Written materials relating to an item on this agenda that are distributed to the legislative bodies within 72 hours before the item is to be considered at its regularly scheduled meeting will be made available for public inspection at the City Clerk's Office, 300 West Third Street 4th Floor during customary business hours. Agenda reports are also on the City of Oxnard web site at www.oxnard.org.

CITY OF OXNARD CALIFORNIA

AMENDED AGENDA

(Item D-1 Amended, 2/5/19)

OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Council Chambers, 305 West Third Street
February 12, 2019
Regular Meeting - 9:30 to 10:45 AM

A. ROLL CALL / POSTING OF AGENDA

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

At this time, the legislative body will consider public comments for a maximum of fifteen minutes. A person may address the legislative body only on matters not appearing on the agenda and within the subject matter jurisdiction of the legislative body. Speaker cards will not be accepted after the beginning of the general public comment period. Based on the number of speaker cards submitted, the presiding officer may impose time limits per speaker. Typically, speakers are limited to two minutes, but shorter time may be established as deemed necessary. A person not able to address the legislative body at this time because the fifteen minutes expires may do so just prior to adjournment of the meeting. The legislative body cannot enter into a detailed discussion or take action on any items presented during public comments at this time. Such items may only be referred to the City Manager for administrative action or scheduled on a subsequent agenda for discussion.

C. CONSENT AGENDA

City Clerk Department

1. SUBJECT: Approval of Minutes.
RECOMMENDATION: That the Finance and Governance Committee approve the minutes of the January 22, 2019 Regular Meeting as presented.
Contact: Michelle Ascencion Phone: (805) 385-7805

D. REPORTS

City Manager Department

1. SUBJECT: Streamlining of Citizen Advisory Groups and Related Ordinance and Resolution Updates (5/10/5) **(AMENDED)**
RECOMMENDATION: That the Finance and Governance Committee provides direction on staff's recommendations for the streamlining of Citizen Advisory Groups and related ordinance and resolution updates.
Contact: Alexander Nguyen Phone: (805) 385-7430

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact the City Clerk's Office at 385-7803. Notice at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.

Agenda Item time estimates: (Staff Presentation / Committee Discussion / Public Comment)

Human Resources Department

2. SUBJECT: Changes to City-Administered Defined Contribution and Defined Benefit Plans. (20/10/5)

   RECOMMENDATION:

   A. For the Defined Contribution Plans, that the Finance and Governance Committee receive and file a report on the consolidation of the current 401(a), 457(b), and Post Employment Health Reimbursement deferred compensation plan recordkeepers to a single recordkeeping platform with VOYA.

   B. For the Defined Benefit Plan, that the Finance and Governance Committee recommend the City Council:

   1. Award and authorize the City Manager to execute Agreement No. A-8123 (Administrative Services Agreement for Defined Benefit Plans) with MassMutual, subject to changes provided by the City Attorney.
   2. Award and authorize the City Manager to execute Agreement No. 8530-19-HR with SFG Retirement Plan Consulting, LLC for investment management services.

   Contact: Steve Naveau Phone: (805) 385-7947

E. ITEMS FOR FUTURE AGENDAS

F. ADJOURNMENT

DRAFT

M I N U T E S
OXNARD CITY COUNCIL
FINANCE AND GOVERNANCE COMMITTEE
Regular Meeting
January 22, 2019

A. ROLL CALL / POSTING OF AGENDA

At 9:33 a.m., Chair Flynn called to order the regular meeting of the Oxnard City Council Finance and Governance Committee in the City Hall Council Chambers, 305 W. Third Street, Oxnard, California. The City Clerk called the roll and announced the posting of the agenda. Members Gabriela Basua, Bert Perello, and Chair Tim Flynn were present.

Staff members present were Alexander Nguyen, City Manager; Stephen Fischer, City Attorney; Shiri Klima, Deputy City Manager; David Millican, Interim Chief Financial Officer; and Michelle Ascencion, City Clerk.

B. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Public comments were received from Peggy Rivera (homelessness), Phillip Molina (utility payment extensions due to the federal government shutdown; upcoming quarterly investment report), Jim Lavery (importance of creating a fiscal plan), and Julie Pena (homelessness).

C. REPORTS

Finance Department

1. SUBJECT: Receive Transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation.
   RECOMMENDATION: That the Finance and Governance Committee receive and file the transmittal of the FY 2017-2018 Comprehensive Annual Financial Report and Summary Presentation presented by the City's external auditors, Eadie + Payne, LLP.

Eden Casareno and Judith Will of Eadie & Payne LLP gave a report. Discussion ensued among the Council and staff. Public comments were received from Ray Blattel, Alicia Percell, and Jim Lavery. Further discussion ensued. No action was taken.

City Manager Department

2. SUBJECT: Streamlining of Citizen Advisory Groups and Related Ordinance and Resolution Updates.
   RECOMMENDATION: That the Finance and Governance Committee provides direction on staff’s recommendations for the streamlining of Citizen Advisory Groups and related ordinance and resolution updates.

Public comments were received from Peggy Rivera, Roger Poirier, Miguel Fernandez, Alicia Percell, and Angela Whitecomb. Due to time, the item was continued to the next meeting.

D. ITEMS FOR FUTURE AGENDAS (Skipped due to time.)

E. ADJOURNMENT

There being no further business on the agenda, and without objection, Chair Flynn adjourned the meeting at 11:02 a.m.

MICHELLE ASCENCION, CMC
City Clerk

TIM FLYNN
Chair

CITY OF OXNARD CALIFORNIA	**FINANCE AND GOVERNANCE COMMITTEE** **AGENDA REPORT**	**(AMENDED)** **TYPE OF ITEM: Report** **AGENDA ITEM NO.: __1__**

DATE: February 12, 2019

TO: Finance and Governance Committee

FROM: Alexander Nguyen, City Manager
alexander.nguyen@oxnard.org, 805-385-7430

SUBJECT: Streamlining of Citizen Advisory Groups and Related Ordinance and Resolution Updates (5/10/5)

RECOMMENDATION

That the Finance and Governance Committee provides direction on staff's recommendations for the streamlining of Citizen Advisory Groups and related ordinance and resolution updates.

BACKGROUND

The City of Oxnard has nine (9) Citizen Advisory Groups ("CAGs"), appointed to serve primarily in an advisory role to the City Council. Current membership ranges between five and nine members. Their meetings, in some cases, have been sporadic or irregular in recent years. In some cases, attendance has been a challenge, preventing meetings from taking place due to lack of quorum.

DISCUSSION

Staff recommends these changes to streamline the City's CAG program in order to make them more uniform, effective, and manageable. We do not have the staff resources to support the current system.

