



Napa Sanitation District 457 Deferred Compensation Plan and 401(a) Defined Contribution Plan

Fiduciary Responsibility – 2017

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Hyas Group

- Independent retirement plan consultant
- Based in Portland, Oregon
- Six consultants with nearly 150 years experience combined
- Heavy focus on governmental plans
- Conducted hundreds of RFPs, RFIs, negotiations and plan reviews
- From \$2 million to \$1.5 billion
- We are considered a fiduciary to the Plans
 - Represents all employees as well as those separated from service

What is a Fiduciary?

- A legal relationship of trust
- A trustee who serves a beneficiary or beneficiaries
- Financial steward of another's assets
- Represents all participants
 - Current employees as well as those separated from service
- Noted for good faith
- Requires oversight

Who is a Fiduciary?

- Anyone with discretionary authority or control over the administration of a retirement plan or its assets
- Anyone giving investment advice for a fee
- In short:
 - Napa Sanitation District
 - The Board of Directors
 - Plan Administrator
 - Hyas Group

Key Tenets of Fiduciary Duties

- Duty of loyalty
 - Make decisions in the participants' best interest
- Duty of prudence
 - Follow a formal governance process
 - Trust law is not outcome-based
- Duty to Diversify
 - Participants have different tolerances for risk
- Duty to follow the rules
 - The law and the plan documents

Fiduciary Relief

- Have a prudent process and follow it
 - Make sure it is documented
- Maintain governance documents
- Meet regularly to review Plans
 - Investments
 - Services
 - Fees
- Delegate
 - Form an engaged and representative Committee

The Proposed Committee

- The Deferred Compensation Committee is made up of:
 - Tim Healy – General Manager
 - Jeff Tucker -- Director of Administrative Services/CFO
 - Cheryl Schuh -- Human Resources Officer/Clerk of the Board
 - Donell Mannor– Accountant
 - Josh DeGarmo-- Teamsters Shop Steward
 - Jerry Merryweather– retiree
- The Committee would also be considered a fiduciary to the Plans and their participants