

BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF FRESNO
STATE OF CALIFORNIA

IN THE MATTER OF APPROVING THE)	RESOLUTION APPROVING
IMPLEMENTATION OF THE COVID-19)	IMPLEMENTATION OF THE
RELATED PROVISIONS OF THE)	PROVISIONS OF THE CARES ACT
CORONAVIRUS AID, RELIEF AND)	
ECONOMIC SECURITY (CARES) ACT)	

WHEREAS, Section 457 of the Internal Revenue Code provides that employers may offer a retirement savings plan which allows its officers and employees to defer compensation presently earned to a future date, and

WHEREAS, on January 20, 1976, the County of Fresno ("County") adopted Resolution No. 76-102 which established the terms and conditions of the County of Fresno Deferred Compensation Plan (hereinafter referred to as "the Plan"), and

WHEREAS, the Plan was most recently amended and restated in Resolution 19-222 adopted as of June 4, 2019; and

WHEREAS, in recent months, the world, including the State of California and the County have been threatened with an unprecedented Coronavirus ("COVID-19") pandemic. This deadly virus has impacted every aspect of life and caused financial hardships resulting from lives lost to COVID-19 and loss of jobs. Under the California Governor's Emergency Proclamation of March 4, 2020, closure of non-essential businesses was ordered to slow the rapid spread of COVID-19; and

WHEREAS, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted and provides availability to Plan funds to qualified participants affected by COVID-19 and also suspends required minimum distributions ("RMDs") for 2020 unless a participant

1 elects to continue to receive such distribution; and WHEREAS, to offer the options available to
2 qualified Plan participants, an amendment to the Plan document is required, but the CARES
3 Act allows implementation prior to the formal amendment which must occur on or before the
4 last day of the first plan year beginning on or after January 1, 2024; and

5 WHEREAS, the Board of Supervisors of the County wishes to implement the provisions
6 of the CARES Act as set forth herein; and

7 WHEREAS, the Plan's loan policy limits loans to one outstanding loan per participant,
8 the loan policy should be amended to increase the number of outstanding loans for a qualified
9 participant to two loans outstanding.

10 NOW, THEREFORE BE IT RESOLVED by the Board of Supervisors of the County
11 that:

12 1. The Deferred Compensation Management Council (the "Council), or the
13 Council's designee is hereby authorized to execute any documents consistent with and
14 necessary to implement the following Plan amendments in accordance with the CARES Act
15 effective immediately:

16 a. During calendar year 2020, allow qualified participants to withdraw funds
17 up to a total of \$100,000 of their vested accounts under the Plan without the application of the
18 20% tax withholding that is usually required of in-service distributions and qualified
19 participants may elect to pay income tax on the distribution in equal installments over a 3-year
20 period.

21 b. Allow qualified participants to repay distributions under item a, above, to
22 the Plan within 3 years after the distribution was received.

23 c. From March 27, 2020 to September 23, 2020, allow qualified participants
24 to request a new loan of up to \$100,000 or 100% of their vested account balances and defer

1 repayment on the new loan for the period of time authorized by law.

2 d. Approve an amendment to the Plan's loan policy to temporarily allow
3 qualified participants to initiate a second loan through September 23, 2020.

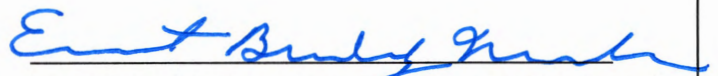
4 e. Allow qualified participants to defer loan repayments on existing loans
5 through December 31, 2020, or such longer period of time allowed by law.

6 f. Suspend the payment of RMDs due in 2020 for all participants in
7 accordance with the CARES Act, unless the participant contacts Nationwide and requests to
8 receive the distribution.

9 2. The staff of the County shall present the necessary amendments to the Board of
10 Supervisors of the County on or before the last day of the first plan year beginning on or
11 after January 1, 2024.

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13
14 THE FOREGOING, was passed and adopted by the following vote of the Board of
15 Supervisors of the County of Fresno this 4th day of August, 2020, to-wit:

16 AYES: Supervisors Brandau, Magsig, Mendes, Pacheco, Quintero
17 NOES: None
18 ABSENT: None
19 ABSTAINED: None

20 

Ernest Buddy Mendes, Chairman of the Board
of Supervisors of the County of Fresno

21 **ATTEST:**
22 Bernice E. Seidel
23 Clerk of the Board of Supervisors
County of Fresno, State of California

24 By: Susan Bishop
Deputy