The current system

Citizen Advisory Groups	# of Seats	Number of Filled Seats	Standard Monthly Meeting Times	Length of Term	Date of When Term Ends	Staff Contact(s)
Commission on Homelessness OCC Sec. 2-125 through 2-129	7	5	First Monday at 3:00 p.m.	2 years	March	Karl Lawson
Community Relations Commission OCC Sec. 2-55 through 2-59	7	6	Third Monday at 6:00 p.m.; except January and August when meetings are held on the Fourth Monday	2 years	December 31	Luis Guereca
Cultural Arts Commission OCC Sec. 2-130 through 2-143	9	6	First Wednesday at 4:30 p.m.	2 years	December 31	Chelsea Reynolds
Downtown Design Review Committee OCC Sec. 16-155	5	5	Second and Fourth Thursday at 9:00 a.m.	2 years	December 31	Kathleen Mallory Claudia Pedroso
Library Board OCC Sec. 2-65 through 2-70	5	3	Second Monday at 5:00 p.m.	2 years	December 31	Sofia Kimsey
Mobilehome Park Rent Review Board OCC 24-5 through 24-6	5	3	As-needed basis	3 years	January	Karl Lawson
Parks, Recreation, & Community Services Commission OCC Sec. 2-80 through 2-84	7	5	Fourth Wednesday at 5:00 p.m.	2 years	December 31	Terrel Harrison
Planning Commission OCC Sec. 2-95 through 2-99	7	7	First & Third Thursday at 7:00 p.m.	4 years	Staggered	Kathleen Mallory
Senior Services Commission OCC Sec. 2-45 through 2-49	9	7	Second Tuesday at 9:00 a.m.	2 years	December 31	Renee Rakestraw

Proposed Changes

Membership by District

Most CAGs would have seven (7) members; one (1) from each Council District and one (1) at large member. The Councilmembers would nominate a volunteer applicant from their District, and the Mayor would nominate one at-large member. The Mayor would place nominees on the Council agenda for ratification. If there are no volunteers from a District, that Councilmember could nominate a volunteer from elsewhere in the city.

Exceptions:

- Mobilehome Rent Review Board- No changes are recommended to this Board, due to the infrequency and irregularity that the Board meets; and
- Downtown Design Review Committee- No changes are recommended because one member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone.

Terms

The terms of appointment would be four (4) years, coinciding with the term of the appointing Councilmember. Mayoral at-large appointments would also be for four (4) years. No CAG member would be appointed to serve more than two consecutive terms. The term limits for everyone~~ except the planning commission~~ will be prospective. If a CAG member serves less than half of a term, they would be eligible to serve two full consecutive terms thereafter. Each term would expire on December 31 of the fourth year.

Except for the planning commission, the initial appointments of each CAG member will be staggered. Commissioners nominated by Councilmembers representing Districts 3, 4 and 6 will serve an initial two-year term (ending Dec. 31, 2020). Beginning in 2020, Districts 3, 4, and 6 nominees will serve four-year terms. The nominees of councilmembers representing Districts 1, 2, 5, and the Mayor's appointments will serve full four-year terms (ending Dec. 31, 2022).

Exceptions:

- Mobilehome Rent Review Board- No changes are recommended to this Board, due to the infrequency and irregularity that the Board meets.
- Downtown Design Review Committee- No changes are recommended because one member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone.

By-Laws

In the Spring of 2019, the Chair of each CAG would work together, as an ad-hoc by-laws committee, meeting up to three times, to establish uniform by-laws for all the City's CAGs to follow.

Recording of meetings

Only the Planning Commission would be video recorded and broadcast. All others will be digital audio recorded and archived on the City's website.

<u>Brown Act and Sunshine Ordinance</u>

All CAGs would adhere to the Brown Act and the City's Sunshine Ordinance..

<u>Ad-Hoc Committees</u>

CAGs would utilize short-term, ad-hoc committees to focus on special, specific issues. No standing sub-committees would be formed.

<u>Annual Reports</u>

Each Board and Commission would present an annual report to the City Council.

<u>Background Check requirement</u>

Each volunteer who is nominated would have to undergo the City's formal background check, prior to the nomination being voted on by the City Council.

<u>Procedural Rules</u>

Every CAG would follow Rosenberg's Rules of Order, attached as exhibit A

<u>Limitations</u>

The following persons would not be permitted to serve on a CAG:

- The spouse, domestic partner, parent, stepparent, brother, sister, child, stepchild, grandchild, step grandchild, mother-in-law, father-in-law, daughter-in-law, son-in-law of a City employee or elected City official, or any person with whom a City employee or elected City official has a relationship in loco parentis (i.e. acting in the role of parent); or
- A current City employee or elected City official.

A person would not be permitted to serve on more than one CAG simultaneously.

FINANCIAL IMPACT

There is no significant financial impact associated with this report. Staff will purchase digital audio recorders for the Boards and Commissions.

Prepared by Jason Zaragoza, Deputy City Attorney

ATTACHMENTS
- Proposed Ordinance (redline)
- Rosenberg's Rules of Order

CITY COUNCIL OF THE CITY OF OXNARD
ORDINANCE NO. [__________________]

ORDINANCE OF THE CITY OF OXNARD, CALIFORNIA, AMENDING ARTICLE II OF CHAPTER 2 THE OXNARD CITY CODE RELATING TO CITIZEN ADVISORY GROUPS

WHEREAS, a Citizen Advisory Group ("CAG") is any Board, Commission or Committee that advises the City Council on various important city matters, performs certain delegated functions, and to which the City Council appoints interested volunteers; and

WHEREAS, the Senior Services Commission, Commission on Community Relations, Library Board, Parks, Recreation and Community Services Commission, Homeless Commission, Planning Commission, Cultural Arts Commission, and Downtown Design Review Committee are CAGs appointed by City Council; and

WHEREAS, the City Council desires to make various changes to the manner by which CAG members are appointed, how CAG business is conducted, and CAG appointment procedures.

NOW, THEREFORE, the City Council of the City of Oxnard does ordain as follows:

PART 1. Article II, Division 2 of Chapter 2, and Article III, Division 10, Section 16-155 of Chapter 16 of the Oxnard City Code are hereby amended to read as follows:

"**DIVISION 2. CITIZEN ADVISORY GROUPS; GENERAL**

SEC. 2-30. APPLICATION.
The following provisions shall apply to the following citizen advisory groups: senior services commission, commission on community relations, library board, parks and recreation commission, ~~youth commission~~homeless commission, planning commission, and cultural arts commission.

~~**SEC. 2-31. CERTIFICATE OF APPOINTMENT.**~~
~~Upon appointment or reappointment to a citizen advisory group, the city clerk shall deliver to the person a certificate of appointment. The certificate, including the required oath of office, shall be signed and sworn to by the person before the city clerk and filed with the records of the city.~~

SEC. 2-~~32~~31. MEETING LOCATIONS.
All citizen advisory group meetings shall be open to the public and held in a publicly owned building. The time, day and location of all regular meetings of a citizen advisory group shall be filed with the city clerk.

SEC. 2-~~33~~32. NOTICE OF MEETINGS; MINUTES.
The secretary shall be responsible for properly noticing all regular and special meetings of the citizen advisory group and maintaining minutes of the meetings.

SEC. 2-~~34~~33. RESIGNATION BY ABSENCES.

(A) If any member of a citizen advisory group is absent ~~without good cause~~ for more than three consecutive meetings, the member shall be deemed to have resigned from the citizen advisory group. The secretary shall notify the city clerk in writing of any such consecutive absences. The member shall be deemed to have resigned from the citizen advisory group on the date that the city clerk receives notice from the secretary.

~~(B) The chairperson of the citizen advisory group shall determine whether a member's absence is for good cause. An absence due to illness shall be considered an absence for good cause, provided, that the member provides notice of such absence to the chairperson prior to the meeting.~~

SEC. 2-~~35~~34. REMOVAL OF A MEMBER.

