

Honorable Mayor and Members
Of City Council
City Hall
Torrance, California

Members of Council:

SUBJECT: Adopt a Resolution revising the Deferred Compensation Plan Committee and By-laws

RECOMMENDATION

Recommendation of the City Treasurer that City Council adopt a RESOLUTION revising the City of Torrance Deferred Compensation Plan Committee and Bylaws

FUNDING

Not applicable

BACKGROUND

On May 25, 2010, Your Honorable Body, through passage of Resolution 2010-50, officially established the City of Torrance Deferred Compensation Plan committee. This committee was composed of the City Treasurer, Finance Director, Human Resource Director, Assistant City Manager and the City Attorney. With the re-organization of the Human Resource Department and the elimination of the position of the Human Resources Director the committee membership needed to be revised. The proposed member would be the Human Resources Manager-Operations which would replace the deleted position of Human Resources Director. The Bylaws were revised to reflect this change and to define the City Treasurer as the presiding officer of the Deferred Compensation Plan Committee.

The Resolution and Bylaws have been reviewed by the City Treasurer's Office and the City Attorney's Office and has been approved as to form.

Investment Committee Note

The Deferred Compensation Plan Committee, made up of the remaining members Finance Director, Assistant City Manager, City Attorney, and City Treasurer, are in concurrence with the City Treasurer's recommendation.

Respectfully submitted,



Dana Cortez
City Treasurer

Attachments:
(1) Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE AMENDING
RESOLUTION 2010-50 BY REVISING THE MEMBERSHIP OF THE CITY'S
DEFERRED COMPENSATION PLAN COMMITTEE**

WHEREAS, the City of Torrance maintains the City of Torrance 457 Deferred Compensation Plans for the benefit of its eligible employees;

WHEREAS, the City Council of the City of Torrance has the authority to appoint one or more persons as Plan Administrator to control and manage the Plans' operation;

WHEREAS, the City Treasurer historically served as the Plan Administrator;

WHEREAS, the City Treasurer and the City Council of the City of Torrance determined in May 25, 2010 Resolution 2010-50 that it was in the City's best interest to replace the Treasurer by appointing as Plan Administrator a Deferred Compensation Plan Committee composed of the City Treasurer; the Finance Director; the Human Resource Director; the Assistant City Manager; and the City Attorney;

WHEREAS, the City Council also approved bylaws setting out the powers, duties, responsibilities, and general governance procedures of the Committee; and

WHEREAS, as a result of reorganization of the City's Human Resources function, the City Council now wishes to revise the membership of the Deferred Compensation Plan Committee.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF TORRANCE DOES RESOLVE AS FOLLOWS:

1. The City of Torrance revises the membership of the Deferred Compensation Plan Committee, which acts as Plan Administrator, to consist of the City Treasurer; Finance Director; Human Resources Manager-Operations; Assistant City Manager; and the City Attorney;
2. The City of Torrance approves amended Bylaws for the Deferred Compensation Plan Committee, in the form attached as Exhibit A to this Resolution; and
3. That to the extent required by the California Constitution and Employee Retirement Income Security Act of 1974, as amended, the City Council will continue to monitor the activities of the Deferred Compensation Plan Committee, in order to ensure that the Committee is meeting its duties and responsibilities as Plan Administrator.

INTRODUCED, APPROVED AND ADOPTED this ____ day of _____ 2012.

Mayor Frank Scotto

APPROVED AS TO FORM:
JOHN L. FELLOWS III, City Attorney

ATTEST:

by _____
Patrick Q. Sullivan, Assistant City Attorney

Sue Herbers
City Clerk

**REVISED BYLAWS
CITY OF TORRANCE
DEFERRED COMPENSATION PLAN COMMITTEE**

The City of Torrance Deferred Compensation Plan Committee (the “Committee”) is appointed by the City of Torrance City Council to oversee the City of Torrance 457 and 401(a) Plans (collectively, the “Plans”) in a fiduciary and settlor capacity. The Committee is authorized to manage and administer business relationships with the Plans’ Custodians and Trustees, including satisfaction of legal requirements and operational responsibilities. The Committee is comprised of persons holding the following offices in the City:

1. City Treasurer
2. Human Resources Manager-Operations
3. Finance Director
4. Assistant City Manager
5. City Attorney

The City Treasurer is the presiding officer of the Committee.

The Committee will be responsible for exercising the general powers and duties of Plan Administrator, as set forth in the Plans’ documents. The duties of the Committee include, without limitation, the following duties:

- In its settlor capacity, to:
 - oversee the administration and operation of the Plans other than investment-related issues;
 - select and/or recommend and monitor the Plans’ administrative and compliance providers and advisors; and
 - perform such other duties as may be necessary or appropriate for the administration of the Plans.

- In its fiduciary capacity, to:
 - act as the Plans’ Administrator and Named Fiduciary;
 - develop the investment structure and policies for the Plans;

- select and/or recommend and monitor the investments offered to the Plans' participants;
- determine the Plans' providers and advisors, as they relate to investment issues and services;
- make such other decisions as are necessary and appropriate to manage the Plans' selection of investments and investment-related services in a prudent manner; and
- develop participant eligibility and Plan rules.

The City Council delegates to the Committee the responsibility and authority to perform the functions listed in these Bylaws. The City Council retains the oversight responsibility to monitor the performance of the Committee to determine that the members of the Committee continue to be qualified to fulfill their responsibilities and that the Committee is operating in furtherance of these purposes.