

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

May 24, 2022

FROM

DIANE RUNDLES, Director, Human Resources Department

SUBJECT

Amendment to the San Bernardino County 401(k) Defined Contribution Plan Document

RECOMMENDATION(S)

Approve amended plan document for the San Bernardino County 401(k) Defined Contribution Plan.

(Presenter: Diane Rundles, Director, 387-5570)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Improve County Government Operations.

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Contributions to the 401(k) Defined Contribution Plan include compensation reduction contributions and employer matching contributions. The proposed amendment expands the eligibility of participation to all San Bernardino County Employees' Retirement Association (SBCERA) employees.

BACKGROUND INFORMATION

Approval of this item authorizes an amendment to the plan document for the San Bernardino County (County) 401(k) Defined Contribution Plan (401(k) plan).

Since 1984, the County has maintained a 401(k) Salary Savings Plan, which has been limited to its Exempt benefit employees and elected officials. Currently, of the 75 SBCERA employees, less than half are eligible to participate in the 401(k) plan. SBCERA requests that the 401(k) plan be expanded to include all SBCERA employees.

Service Employees International Union Local 721 (SEIU) represents 50 SBCERA employees, which are classified as either Exempt Unit or General Unit Employees. The 401(k) plan currently applies to the Exempt Unit Employees, which includes just two employees. SBCERA requests that the 401(k) plan be expanded to include the General Unit Employees, for a total of 50 employees.

Section 4.4.2 of the Memorandum of Understanding between SEIU and SBCERA states, "Subject to County approval, General Unit Employees will be permitted to participate in the 401(k) deferred compensation plan." It is County Counsel's position that the 401(k) plan is only

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provided for Exempt Unit Employees and the Board of Supervisors must approve any change that would allow the General Unit Employees to participate in the plan.

Additionally, there are 25 unrepresented SBCERA employees, 22 of which are eligible to participate in the 401(k) plan. SBCERA requests that the 401(k) plan also be expanded to include all unrepresented employees.

These updates to the 401(k) plan will have no impact on current plan participants.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jolena E. Grider, Deputy County Counsel, 387-5455) on April 6, 2022; Finance (Jessica Trillo, Principal Administrative Analyst, 387-4222) on May 7, 2022; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 9, 2022.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Janice Rutherford
Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 24, 2022



cc: File- Human Resources w/attach
LA 06/1/2022