A citizen advisory group member may be removed at the pleasure of the city council.

SEC. 2-~~36~~35. COORDINATION BETWEEN CITY COUNCIL AND CITIZEN ADVISORY GROUPS.

(A) The secretary shall promptly inform the city council, through the city manager, of policy decisions or recommendations adopted by a citizen advisory group.

~~(B) A copy of the portion of the minutes of each city council meeting discussing a particular citizen advisory group shall be furnished by the city clerk to the secretary.~~

(B~~C~~) A copy of the minutes of all citizen advisory group meetings shall be ~~delivered~~ promptly ~~to the city manager by the secretary.~~posted to the city's website.

SEC. 2-36. APPOINTMENT; TERMS; VACANCY

(A) The mayor, with the approval of the city council, shall appoint the members of each commission. Each council member shall nominate a commissioner from the council members' district to serve on each commission. The mayor shall nominate one commissioner at-large for each commission.

(B) Except for the planning commission, the first three members of each commission nominated by city council members representing Districts 3, 4 and 6 appointed after this division becomes effective shall serve until December 31, 2020, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The next four members of each commission nominated by city council members representing Districts 1, 2, 5 and the mayor's at-large nominees appointed after this division becomes effective shall serve until December 31, 2022, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. All members of each commission appointed thereafter shall serve until December 31 of the final year of the appointing council members' term or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The Mayor's appointees shall serve until the end of the term of the councilmembers for Districts 3, 4 and 6, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.

(C) A commissioner may be reappointed by the city council. However, no member of the commission may be appointed to serve more than two consecutive terms. This provision applies

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prospectively to all commissions~~, except for the planning commission~~. If a member serves less than half of a term, that member shall be eligible to serve two full consecutive terms thereafter.

(D) In the event of a vacancy, the council member or mayor who made the original appointment shall nominate a replacement to complete the term of the member creating the vacancy.

SEC. 2-37. BACKGROUND CHECKS

Each commissioner shall undergo the city's formal background check procedures prior to appointment to serve on a commission.

SEC. 2-38. ELIGIBILITY

The following persons shall not serve as a commissioner:

(A) The spouse, domestic partner, parent, stepparent, brother, sister, child, stepchild, grandchild, step grandchild, mother-in-law, father-in-law, daughter-in-law, son-in-law, or any person with whom a city employee or elected city official has a relationship in loco parentis (i.e. acting in the role of a parent); or

(B) A current city employee or elected city official.

2-39 RULES OF PROCEDURE; QUORUM

(A) Each commission shall follow Rosenberg's Rules of Order.

(B) Except for the planning commission, a majority of the commission positions filled at the time of a meeting shall constitute a quorum for the transaction of business of any commission.

2-40 AUDIO RECORDED PROCEEDINGS

Except for the planning commission, which shall be televised to the extent feasible, all commission meetings shall be audio recorded, and archived on the city's website.

2-41 SECRETARY

The city manager shall designate a city staff member to serve as a nonvoting secretary to each commission.

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DIVISION 3. SENIOR SERVICES COMMISSION

SEC. 2-45. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a senior services commission composed of ~~nine~~ seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter of the city, and shall be over the age of 49.

~~**SEC. 2-46. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the senior services commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of a member of the senior services commission shall be two four years and shall begin in January.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-47. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the senior services commission.~~

~~**SEC. 2-48. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The senior services commission shall follow rules of procedure approved by the city council.Rosenberg's Rules of Order.~~

~~(B) A majority of the commission positions filled at the time of the meeting shall constitute a quorum for the transaction of business by the senior services commission.~~

SEC. 2-~~49~~46. POWERS AND DUTIES.

The powers and duties of the senior services commission shall be as follows:

(A) Analyze, define and investigate issues and the needs of senior citizens in the city and advise the city council on such matters;

(B) Develop and recommend solutions for problems affecting senior citizens to the city council and other appropriate community organizations and agencies;

(C) Disseminate information and educational materials and reports that will assist in enhancing the quality of life of senior citizens and the treatment of senior citizens;

(D) Serve as a liaison between the city council and the community in matters concerning senior citizens; and

(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the senior services commission may determine necessary to improve the quality of life for senior citizens in the city.

DIVISION 4. COMMUNITY RELATIONS COMMISSION

SEC. 2-~~55~~47. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a commission on community relations composed of seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~(C) The commission on community relations shall be known as the community relations commission.~~

~~**SEC. 2-56. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The city council shall appoint the members of the community relations commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of a member of the community relations commission shall be two four years and shall begin in January.~~

~~(C) In the event of a vacancy, the city council shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-57. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the community relations commission.~~

~~**SEC. 2-58. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The community relations commission shall follow rules of procedure approved by the city council. Rosenberg's Rules of Order.~~

~~(B) A majority of the commission positions filled at the time of the meeting shall constitute a quorum for the transaction of business by the community relations commission. Four members shall constitute a quorum for the transaction of business by the community relations commission.~~

SEC. 2-~~59~~48. POWERS AND DUTIES.

The powers and duties of the community relations commission shall be as follows:

(A) Analyze, define, and investigate community relations issues and needs in the city and advise the city council on matters involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(B) Promote mutual understanding and respect among all residents of the city and work to discourage and prevent practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(C) Disseminate information and educational materials and reports that will assist in the elimination of practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(D) Investigate and study complaints of violations of State statutes relating to practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit in publicly assisted housing accommodations;

(E) Assist various groups and agencies within the city to cooperate in educational campaigns devoted to the elimination of practices involving group prejudices, racial tension, intolerance or differences in treatment or favoritism of persons on a basis other than individual merit;

(F) Cooperate with enforcement agencies to ensure that no person in the city is deprived of equal services furnished in the city by reason of violation of any State law prohibiting differences in treatment or favoritism of persons on a basis other than individual merit;

(G) Cooperate with city, State, federal and other agencies in order to promote better community relations;

(H) Review the current equal employment opportunity status of the city;

(I) Serve as an information resource between the city council and community in matters concerning equal employment opportunity;

~~(J) With the prior written consent of the city manager, conduct fund raising activities that improve community relations in the city and are consistent with the duties of the community relations commission;~~

(~~K~~J) Endorse community events, by resolution or proclamation approved by a majority of the members present, that improve community relations in the city and are consistent with the duties of the community relations commission; and

(~~L~~K) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the community relations commission may determine necessary to improve community relations in the city.

DIVISION 5. LIBRARY BOARD

SEC. 2-~~65~~49. PUBLIC LIBRARY ESTABLISHED.

A public library is hereby established in and for the city to be known and designated as the Oxnard Public Library.

SEC. 2-~~66~~50. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a library board composed of ~~five~~ seven members.

(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~**SEC. 2-67. APPOINTMENT; TERMS; VACANCY.**~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the library board. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of office of a member of the library board shall be two years and shall begin in January. A member of the library board may be reappointed; however, no member of the library board may be appointed to serve more than two consecutive terms. After completing two terms of office, a member of the library board must vacate the library board for one year before being eligible to reapply.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~(`64 Code, Sec. 2-119) (Ord. No. 2467, 2862)~~

~~**SEC. 2-68. SECRETARY.**~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the library board.~~

~~**SEC. 2-69. RULES OF PROCEDURE; QUORUM.**~~

~~(A) The library board shall follow rules of procedure approved by the city council.~~

~~(B) Three members shall constitute a quorum for the transaction of business by the library board.~~

SEC. 2-~~70~~51. POWERS AND DUTIES.

