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WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S) RECORD

Date: 5-19-16

Weekly Agenda Date: 5-24-16

ELECTED OFFICIAL / DEPARTMENT HEAD / CITIZEN: Ed Gilliland

WORDING FOR AGENDA ITEM: Nationwide Deferred Comp, Discussion and Action

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

EXECUTIVE SUMMARY: Nationwide Deferred Comp or 457 Plan has lower fee structure available in the new plan along with fiduciary help from Morningstar. In addition to the superior cost, a Roth Account set up is available with the plan as well.

BACKGROUND: Nationwide has a new plan that is available with lower fees and help with our fiduciary responsibility. We are bringing this to the Board for the second time, the first was informational. We are bringing this with the hope of moving to the New Nationwide 457 Plan with lower fees. A Roth Plan is also available as option and we are hoping to have this approved as well.

FINANCIAL IMPACT: \$6,700 dollars net in employee pockets the first year and growing with the amount of assets in the plan.

IF THERE IS A CONTRACT INVOLVED IN THE AGENDA ITEM, HAS THE CONTRACT BEEN SUBMITTED AT LEAST ONE WEEK PRIOR AND ANSWERED WITH A REVIEW BY THE COUNTY ATTORNEY'S OFFICE?

Yes No

RECOMMENDATION: Please approve moving to the new 457 plan with the lower fees and the help from Morningstar.

ACTION REQUIRED / PROPOSED MOTION: Motion to approve the new Nationwide Deferred Comp. Plan and to allow the Roth Account to be made available.

We also would like a motion to allow employee meetings with the Nationwide representative.

Approved by Board of Supervisors April 5, 2016.

Woodbury County Deferred Compensation Plan

	Current Plan Old NACO Fee Structure .70% / .80% / or .95%	Proposed Plan Nationwide Freedom Pro Plus ZERO
Administrative Fees		
Fund Load	Mostly Institutional Funds No Transaction Fees	Institutional Funds Morningstar Selected Funds No Transaction Fees
Bottom Line based on Current Assets	\$7,120	\$0
Foregone Interest	\$335	
Net Savings to Plan Members, our Employees		\$6,785
Fiduciary Responsibility for Monitoring the Plan's Fund Menu	<u>Woodbury Board Of Supervisors</u>	<u>Morningstar</u>

What other concerns are there?

Court Cases where plans are sued because the fees in the Plan were too high.