

NAPA SANITATION DISTRICT

**457(b) DEFERRED COMPENSATION PLAN
and
401(a) DEFINED CONTRIBUTION PLAN**

DEFERRED COMPENSATION PLAN COMMITTEE CHARTER

I. INTRODUCTION

This Committee Charter sets forth the rights, powers, responsibilities, and obligations of the Napa Sanitation District Deferred Compensation Plan Committee (the “Committee”) for the Napa Sanitation District 457 Deferred Compensation Plan and 401(a) Defined Contribution Plan (the “Plan” or “Plans”). The Committee is charged under this Committee Charter with carrying out its duties and advising the Administrator for the Plans (the Board of Directors) as originally established pursuant to authorization and applicable provisions of the Plan Document.

II. MEMBERSHIP OF THE COMMITTEE

The Committee shall be comprised of six (6) voting members. Five (5) will serve based on title which shall consist of the following positions: Director of Administrative Services/Chief Financial Officer, Human Resources Officer/Clerk of Board, General Manager, Accountant, and one of the Teamsters Union Shop Stewards. In addition to these five (5), the Committee shall have one (1) retiree member appointed by the Human Resources Officer. Members shall serve without additional compensation. All reasonable out-of-pocket expenses of the Committee shall be paid by Napa Sanitation District in accordance with its standard reimbursement policies unless paid from Plan assets.

III. COMMITTEE ACTION

The Committee shall meet at least annually to review Plan performance and to review the Plans’ investment options offered in accordance with the Plans’ Statement of Investment Policies and Guidelines. The Committee will also make changes to the investment offerings as provided under the Statement of Investment Policies and Guidelines and as warranted. The Committee shall appoint a Committee Chairperson and this Chairperson shall serve a term as decided by the Committee. The Committee may also appoint a Secretary who need not be a voting member of the Committee. The Secretary shall keep minutes of the Committee’s proceedings and be responsible for the data, records, and documents pertaining to the Committee’s duties associated with the Plans. With respect to any matter brought to the Committee for a vote, each voting member shall be entitled to one vote. The Committee shall act by a majority of its members and such action may be taken either by a vote at a meeting with at least four (4) members present physically or through teleconferencing. The Chairperson is authorized to execute any document or documents on behalf of the Committee.

IV. RIGHTS AND DUTIES

The Committee shall act with the authority and discretion to control and manage the administration of the Plans and shall have all powers necessary to accomplish these purposes. The responsibilities of the Committee shall include, but shall not be limited to, the following:

- A. recommending to the Board of Directors, subject to current contracting authority, all service providers necessary or desirable for the administration of the Plans including a consultant, record keeper(s), third-party administrator(s), trustee(s), custodian(s), insurance company(ies), regulated investment company(ies) and/or other such service provider(s) as shall be necessary or appropriate for the administration and operation of the Plans;
- B. determining the investment options offered to participants of the Plans pursuant to Section VII, Plan Investments;
- C. modifying, amending or altering the provisions of the Plans in whole or in part to remain compliant with Internal Revenue Code Section 457 and/or 401 and regulations thereunder;
- D. determining eligibility of employees to participate;
- E. ensuring the service providers to the Plans are providing education to Plan participants;
- F. maintaining all necessary records for the administration of the Plans; and
- G. interpreting the provisions of the Plans and publication of such rules and regulations deemed necessary and consistent with the terms hereof or of the Plans.

V. ALLOCATION AND DELEGATION OF RESPONSIBILITY

The Committee may, by written rule or by its minutes, allocate responsibilities among Committee members through the use of a Subcommittee(s) and may delegate to persons other than Committee members the authority to carry out responsibilities under the Plans. In the event a responsibility is allocated to a Subcommittee, no other Committee member shall be liable for any act or omission of that Subcommittee except as may otherwise be required by law. If a responsibility is delegated to a person other than a Committee member, the Committee shall not be responsible or liable for any act or omission of such person in carrying out such responsibility except as may otherwise be required by law.

VI. INDEMNIFICATION

Napa Sanitation District shall indemnify and defend individual Committee members, either directly or through its liability insurance generally and its errors and omissions insurance policy specifically.

VII. PLAN INVESTMENTS

The Committee shall have the following responsibilities related to Plan investments:

- A. selecting the investment design features of the Plans. This includes establishing:
 - 1. the Statement of Investment Policies and Guidelines,
 - 2. the number and types of investment alternatives available to Plan participants, and
 - 3. participant investment procedures;
- B. appointing, monitoring and evaluating all investment fund options in accordance with guidelines and benchmarks established within this document and consistent with applicable laws;
- C. monitoring Plan costs which are charged to Plan assets and/or paid by Plan participants, including, but not limited to, investment management fees, trustee fees and fees paid to other Plan service providers; and
- D. providing general investment information to Plan participants regarding the procedures for making investment choices under the Plans and general investment information regarding each of the investment options offered under the Plans.

Additional information regarding Plan investments may be found in the Napa Sanitation District Statement of Investment Policies and Guidelines.

VIII. STANDARD OF CARE

The Committee shall discharge its duties with respect to the Plans in such a manner as to comply with applicable law and regulations including Internal Revenue Code Section 457 and/or 401 and regulations thereunder. Generally, all assets and income of the Plans shall be held in trust for the exclusive benefit of participants and their beneficiaries.

IX. PLAN DOCUMENTS

The Plans shall be governed by and administered under one or more plan documents and trust agreements. These Plan documents and trust agreements, together with any other formal documents maintained for the operation and administration of the Plans, shall be on file in the permanent records of the Committee and shall be available for inspection by Plan participants during business hours.

X. AMENDMENT

This Charter may be amended by a majority vote of the Board of Directors by resolution.

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PASSED AND ADOPTED at the Regular meeting of the Board of Directors of the Napa Sanitation District at Napa, California, this 6th day of September, 2017 by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Chair of the Board

ATTEST:

Clerk of the Board