The powers and duties of the library board shall be as follows:

(A) Advise the city council on policies and procedures relating to the public library;

(B) Investigate the nature and scope of the needs of the public library;
(C) Recommend policies and programs related to the public library for consideration by the city council;
(D) Assist the public library staff in reviewing and evaluating programs and services of the public library;
(E) Make recommendations to the city council for improvements to the public library;
(F) Represent the needs and views of the community to the public library staff and to the city council; and
(G) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the library board may determine necessary to improve the operations of the public library.

DIVISION 6. PARKS AND RECREATION AND COMMUNITY SERVICES COMMISSION

SEC. 2-~~80~~52. ESTABLISHED; QUALIFICATIONS.
(A) There is hereby established a parks and recreation and community services commission composed of seven members.
(B) A member shall serve without compensation, shall reside in the city, be a registered voter in the city, and shall be at least 18 years of age.

~~**SEC. 2-81. APPOINTMENT; TERMS; VACANCY.**~~
~~(A) (1) The mayor, with the approval of the city council, shall appoint the members of the parks and recreation and community services commission.~~
~~(2) Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~
~~(B) The term of office of a member of the parks and recreation and community services commission shall be two years and shall begin in January.~~
~~(C) In the event of a vacancy, the mayor with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-82. SECRETARY.**~~
~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the parks and recreation and community services commission.~~

~~**SEC. 2-83. RULES OF PROCEDURE; QUORUM.**~~
~~(A) The parks and recreation and community services commission shall follow rules of procedure approved by the city council.~~
~~(B) Four members shall constitute a quorum for the transaction of business by the parks and recreation and community services commission.~~

SEC. 2-~~84~~53. POWERS AND DUTIES.
The powers and duties of the parks and recreation and community services commission shall be as follows:

(A) Advise the city council on all matters pertaining to the parks and recreation and community services activities in the city;

(B) Serve as a liaison between the city council and the community in matters related to parks and recreation and community services activities;

(C) Advise city staff on future parks and recreation and community services programs;

(D) Receive suggestions on general community parks and recreational and community services policy issues and make recommendations to the city council; and

(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the parks and recreation and community services commission may determine necessary to improve parks and recreation and community services activities in the city.

DIVISION 7. PLANNING COMMISSION

SEC. 2-~~95~~54. DUTIES.

A planning agency consisting of planning commissioners, to be known collectively as the planning commission ("commission"), is created and established to perform the following functions and duties:

(A) The functions and duties assigned to the commission by the code and other ordinances and resolutions of the city council;

(B) The functions set out in Cal. Gov't Code, Sections 65103, 65400, 65401 and 65402; and

(C) The duties imposed on a commission by Cal. Health and Safety Code, Section 33000.

SEC. 2-~~96~~55. COMPOSITION.

(A) The commission shall consist of seven members appointed by the city council. Members of the commission shall serve and may be removed and replaced at the pleasure of the city council. Members shall serve without compensation, shall reside in the city, be registered voters in the city, and shall be at least 18 years of age.

(B) ~~The first four members of the commission appointed after this division becomes effective shall serve until December 1, 1998, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. The next three members of the commission appointed after this division becomes effective shall serve until December 1, 2000, or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code. All members of the commission appointed thereafter shall serve until December 1 of the fourth year after the date of appointment or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.~~ Commissioners nominated by city council members representing Districts 1, 2 and 5 appointed after this division becomes effective shall serve until December 31, 2022. Thereafter, city council members for Districts 1, 2, and 5 shall nominate commissioners every four years, unless a vacancy occurs during the term of a commissioner. In that circumstance, the nominating council member shall nominate a replacement for that commissioner. The next four commissioners nominated in 2020 by city council members representing Districts 3, 4, 6, and the mayor's at-large nominee, appointed after this division becomes effective shall serve until

December 31, 2024. Thereafter, the council member for Districts 3, 4, and 6 and the mayor shall nominate commissioners every four years unless a vacancy occurs during the term of a commissioner. In that circumstance, the nominating council member or mayor shall nominate a replacement for that commissioner. All members of the commission appointed thereafter shall serve until December 31 of the fourth year after the date of appointment or until a successor is appointed, unless the member is earlier removed by the city council, dies, resigns or is deemed to have resigned pursuant to this code.

(C) A member of the commission may be reappointed by the city council. However, no member of the commission may be appointed to serve more than two consecutive terms. If a member serves less than half of a term, that member shall be eligible to serve two full consecutive terms thereafter.

(D) Each member of the planning commission shall have one vote. Four members shall constitute a quorum for the transaction of business.

(E) Members of the commission shall select one of their number as chair and another as vice-chair, both serving for one year or until their successors are appointed, unless they are earlier removed from such positions by a majority vote of the members of the commission.

~~SEC. 2-97. RULES OF CONDUCT.~~

~~The commission shall by resolution adopt rules of procedure for the conduct of meetings~~.

SEC. 2-~~98~~56. FINANCES.

The city council shall provide the funds and equipment necessary for the work of the commission.

SEC. 2-~~99~~57. TELEVISED PROCEEDINGS.

To the extent feasible, public proceedings of the commission shall be televised.

DIVISION 8. RELOCATION APPEALS BOARD

[Reserved]

DIVISION 9. YOUTH COMMISSION

[Reserved]

~~SEC. 2-115. ESTABLISHED; QUALIFICATIONS.~~

~~(A) There is hereby established a youth commission composed of 21 members.~~

~~(B) A member shall serve without compensation. Fifteen members shall be between the ages of 13 and 19 years old, two members shall be members of the city council, and four members shall be at least 18 years of age. A member shall reside in the city.~~

~~SEC. 2-116. APPOINTMENT; TERMS; VACANCY.~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the youth commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of mayor.~~

~~(B) The term of office of a member of the youth commission shall be two years and shall begin in January.~~

~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~SEC. 2-117. SECRETARY.~~

~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the youth commission.~~

~~SEC. 2-118. RULES OF PROCEDURE; QUORUM.~~

~~(A) The youth commission shall follow rules of procedure approved by the city council.~~

~~(B) Eleven members shall constitute a quorum for transaction of business by the youth commission.~~

~~SEC. 2-119. POWERS AND DUTIES.~~

~~The powers and duties of the youth commission shall be as follows:~~

~~(A) Analyze, define and investigate issues and needs affecting youth in the city and advise the city council on such matters;~~

~~(B) Promote mutual understanding and respect among all youth in the city and to work to encourage youth to actively participate in local government in a positive and productive manner;~~

~~(C) Disseminate information and educational materials and reports that will assist in enhancing the quality of life and treatment of youth in the city;~~

~~(D) Develop and recommend solutions for problems affecting youth to the city council and other appropriate community organizations and agencies;~~

~~(E) Serve as a liaison between the city council and community in matters concerning youth in the city; and~~

~~(F) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the youth commission may determine necessary to improve the quality of life for youth in the city.~~

DIVISION 10. COMMISSION ON HOMELESSNESS

SEC. 2-~~125~~58. ESTABLISHED; QUALIFICATIONS.

