



# Napa County

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## Legislation Text

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File #: 22-1401, Version: 1

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**TO:** Board of Supervisors  
**FROM:** Susan Altman, Deputy County Counsel  
**REPORT BY:** Erin Cossen, Legal Office Manager  
**SUBJECT:** Agreement with Hyas Group LLC

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### **RECOMMENDATION**

Napa County's Deferred Compensation Board of Control requests approval of and authorization for the Chair to sign an agreement with Hyas Group LLC from July 1, 2022 through June 30, 2027 to provide Financial Advisory Services for the County's Deferred Compensation plan.

### **EXECUTIVE SUMMARY**

Napa County's Deferred Compensation Board of Control is recommending to continue with Hyas, LLC for financial advisory services for the County's Deferred Compensation 457, 401(a) and Obra retirement plans. In 2015, the Board completed an RFP for these services and selected Hyas Group, LLC. The Deferred Compensation Board believes it is in the best interest of its participants to continue with Hyas Group who specializes in these services and has provided consistent services to the Board and the County employees and retirees within the plan. The knowledge and experience with the County's plan and the County's recordkeeper has been a great benefit to the plan and the Board's implementation of its fiduciary duties.

### **FISCAL & STRATEGIC PLAN IMPACT**

|                                   |   |
|-----------------------------------|---|
| Is there a Fiscal Impact?         | Yes   |
| Is it currently budgeted?         | Yes   |
| Is it Mandatory or Discretionary? | Discretionary   |
| Discretionary Justification:      | The Deferred Compensation Plan receives revenue share from the plan to cover administrative costs. These funds are restricted to administering and maintaining the employee plan and are held in Division 2190. |
| Is the general fund affected?     | No  |

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|---|--|
| Future fiscal impact:                   | None   |
| Consequences if not approved:           | The Deferred Compensation committee would not have the expertise or resources for making the best prudent choices for record keeping services for employees' 457, 401(a), and Obra retirement plans. |
| County Strategic Plan pillar addressed: | Effective and Open Government  |

## **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

## **BACKGROUND AND DISCUSSION**

At the public meeting held on May 19, 2022, the Napa County's Deferred Compensation Board of Control discussed the need to either continue with the current consultant, or enter into a new agreement, for financial advisory services. The Board of Control is recommending to continue with Hyas, LLC for financial advisory services for the County's Deferred Compensation 457, 401(a) and Obra retirement plans, for an additional five years. In 2015, the Board completed an RFP for these services and selected Hyas Group, LLC. The Deferred Compensation Board believes to sole source this contract is in the best interest of its participants to continue with Hyas Group who specializes in these services and has provided consistent services to the Board, the County employees and County retirees within the plan. The knowledge and experience with the County's plan as well as the County's recordkeeper (Empower) has been a great benefit to the plan and the Board's implementation of its fiduciary duties.

The agreement provides for the following services from the Consultant:

- Participate in quarterly Committee meetings at the County;
- Conduct an annual review of the Plan's Investment Policy;
- Perform periodic evaluations of the Plan's asset allocations;
- Examine appropriateness of investment benchmarks;
- Provide period evaluations of the performance of funds within the plans;
- Exercise due diligence on potential new investment fund options;
- Provide training for fiduciaries (Board members);
- Perform specialized studies and produce reports as requested by the Board of Control; and
- Provide a yearly report of appropriateness of investments funds' and recordkeeper fees.

The previous contract was set at \$35,000 per year for five years. This new contract provides the same level of

services for a modest increase of \$36,000 for the first three years and \$37,000 for years four and five. The continuity of advisory services for the Board is important for the safeguarding and fiduciary responsibilities of the Board members, as well as providing solid expertise for the Board to make informed decisions in line with the Investment Policy. This term coincides with the County's current recordkeeper, Empower.

Hyas Group LLC is not a local vendor and has been a financial advisor for the Deferred Compensation Board of Control since 2015.