



Board Agenda Item 42

DATE: May 26, 2020

TO: Board of Supervisors

SUBMITTED BY: Paul Nerland, Director of Human Resources

SUBJECT: Amendment to the Bylaws of the Deferred Compensation Management Council

RECOMMENDED ACTION(S):

Approve the Amended Bylaws of the Deferred Compensation Management Council.

The recommended action has no fiscal impact on the County. At its September 26, 2019 meeting, the Deferred Compensation Management Council (DCMC) amended its bylaws by a unanimous vote of its members and is now seeking your Board's approval. The terms of the bylaws require that your Board approve amendments to the bylaws. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may choose not to approve the amended bylaws and recommend that the DCMC revise and resubmit the bylaws for Board approval.

FISCAL IMPACT:

The recommended action has no fiscal impact on the County.

DISCUSSION:

On April 17, 2012, your Board adopted Resolution No.12-154, delegating the authority to oversee the County of Fresno 457(b) Deferred Compensation Plan (the "Plan") and its investment options to the DCMC, which is comprised of the County Administrative Officer (CAO), Auditor-Controller/Treasurer-Tax Collector, Director of two (2) members at-large appointed by your Board. The duties and responsibilities granted to the DCMC include:

- Enforcement of the provisions of the Plan Document;
- Direction of the third-party administrator on behalf of the County to make disbursement of Plan benefits;
- Selection and review of any investment currently offered or under consideration to be offered as an investment option under the Plan;
- Make recommendations to your Board, as appropriate, regarding the appointment of such agents, advisors, and counsel, including a third-party administrator as necessary for the administration and operation of the Plan.

On December 11, 2012 your Board approved the original bylaws of the DCMC. The bylaws are being proposed for amendment for the following reasons:

- To incorporate the updated duties and responsibilities of the DCMC based on your Board's amendment and restatement of the Plan Document on June 4, 2019;
- To remove any inconsistencies with the Fresno County Ordinance Code; and
- To incorporate the Director of Personnel Services' title change to Director of Human Resources.

Staff has attached a redlined version (Attachment B) and a final version (Attachment A) of the proposed amended bylaws. The proposed amended bylaws (Attachment A) were unanimously approved by a quorum of the Deferred Compensation Management Council at its September 26, 2019 meeting. An explanation of the proposed amendments is as follows:

1. Duties and Responsibilities of the Deferred Compensation Management Council (Section 2.2 of Attachment A)

Pursuant to Article 8 of the Plan Document, this Section 2.2 in the Bylaws delineates the duties of the DCMC with regard to establishing Plan policies, determining reasonable Plan expenses, and setting the administrative fee charged to participants.

2. Definitions (Section 3.0 of Attachment A)

Staff added definitions for Appointed Council Member, Non-appointed Council Member, and CAO to add clarity throughout the Bylaws.

3. Title Changes (Sections 4.1 and 5.6 of Attachment A)

Sections 4.1 and 5.6 were updated pursuant to the title change from Director of Personnel Services to Director of Human Resources.

4. Vacancies in the office of a member of the Deferred Compensation Management Council (Sections 4.3 and 4.4 of Attachment A)

The purpose of the changes to these Sections 4.3 and 4.4 in the Bylaws are to:

- a. Clarify the differences between non-appointed and appointed Council members, with respect to vacancies;
- b. Conform with Chapter 2.68 of the Fresno County Ordinance Code, which governs Board-appointed committees, such as the DCMC, as well as the Plan Document; and
- c. Provide a procedure for replacing members upon vacancy.

5. Subcommittee Rules (Section 7.0 of Attachment A)

Staff made minor changes to clarify that the rules of Standing Subcommittees only apply to Ad-Hoc Subcommittees if the Ad-Hoc Subcommittee has four (4) or more members.

REFERENCE MATERIAL:

BAI #50, June 4, 2019

BAI #21, December 11, 2012

BAI #24, April 17, 2012

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Attachment A, Amended Bylaws

On file with Clerk - Attachment B, Amended Bylaws - Redlined

CAO ANALYST:

Yussel Zalapa