(A) There is hereby established a commission on homelessness composed of 7 members.

(B) A member shall serve without compensation, be a registered voter in the city and shall be at least 18 years of age.

~~SEC. 2-126. APPOINTMENT; TERMS; VACANCY.~~

~~(A) The mayor, with the approval of the city council, shall appoint the members of the commission on homelessness. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of the mayor.~~

~~(B) The term of office of a member of the commission on homelessness shall be two years and shall begin in March.~~

~~(C) In the event of a vacancy, the mayor with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-127. SECRETARY.**~~
~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the commission on homelessness.~~

~~**SEC. 2-128. RULES OF PROCEDURE; QUORUM.**~~
~~(A) The commission on homelessness shall follow rules of procedure approved by the city council.~~
~~(B) Four members shall constitute a quorum for the transaction of business by the commission on homelessness.~~
~~(Ord. No. 2553, 2889)~~

SEC. 2-~~129~~59. POWERS AND DUTIES.
The powers and duties of the commission on homelessness shall be as follows:
(A) Advise the city council on all matters pertaining to homelessness in the city;
(B) Serve as a liaison between the city council and the community in matters related to homelessness issues;
(C) Review and evaluate programs, requests for homeless funds, and homeless services in the city;
(D) Recommend programs, strategies, and funding for preventing and reducing the incidence of homelessness in the city; and
(E) Prepare and submit an annual report of activities to the city council and make such other reports and recommendations to the city council from time to time as the commission on homelessness or city council may determine necessary to address homelessness issues.

DIVISION 11. CULTURAL ARTS COMMISSION

SEC. 2-~~130~~60. ESTABLISHED; QUALIFICATIONS.
(A) There is hereby established a cultural arts commission composed of ~~nine~~ seven members.
(B) A member shall serve without compensation, shall reside in the city, shall be at least 18 years of age, be a registered voter in the city and shall have a special knowledge or interest in the arts.

~~**SEC. 2-131. APPOINTMENT; TERMS; VACANCY.**~~
~~(A) The mayor, with the approval of the city council, shall appoint the members of the cultural arts commission. Members shall be appointed at the first meeting of the city council in every December after a general election involving the office of the mayor.~~
~~(B) The term of office of a member of the cultural arts commission shall be two years and shall begin in January.~~
~~(C) In the event of a vacancy, the mayor, with the approval of the city council, shall appoint a replacement to complete the term of the member creating the vacancy.~~

~~**SEC. 2-132. SECRETARY.**~~
~~The city manager shall designate a city staff member to serve as a nonvoting secretary to the cultural arts commission.~~

~~SEC. 2-133. RULES OF PROCEDURE; QUORUM.~~

~~(A) The cultural arts commission shall follow rules of procedure approved by the city council.~~

~~(B) Five members shall constitute a quorum for the transaction of business by the cultural arts commission.~~

SEC. 2-~~134~~61. POWERS AND DUTIES.

The powers and duties of the cultural arts commission shall be as follows:

(A) Advise the city council on all matters pertaining to the cultural arts in the community;

(B) Recommend to the city council the adoption, amendment or repeal of ordinances regarding public art, and/or art related projects and proposals;

(C) Assist the cultural arts community in raising funds through grants or other sources for the development, growth, incorporation, and expansion of the arts;

(D) Provide a local, state and national network of support and supporters of the local arts;

(E) Build a growth continuum of education, training and arts to develop an incubator for home grown evaluators and evaluation training tools so that congruity among mission, vision and requirements of requests for proposals matches skills assessed by evaluators in the review process;

(F) Develop public arts projects that include developing written materials for soliciting participation, appointing and training selection panels, and reviewing and recommending funding to ensure integrity of such processes;

(G) Receive recommendations from ad-hoc local panels to review art actions in conjunction with the commission;

(H) Recommend to the city council the distribution of revenues collected through fund raising, grants and public art funds consistent with the needs of the community, including solicitation and analysis of cultural arts grant proposals;

(I) Participate in the development of the strategic annual public art plan and longer-ranged strategic public art plans;

(J) Cooperate with other commissions and civic organizations in order to promote, market, and publicize the arts in order to increase and foster public interest in the arts; and

(K) Perform other art, cultural and arts education duties as may from time to time be prescribed by the city council.

SEC. 16-155. DOWNTOWN DESIGN REVIEW COMMITTEE.

(A) The committee shall consist of ~~five~~ seven members appointed by the city council by majority vote. One such member shall be a licensed architect, and one such member shall own a business or real property in the CBD zone. All members shall serve at the pleasure of the city council.

(B) The committee shall adopt by-laws governing its meetings and procedures. The by-laws shall provide that a quorum of the committee is two members.

(C) The committee shall consider each application for a downtown design review permit or special use permit that the manager refers to the committee, and shall make a written recommendation thereon to the manager, stating the reasons for the recommendation. If the committee does not make such a recommendation to the manager within 20 days of the date that the manager referred the application to the committee, the committee will be deemed to have waived making a recommendation, and the manager shall determine the application without taking into consideration a recommendation from the committee."

PART 2. Severability. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance or the application thereof to any person or place, is for any reason held to be invalid or unconstitutional by the final decision of any court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect.

PART 3. Pursuant to Government Code Section 36933(c)(1), the City Attorney was designated to prepare, and the City Clerk published, a summary of this ordinance, and a certified copy of the ordinance was posted in the Office of the City Clerk a minimum of five (5) days before the City council's adoption of the ordinance.

PART 4. The City Clerk shall certify as to the adoption of this ordinance and shall cause the summary thereof to be published within fifteen (15) days of the adoption and shall post a certified copy of this ordinance, including the vote for and against the same, in the office of the City Clerk, in accordance with Government Code Section 36933. Ordinance No. _____ was first read on ____________, 2019, and finally adopted on _____________, 2019, to become effective thirty days thereafter.

AYES:

NOES:

ABSENT:

ABSTAIN:

____
Tim Flynn, Mayor

ATTEST:

____
Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

____
Stephen M. Fischer, City Attorney

Rosenberg's Rules of Order

REVISED 2011

Simple Rules of Parliamentary Procedure for the 21st Century

By Judge Dave Rosenberg

MISSION AND CORE BELIEFS

To expand and protect local control for cities through education and advocacy to enhance the quality of life for all Californians.

VISION

To be recognized and respected as the leading advocate for the common interests of California's cities.

About the League of California Cities

Established in 1898, the League of California Cities is a member organization that represents California's incorporated cities. The League strives to protect the local authority and automony of city government and help California's cities effectively serve their residents. In addition to advocating on cities' behalf at the state capitol, the League provides its members with professional development programs and information resources, conducts education conferences and research, and publishes Western City magazine.

