

RESOLUTION NO. 7583

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH GATE
ESTABLISHING THE RETIREMENT PLANS COMMITTEE TO ACT AS THE
ADMINISTRATOR FOR THE CITY'S DEFERRED COMPENSATION PLANS
AND APPROVING THE RETIREMENT PLANS COMMITTEE CHARTER**

WHEREAS, the City of South Gate maintains several Internal Revenue Code Section 457 and Section 401a retirement plans (Plans) for the benefit of its eligible employees; and

WHEREAS, the City Council has determined that it is in the City's best interests to appoint a Retirement Plans Committee (Committee), composed of select employees of the City, to review the Plans; and

WHEREAS, the City Council also wishes to grant authority to the Committee to act on the City's behalf in a settlor capacity which includes the power to review management fees incurred by the Plans and to make changes which are in the best interests of the Plans' participants; and

WHEREAS, the City Council wishes to adopt a Charter appointing the Committee and setting out its powers, duties, responsibilities, and general governance procedures.

NOW, THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the City Council hereby adopts the Charter of the Retirement Plans Committee, substantially in the form attached as Attachment 1, with any appropriate revisions thereto recommended by legal counsel.

SECTION 2. That to the extent required by the California Constitution, the City Council will monitor the Committee's activities in order to ensure that the Committee is meetings its duties and responsibilities.

[Remainder of page left blank intentionally]

SECTION 3. That the proper officers of the City, and any one of them, hereby are authorized and directed, for and on behalf of the City to take such further action and execute such additional documents as each may deem necessary or appropriate to carry out the foregoing resolutions.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

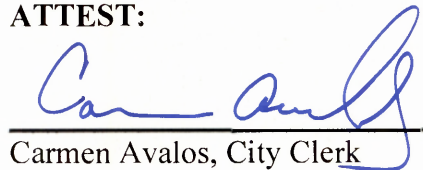
PASSED, APPROVED and ADOPTED this 11th day of **February, 2014.**

CITY OF SOUTH GATE:



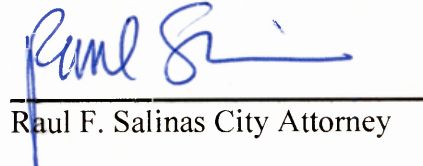
Gil Hurtado, Mayor

ATTEST:


Carmen Avalos, City Clerk

(SEAL)

APPROVED AS TO FORM:


Raul F. Salinas City Attorney

Attachment 1

Charter

(Attached hereto)

**CHARTER
OF THE CITY OF SOUTH GATE
RETIREMENT PLANS COMMITTEE**

I. Purpose

This Charter constitutes the articles governing the operation of the Retirement Plans Committee (the "Committee") for the 457 and 401a retirement plans (the "Plans") established by the City Council of South Gate (the "City").

II. Membership

- A. The Committee will be composed of persons holding the following offices in the City, with the Chair and Secretary as indicated:
1. **[Chair – City Manager (or designee)]**
 2. **[Secretary – City Attorney]**
 3. **[Finance Director]**
- B. The Committee members will serve until his/her resignation, retirement, death, disability, or removal by the City Council. The City Council may, but is not required, to appoint a successor in his/her place.

III. Meetings and Procedures

- A. A majority of the Committee as constituted at any time shall constitute a quorum, and any action by a majority of the members present at any meeting, or authorized by a majority of the members in writing without a meeting, shall constitute an action of the Committee.
- B. The Committee shall meet as often as it deems necessary and appropriate in its judgment. The Committee may hold meetings by telephone or the use of other electronic media so long as all members can be identified to each other and all members participating in the meeting may hear each other.
- C. The Committee may delegate authority to one or more members of the Committee when appropriate, but no such delegation will be permitted if the authority is required by a law, regulation, or listing standard to be exercised by the Committee as a whole.

D. The Committee may request that any employee of the City, or other persons whose advice and counsel are sought by the Committee, attend any meeting to provide such information as the Committee requests.

E. The Committee shall keep written minutes of its meetings.

IV. Duties and Responsibilities

The Committee shall have the following duties and responsibilities:

A. In its Investment Fiduciary capacity:

1. To act as the named investment fiduciary for the Plans;
2. to establish investment guidelines for the Plans consistent ;
3. to monitor the performance of the trustee, investment managers and other investment fiduciaries of the Plans;
4. to appoint individuals and/or subcommittees, which may or may not include Committee members, whether discretionary or otherwise, as the Committee shall determine, consistent with the terms of the Plans; and

B. In its Settlor capacity:

1. To perform all non-fiduciary settlor functions on behalf of the City for the Plans. The Committee may not, however, perform any settlor act that increases the City's costs, unless the City Council has approved beforehand; and
2. To manage the Plans such that administrative fee are borne by participants of the Plans to the extent permitted by law, unless otherwise provided by the City Council;
3. To report periodically to, and as requested by, the City Council with respect to significant developments concerning the Plans.

C. Other Responsibilities

1. Review and reassess on a periodic basis the adequacy of this Charter and recommend any proposed changes to the City Council for its approval;

2. delegate to the appropriate persons, committee, manager or employee of the City such of its duties and responsibilities as it deems appropriate, including authority for all routine, normal and administrative actions for the Plans; and
3. take all other actions requested or directed by the City Council in the furtherance of the duties and responsibilities delegated hereunder, unless such actions are in conflict with any applicable laws.

V. Limitation on Liability

- A. Except as provided by law, no person shall be subject to any liability with respect to his duties under the Plans unless he acts fraudulently or in bad faith.
- B. No person shall be liable for any breach of fiduciary responsibility resulting from the act or omission of any other fiduciary or any person to whom fiduciary responsibilities have been allocated or delegated, except as provided by law.
- C. No action or responsibility shall be deemed to be a fiduciary action or responsibility except to the extent required by law.

VI. Indemnification

- A. To the extent permitted by law, the City shall indemnify each member of the City Council and the Committee, and any other employee of the City with duties under the Plans, against expenses (including any amount paid in settlement) reasonably incurred by him in connection with any claims against him by reason of his conduct in the performance of his duties under the Plans, except in relation to matters as to which he acted fraudulently or in bad faith in the performance of such duties. The preceding right of indemnification shall pass to the estate of such a person.
- B. The preceding right of indemnification shall be in addition to any other right to which the City Council member or Committee member or other person may be entitled as a matter of law or otherwise.

VII. Miscellaneous

- A. Capitalized terms not otherwise defined in this Charter shall have the meaning provided for such terms in the Plans.

- B. If there is any conflict between this Charter and the Plans, the terms and conditions of the Plans will control.

RESOLUTION CERTIFICATION PAGE

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF SOUTH GATE)

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the City Council of said City is five; that Resolution No. 7583 was adopted by the City Council at their Regular Meeting held on February 11, 2014, by the following vote:

Ayes: Council Members: Hurtado, Gonzalez, Morales, Davila and De Witt
Noes: Council Members: None
Absent: Council Members: None
Abstain: Council Members: None

Witness my hand and the seal of said City on February 12, 2014.



Carmen Avalos, City Clerk
City of South Gate, California