longer holds any assets and ceases to exist; and

**WHEREAS**, it will be more effective and efficient to have a single committee responsible for all committee functions related to the County's Deferred Compensation Program; and

**WHEREAS**, the members of the *Advisory Committee* and the members of the *Trustee Committee* recommend that the Board of Supervisors consolidate the two Committees into the *Deferred Compensation Committee*; and

**WHEREAS**, the members of both Committees recommend that the composition of the *Deferred Compensation Committee* be as follows:

- Auditor-Controller or Alternate
- Treasurer-Tax Collector or Alternate
- Human Resources Director or Alternate
- Two (2) employee members nominated by mutual agreement of the recognized employee organizations in the County; and

**WHEREAS**, it shall be the responsibility of the employee organizations to establish their own procedures to resolve the nomination issue for employee members when mutual agreement cannot be reached.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors, on its own behalf and on the behalf of the residents of Butte County,

1. Acknowledges that the *Trust Under the Butte County Employees' Deferred Compensation Plan* no longer exists;
2. Eliminates the *Deferred Compensation Advisory Committee* and the *Butte County Deferred Compensation Trustee Committee*;
3. Establishes the *Deferred Compensation Committee* with the following composition:
  - Auditor-Controller or Alternate
  - Treasurer-Tax Collector or Alternate
  - Human Resources Director or Alternate
  - Two (2) employee members nominated by mutual agreement of the recognized organizations in the County; and

**BE IT FURTHER RESOLVED**, that the Board of Supervisors nominates and appoints the Deferred Compensation Committee to serve as Trustee of the Great-West and ICMA-RC plans, until such time in the future Trustee services can be provided by an entity outside of the County and directs the Committee to make all necessary changes in plan documents to reflect that the Employer (Board of Supervisors) is not the Trustee; and

**BE IT FURTHER RESOLVED**, that all references to the *Deferred Compensation Advisory Committee* shall be removed from the Personnel Rules when they are revised; and

**BE IT FURTHER RESOLVED**, that it is the intention of the Board of Supervisors that any function, duty, or responsibility historically carried out by the *Advisory Committee* or the *Trustee Committee* will now be carried out by the *Deferred Compensation Committee*; and

**BE IT FURTHER RESOLVED**, that it is the intention of the Board of Supervisors that any function, duty, or responsibility attributed to the *Advisory Committee* or the *Trustee Committee* in historical documents will now be construed as applying to the *Deferred Compensation Committee*.

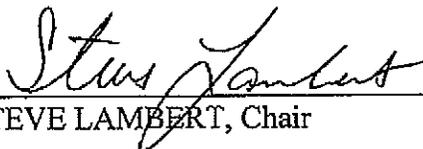
**PASSED AND ADOPTED** by the Butte County Board of Supervisors this 10th day of May 2011 by the following vote:

AYES: Supervisors Connelly, Wahl, Kirk, Yamaguchi, and Chair Lambert

NOES: None

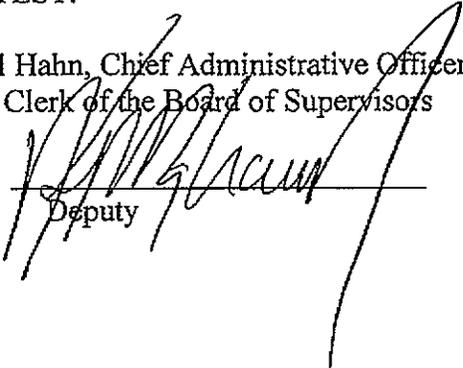
ABSENT: None

NOT VOTING: None

  
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STEVE LAMBERT, Chair

ATTEST:

Paul Hahn, Chief Administrative Officer  
and Clerk of the Board of Supervisors

By:   
\_\_\_\_\_  
Deputy