About the Author

Dave Rosenberg is a Superior Court Judge in Yolo County. He has served as presiding judge of his court, and as presiding judge of the Superior Court Appellate Division. He also has served as chair of the Trial Court Presiding Judges Advisory Committee (the committee composed of all 58 California presiding judges) and as an advisory member of the California Judicial Council. Prior to his appointment to the bench, Rosenberg was member of the Yolo County Board of Supervisors, where he served two terms as chair. Rosenberg also served on the Davis City Council, including two terms as mayor. He has served on the senior staff of two governors, and worked for 19 years in private law practice. Rosenberg has served as a member and chair of numerous state, regional and local boards. Rosenberg chaired the California State Lottery Commission, the California Victim Compensation and Government Claims Board, the Yolo-Solano Air Quality Management District, the Yolo County Economic Development Commission, and the Yolo County Criminal Justice Cabinet. For many years, he has taught classes on parliamentary procedure and has served as parliamentarian for large and small bodies.

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Introduction

The rules of procedure at meetings should be simple enough for most people to understand. Unfortunately, that has not always been the case. Virtually all clubs, associations, boards, councils and bodies follow a set of rules — *Robert's Rules of Order* — which are embodied in a small, but complex, book. Virtually no one I know has actually read this book cover to cover. Worse yet, the book was written for another time and for another purpose. If one is chairing or running a parliament, then *Robert's Rules of Order* is a dandy and quite useful handbook for procedure in that complex setting. On the other hand, if one is running a meeting of say, a five-member body with a few members of the public in attendance, a simplified version of the rules of parliamentary procedure is in order.

Hence, the birth of *Rosenberg's Rules of Order*.

What follows is my version of the rules of parliamentary procedure, based on my decades of experience chairing meetings in state and local government. These rules have been simplified for the smaller bodies we chair or in which we participate, slimmed down for the 21st Century, yet retaining the basic tenets of order to which we have grown accustomed. Interestingly enough, *Rosenberg's Rules* has found a welcoming audience. Hundreds of cities, counties, special districts, committees, boards, commissions, neighborhood associations and private corporations and companies have adopted *Rosenberg's Rules* in lieu of *Robert's Rules* because they have found them practical, logical, simple, easy to learn and user friendly.

This treatise on modern parliamentary procedure is built on a foundation supported by the following four pillars:

1. **Rules should establish order.** The first purpose of rules of parliamentary procedure is to establish a framework for the orderly conduct of meetings.
2. **Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **Rules should be user friendly.** That is, the rules must be simple enough that the public is invited into the body and feels that it has participated in the process.
4. **Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of rules of procedure is to encourage discussion and to facilitate decision making by the body. In a democracy, majority rules. The rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

Establishing a Quorum

The starting point for a meeting is the establishment of a quorum. A quorum is defined as the minimum number of members of the body who must be present at a meeting for business to be legally transacted. The default rule is that a quorum is one more than half the body. For example, in a five-member body a quorum is three. When the body has three members present, it can legally transact business. If the body has less than a quorum of members present, it cannot legally transact business. And even if the body has a quorum to begin the meeting, the body can lose the quorum during the meeting when a member departs (or even when a member leaves the dais). When that occurs the body loses its ability to transact business until and unless a quorum is reestablished.

The default rule, identified above, however, gives way to a specific rule of the body that establishes a quorum. For example, the rules of a particular five-member body may indicate that a quorum is four members for that particular body. The body must follow the rules it has established for its quorum. In the absence of such a specific rule, the quorum is one more than half the members of the body.

The Role of the Chair

While all members of the body should know and understand the rules of parliamentary procedure, it is the chair of the body who is charged with applying the rules of conduct of the meeting. The chair should be well versed in those rules. For all intents and purposes, the chair makes the final ruling on the rules every time the chair states an action. In fact, all decisions by the chair are final unless overruled by the body itself.

Since the chair runs the conduct of the meeting, it is usual courtesy for the chair to play a less active role in the debate and discussion than other members of the body. This does not mean that the chair should not participate in the debate or discussion. To the contrary, as a member of the body, the chair has the full right to participate in the debate, discussion and decision-making of the body. What the chair should do, however, is strive to be the last to speak at the discussion and debate stage. The chair should not make or second a motion unless the chair is convinced that no other member of the body will do so at that point in time.

The Basic Format for an Agenda Item Discussion

Formal meetings normally have a written, often published agenda. Informal meetings may have only an oral or understood agenda. In either case, the meeting is governed by the agenda and the agenda constitutes the body's agreed-upon roadmap for the meeting. Each agenda item can be handled by the chair in the following basic format:

First, the chair should clearly announce the agenda item number and should clearly state what the agenda item subject is. The chair should then announce the format (which follows) that will be followed in considering the agenda item.

Second, following that agenda format, the chair should invite the appropriate person or persons to report on the item, including any recommendation that they might have. The appropriate person or persons may be the chair, a member of the body, a staff person, or a committee chair charged with providing input on the agenda item.

Third, the chair should ask members of the body if they have any technical questions of clarification. At this point, members of the body may ask clarifying questions to the person or persons who reported on the item, and that person or persons should be given time to respond.

Fourth, the chair should invite public comments, or if appropriate at a formal meeting, should open the public meeting for public input. If numerous members of the public indicate a desire to speak to the subject, the chair may limit the time of public speakers. At the conclusion of the public comments, the chair should announce that public input has concluded (or the public hearing, as the case may be, is closed).

Fifth, the chair should invite a motion. The chair should announce the name of the member of the body who makes the motion.

Sixth, the chair should determine if any member of the body wishes to second the motion. The chair should announce the name of the member of the body who seconds the motion. It is normally good practice for a motion to require a second before proceeding to ensure that it is not just one member of the body who is interested in a particular approach. However, a second is not an absolute requirement, and the chair can proceed with consideration and vote on a motion even when there is no second. This is a matter left to the discretion of the chair.

Seventh, if the motion is made and seconded, the chair should make sure everyone understands the motion.

This is done in one of three ways:

1. The chair can ask the maker of the motion to repeat it;
2. The chair can repeat the motion; or
3. The chair can ask the secretary or the clerk of the body to repeat the motion.

Eighth, the chair should now invite discussion of the motion by the body. If there is no desired discussion, or after the discussion has ended, the chair should announce that the body will vote on the motion. If there has been no discussion or very brief discussion, then the vote on the motion should proceed immediately and there is no need to repeat the motion. If there has been substantial discussion, then it is normally best to make sure everyone understands the motion by repeating it.

Ninth, the chair takes a vote. Simply asking for the "ayes" and then asking for the "nays" normally does this. If members of the body do not vote, then they "abstain." Unless the rules of the body provide otherwise (or unless a super majority is required as delineated later in these rules), then a simple majority (as defined in law or the rules of the body as delineated later in these rules) determines whether the motion passes or is defeated.

Tenth, the chair should announce the result of the vote and what action (if any) the body has taken. In announcing the result, the chair should indicate the names of the members of the body, if any, who voted in the minority on the motion. This announcement might take the following form: "The motion passes by a vote of 3-2, with Smith and Jones dissenting. We have passed the motion requiring a 10-day notice for all future meetings of this body."

Motions in General

Motions are the vehicles for decision making by a body. It is usually best to have a motion before the body prior to commencing discussion of an agenda item. This helps the body focus.

Motions are made in a simple two-step process. First, the chair should recognize the member of the body. Second, the member of the body makes a motion by preceding the member's desired approach with the words "I move … "

A typical motion might be: "I move that we give a 10-day notice in the future for all our meetings."

