

MONTEREY BAY COMMUNITY POWER AUTHORITY

RESOLUTION NO. PB-2018-01

A RESOLUTION OF THE POLICY BOARD OF DIRECTORS OF THE MONTEREY BAY COMMUNITY POWER AUTHORITY APPROVING AN AGREEMENT WITH PUBLIC AGENCY RETIREMENT SERVICES AND THE ADOPTION OF A 401(a) DEFINED CONTRIBUTION PLAN AND 457(b) DEFERRED COMPENSATION PLAN

WHEREAS, the Monterey Bay Community Power Authority (“Authority”) was formed on February 21, 2017 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in the Tri-County region of Santa Cruz, Monterey and San Benito Counties; and

WHEREAS, it is determined to be in the best interest of the Authority and its employees to provide both a 401(a) Defined Contribution Plan and a 457(b) Deferred Compensation Plan for its eligible employees; and

WHEREAS, The Public Agency Retirement Services (“PARS”) has made available to the Authority a 401(a) Defined Contribution Plan and a 457(b) Deferred Compensation Plan (the “Plans”) qualifying under the relevant section of the Internal Revenue Code of 1986, as amended, and the California Government Code; and

WHEREAS, the Authority is eligible to sponsor such Plans.

NOW THEREFORE, the Board of Directors of the Monterey Bay Community Power Authority does resolve as follows:

SECTION 1. Adopts the PARS Trust, including the PARS Defined Contribution Plan as part of the Authority’s Retirement Program, effective May 1, 2018.

SECTION 2. Adopts the PARS 457(b) Deferred Compensation Plan and Trust, effective May 1, 2018.

SECTION 3. Adopts PARS as the Trust Administrator, U.S. Bank National Association as Trustee, and John Hancock Life Insurance Company as Custodian and Record Keeper for the PARS 401(a) Defined Contribution Plan and the PARS 457(b) Deferred Compensation Plan effective May 1, 2018.

SECTION 4. Adopts the Interim Chief Executive Officer or his/her successor or his/her designee as the Authority’s Plan Administrator for the aforementioned Plans.

SECTION 5. Authorizes the Authority’s Plan Administrator to execute the PARS legal and administrative documents on behalf of the Authority and to take whatever

additional actions are necessary to maintain the Authority's participation in PARS and to maintain PARS compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the Authority's PARS Plan(s).

SECTION 6. The Authority shall contribute 10% of salary on behalf of each eligible employee to the 401(a) Defined Contribution Program. Each eligible employee shall contribute a mandatory employee contribution of 10% of their salary on a pre-tax basis into the 401(a) Defined Contribution Program. The Authority reserves the right to prospectively change contribution rates at any time. Employees can voluntarily contribute their own pre-tax compensation into the 457(b) Deferred Compensation Program at their discretion. No employer contribution will apply to the Deferred Compensation Program at this time.

ADOPTED AND APPROVED this 7th day of March 2018.

AYES: Directors Brown, Coffman-Gomez, Termini, Parker, Haffa, Delgado, Orozco, Muenzer, Friend; Vice Chair McShane; Chair McPherson
NOES: None
ABSENT: None
DISQUALIFIED: None



Bruce McPherson, Chair

ATTEST:



Bren Lehr, Board Clerk