



COUNTY of VENTURA

COUNTY EXECUTIVE OFFICE

Sevet Johnson, PsyD
County Executive Officer

Mike Pettit
Assistant County Executive Officer

Kaye Mand
County Chief Financial Officer

Shawn Atin
Assistant County Executive
Officer/
Human Resources Director
Labor Relations

March 14, 2023

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, California 93009

Subject: Approval of Proposed Amended Ventura County Section 457 Plan Document.

Recommendations

We recommend that your Board approve and sign the attached proposed Amended Section 457 Plan Document (Exhibit 1) to incorporate changes made available under the SECURE 2.0 Act of 2022.

Fiscal/Mandates Impact

There is no fiscal impact resulting from this action.

Discussion

On December 29, 2022, President Biden signed into law the Consolidated Appropriations Act of 2023, which includes the package of retirement provisions referred to as the *SECURE 2.0 Act of 2022* (the Act). This Act builds upon the 2019's *Setting Every Community Up for Retirement Enhancement Act* (the "SECURE" Act). SECURE 2.0 is aimed at modernizing the retirement system, encouraging additional retirement savings, and easing administrative requirements.

Elimination of "First Day of the Month" Requirement

Currently, governmental 457 Plan participants generally may only defer compensation if an agreement providing for the deferral has been entered into before the first day of the month in which the compensation is paid or made available. Adherence to this requirement is administratively complicated and it creates confusion for plan participants.

Section 306 of the Act aligns the rules for governmental 457 plans with other defined contribution plans so that changes in deferrals may begin as soon as administratively feasible after entering into a salary reduction agreement. This section of the Act is effective for taxable years beginning after the date of enactment, December 29, 2022.

The Deferred Compensation Committee (Committee), composed of the County Executive Officer, Treasurer-Tax Collector, Auditor-Controller, County Counsel, and Director – Human Resources (or their designees) has reviewed Section 306 of the Act and concur with amending Article III, Section 3.02, of the Section 457 Plan document to eliminate the requirement that 457 Plan participants may only defer compensation if an agreement for the deferral has been entered into before the first day of the month in which the compensation is paid or made available.

Summary

We recommend that your Board approve and sign the attached proposed Amended Ventura County Section 457 Plan Document (Exhibit 1). The Committee concurs with the recommendation. A redlined version is also attached as Exhibit 2 for your Board's reference.

This letter has been reviewed by the County Executive Office, County Counsel, and the Auditor-Controller's Office. If you have any questions regarding this item, please contact me at (805) 654-2561, or Patty Zoll, Deferred Compensation Manager, at (805) 477-7234.

Respectfully submitted,



Shawn Atin
Assistant County Executive Officer/Human Resources Director



Sevet Johnson, PsyD
County Executive Officer

c: Jeffery S. Burgh, Auditor-Controller
Tiffany N. North, County Counsel
Mike Pettit, Assistant County Executive Officer
Kaye Mand, Assistant County Executive Officer/Chief Financial Officer

Attachments:

- Exhibit 1 – Proposed Amended Section 457 Plan Document
- Exhibit 2 – Proposed Amended Section 457 Plan Document (Redlined)