The chair usually initiates the motion in one of three ways:

1. **Inviting the members of the body to make a motion,** for example, "A motion at this time would be in order."
2. **Suggesting a motion to the members of the body,** "A motion would be in order that we give a 10-day notice in the future for all our meetings."
3. **Making the motion.** As noted, the chair has every right as a member of the body to make a motion, but should normally do so only if the chair wishes to make a motion on an item but is convinced that no other member of the body is willing to step forward to do so at a particular time.

The Three Basic Motions

There are three motions that are the most common and recur often at meetings:

The basic motion. The basic motion is the one that puts forward a decision for the body's consideration. A basic motion might be: "I move that we create a five-member committee to plan and put on our annual fundraiser."

The motion to amend. If a member wants to change a basic motion that is before the body, they would move to amend it. A motion to amend might be: "I move that we amend the motion to have a 10-member committee." A motion to amend takes the basic motion that is before the body and seeks to change it in some way.

The substitute motion. If a member wants to completely do away with the basic motion that is before the body, and put a new motion before the body, they would move a substitute motion. A substitute motion might be: "I move a substitute motion that we cancel the annual fundraiser this year."

"Motions to amend" and "substitute motions" are often confused, but they are quite different, and their effect (if passed) is quite different. A motion to amend seeks to retain the basic motion on the floor, but modify it in some way. A substitute motion seeks to throw out the basic motion on the floor, and substitute a new and different motion for it. The decision as to whether a motion is really a "motion to amend" or a "substitute motion" is left to the chair. So if a member makes what that member calls a "motion to amend," but the chair determines that it is really a "substitute motion," then the chair's designation governs.

A "friendly amendment" is a practical parliamentary tool that is simple, informal, saves time and avoids bogging a meeting down with numerous formal motions. It works in the following way: In the discussion on a pending motion, it may appear that a change to the motion is desirable or may win support for the motion from some members. When that happens, a member who has the floor may simply say, "I want to suggest a friendly amendment to the motion." The member suggests the friendly amendment, and if the maker and the person who seconded the motion pending on the floor accepts the friendly amendment, that now becomes the pending motion on the floor. If either the maker or the person who seconded rejects the proposed friendly amendment, then the proposer can formally move to amend.

Multiple Motions Before the Body

There can be up to three motions on the floor at the same time. The chair can reject a fourth motion until the chair has dealt with the three that are on the floor and has resolved them. This rule has practical value. More than three motions on the floor at any given time is confusing and unwieldy for almost everyone, including the chair.

When there are two or three motions on the floor (after motions and seconds) at the same time, the vote should proceed *first* on the *last* motion that is made. For example, assume the first motion is a basic "motion to have a five-member committee to plan and put on our annual fundraiser." During the discussion of this motion, a member might make a second motion to "amend the main motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser." And perhaps, during that discussion, a member makes yet a third motion as a "substitute motion that we not have an annual fundraiser this year." The proper procedure would be as follows:

First, the chair would deal with the *third* (the last) motion on the floor, the substitute motion. After discussion and debate, a vote would be taken first on the third motion. If the substitute motion *passed*, it would be a substitute for the basic motion and would eliminate it. The first motion would be moot, as would the second motion (which sought to amend the first motion), and the action on the agenda item would be completed on the passage by the body of the third motion (the substitute motion). No vote would be taken on the first or second motions.

Second, if the substitute motion *failed*, the chair would then deal with the second (now the last) motion on the floor, the motion to amend. The discussion and debate would focus strictly on the amendment (should the committee be five or 10 members). If the motion to amend *passed*, the chair would then move to consider the main motion (the first motion) as *amended*. If the motion to amend *failed,* the chair would then move to consider the main motion (the first motion) in its original format, not amended.

Third, the chair would now deal with the first motion that was placed on the floor. The original motion would either be in its original format (five-member committee), or if *amended*, would be in its amended format (10-member committee). The question on the floor for discussion and decision would be whether a committee should plan and put on the annual fundraiser.

To Debate or Not to Debate

The basic rule of motions is that they are subject to discussion and debate. Accordingly, basic motions, motions to amend, and substitute motions are all eligible, each in their turn, for full discussion before and by the body. The debate can continue as long as members of the body wish to discuss an item, subject to the decision of the chair that it is time to move on and take action.

There are exceptions to the general rule of free and open debate on motions. The exceptions all apply when there is a desire of the body to move on. The following motions are not debatable (that is, when the following motions are made and seconded, the chair must immediately call for a vote of the body without debate on the motion):

Motion to adjourn. This motion, if passed, requires the body to immediately adjourn to its next regularly scheduled meeting. It requires a simple majority vote.

Motion to recess. This motion, if passed, requires the body to immediately take a recess. Normally, the chair determines the length of the recess which may be a few minutes or an hour. It requires a simple majority vote.

Motion to fix the time to adjourn. This motion, if passed, requires the body to adjourn the meeting at the specific time set in the motion. For example, the motion might be: "I move we adjourn this meeting at midnight." It requires a simple majority vote.

Motion to table. This motion, if passed, requires discussion of the agenda item to be halted and the agenda item to be placed on "hold." The motion can contain a specific time in which the item can come back to the body. "I move we table this item until our regular meeting in October." Or the motion can contain no specific time for the return of the item, in which case a motion to take the item off the table and bring it back to the body will have to be taken at a future meeting. A motion to table an item (or to bring it back to the body) requires a simple majority vote.

Motion to limit debate. The most common form of this motion is to say, "I move the previous question" or "I move the question" or "I call the question" or sometimes someone simply shouts out "question." As a practical matter, when a member calls out one of these phrases, the chair can expedite matters by treating it as a "request" rather than as a formal motion. The chair can simply inquire of the body, "any further discussion?" If no one wishes to have further discussion, then the chair can go right to the pending motion that is on the floor. However, if even one person wishes to discuss the pending motion further, then at that point, the chair should treat the call for the "question" as a formal motion, and proceed to it.

When a member of the body makes such a motion ("I move the previous question"), the member is really saying: "I've had enough debate. Let's get on with the vote." When such a motion is made, the chair should ask for a second, stop debate, and vote on the motion to limit debate. The motion to limit debate requires a two-thirds vote of the body.

NOTE: A motion to limit debate could include a time limit. For example: "I move we limit debate on this agenda item to 15 minutes." Even in this format, the motion to limit debate requires a two-thirds vote of the body. A similar motion is a *motion to object to consideration of an item.* This motion is not debatable, and if passed, precludes the body from even considering an item on the agenda. It also requires a two-thirds vote.

Majority and Super Majority Votes

In a democracy, a simple majority vote determines a question. A tie vote means the motion fails. So in a seven-member body, a vote of 4-3 passes the motion. A vote of 3-3 with one abstention means the motion fails. If one member is absent and the vote is 3-3, the motion still fails.

All motions require a simple majority, but there are a few exceptions. The exceptions come up when the body is taking an action which effectively cuts off the ability of a minority of the body to take an action or discuss an item. These extraordinary motions require a two-thirds majority (a super majority) to pass:

Motion to limit debate. Whether a member says, "I move the previous question," or "I move the question," or "I call the question," or "I move to limit debate," it all amounts to an attempt to cut off the ability of the minority to discuss an item, and it requires a two-thirds vote to pass.

Motion to close nominations. When choosing officers of the body (such as the chair), nominations are in order either from a nominating committee or from the floor of the body. A motion to close nominations effectively cuts off the right of the minority to nominate officers and it requires a two-thirds vote to pass.

Motion to object to the consideration of a question. Normally, such a motion is unnecessary since the objectionable item can be tabled or defeated straight up. However, when members of a body do not even want an item on the agenda to be considered, then such a motion is in order. It is not debatable, and it requires a two-thirds vote to pass.

Motion to suspend the rules. This motion is debatable, but requires a two-thirds vote to pass. If the body has its own rules of order, conduct or procedure, this motion allows the body to suspend the rules for a particular purpose. For example, the body (a private club) might have a rule prohibiting the attendance at meetings by non-club members. A motion to suspend the rules would be in order to allow a non-club member to attend a meeting of the club on a particular date or on a particular agenda item.

Counting Votes

The matter of counting votes starts simple, but can become complicated.

Usually, it's pretty easy to determine whether a particular motion passed or whether it was defeated. If a simple majority vote is needed to pass a motion, then one vote more than 50 percent of the body is required. For example, in a five-member body, if the vote is three in favor and two opposed, the motion passes. If it is two in favor and three opposed, the motion is defeated.

If a two-thirds majority vote is needed to pass a motion, then how many affirmative votes are required? The simple rule of thumb is to count the "no" votes and double that count to determine how many "yes" votes are needed to pass a particular motion. For example, in a seven-member body, if two members vote "no" then the "yes" vote of at least four members is required to achieve a two-thirds majority vote to pass the motion.

What about tie votes? In the event of a tie, the motion always fails since an affirmative vote is required to pass any motion. For example, in a five-member body, if the vote is two in favor and two opposed, with one member absent, the motion is defeated.

Vote counting starts to become complicated when members vote "abstain" or in the case of a written ballot, cast a blank (or unreadable) ballot. Do these votes count, and if so, how does one count them? The starting point is always to check the statutes.

In California, for example, for an action of a board of supervisors to be valid and binding, the action must be approved by a majority of the board. (California Government Code Section 25005.) Typically, this means three of the five members of the board must vote affirmatively in favor of the action. A vote of 2-1 would not be sufficient. A vote of 3-0 with two abstentions would be sufficient. In general law cities in

California, as another example, resolutions or orders for the payment of money and all ordinances require a recorded vote of the total members of the city council. (California Government Code Section 36936.) Cities with charters may prescribe their own vote requirements. Local elected officials are always well-advised to consult with their local agency counsel on how state law may affect the vote count.

After consulting state statutes, step number two is to check the rules of the body. If the rules of the body say that you count votes of "those present" then you treat abstentions one way. However, if the rules of the body say that you count the votes of those "present and voting," then you treat abstentions a different way. And if the rules of the body are silent on the subject, then the general rule of thumb (and default rule) is that you count all votes that are "present and voting."

Accordingly, under the "present and voting" system, you would **NOT** count abstention votes on the motion. Members who abstain are counted for purposes of determining quorum (they are "present"), but you treat the abstention votes on the motion as if they did not exist (they are not "voting"). On the other hand, if the rules of the body specifically say that you count votes of those "present" then you **DO** count abstention votes both in establishing the quorum and on the motion. In this event, the abstention votes act just like "no" votes.

How does this work in practice? Here are a few examples.

Assume that a five-member city council is voting on a motion that requires a simple majority vote to pass, and assume further that the body has no specific rule on counting votes. Accordingly, the default rule kicks in and we count all votes of members that are "present and voting." If the vote on the motion is 3-2, the motion passes. If the motion is 2-2 with one abstention, the motion fails.

Assume a five-member city council voting on a motion that requires a two-thirds majority vote to pass, and further assume that the body has no specific rule on counting votes. Again, the default rule applies. If the vote is 3-2, the motion fails for lack of a two-thirds majority. If the vote is 4-1, the motion passes with a clear two-thirds majority. A vote of three "yes," one "no" and one "abstain" also results in passage of the motion. Once again, the abstention is counted only for the purpose of determining quorum, but on the actual vote on the motion, it is as if the abstention vote never existed — so an effective 3-1 vote is clearly a two-thirds majority vote.

Now, change the scenario slightly. Assume the same five-member city council voting on a motion that requires a two-thirds majority vote to pass, but now assume that the body **DOES** have a specific rule requiring a two-thirds vote of members "present." Under this specific rule, we must count the members present not only for quorum but also for the motion. In this scenario, any abstention has the same force and effect as if it were a "no" vote. Accordingly, if the votes were three "yes," one "no" and one "abstain," then the motion fails. The abstention in this case is treated like a "no" vote and effective vote of 3-2 is not enough to pass two-thirds majority muster.

Now, exactly how does a member cast an "abstention" vote? Any time a member votes "abstain" or says, "I abstain," that is an abstention. However, if a member votes "present" that is also treated as an abstention (the member is essentially saying, "Count me for purposes of a quorum, but my vote on the issue is abstain.") In fact, any manifestation of intention to vote either "yes" or "no" on the pending motion may be treated by the chair as an abstention. If written ballots are cast, a blank or unreadable ballot is counted as an abstention as well.

Can a member vote "absent" or "count me as absent?" Interesting question. The ruling on this is up to the chair. The better approach is for the chair to count this as if the member had left his/her chair and is actually "absent." That, of course, affects the quorum. However, the chair may also treat this as a vote to abstain, particularly if the person does not actually leave the dais.

The Motion to Reconsider

There is a special and unique motion that requires a bit of explanation all by itself; the motion to reconsider. A tenet of parliamentary procedure is finality. After vigorous discussion, debate and a vote, there must be some closure to the issue. And so, after a vote is taken, the matter is deemed closed, subject only to reopening if a proper motion to consider is made and passed.

A motion to reconsider requires a majority vote to pass like other garden-variety motions, but there are two special rules that apply only to the motion to reconsider.

First, is the matter of timing. A motion to reconsider must be made at the meeting where the item was first voted upon. A motion to reconsider made at a later time is untimely. (The body, however, can always vote to suspend the rules and, by a two-thirds majority, allow a motion to reconsider to be made at another time.)

Second, a motion to reconsider may be made only by certain members of the body. Accordingly, a motion to reconsider may be made only by a member who voted in the majority on the original motion. If such a member has a change of heart, he or she may make the motion to reconsider (any other member of the body — including a member who voted in the minority on the original motion — may second the motion). If a member who voted in the minority seeks to make the motion to reconsider, it must be ruled out of order. The purpose of this rule is finality. If a member of minority could make a motion to reconsider, then the item could be brought back to the body again and again, which would defeat the purpose of finality.

If the motion to reconsider passes, then the original matter is back before the body, and a new original motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

Courtesy and Decorum

The rules of order are meant to create an atmosphere where the members of the body and the members of the public can attend to business efficiently, fairly and with full participation. At the same time, it is up to the chair and the members of the body to maintain common courtesy and decorum. Unless the setting is very informal, it is always best for only one person at a time to have the floor, and it is always best for every speaker to be first recognized by the chair before proceeding to speak.

The chair should always ensure that debate and discussion of an agenda item focuses on the item and the policy in question, not the personalities of the members of the body. Debate on policy is healthy, debate on personalities is not. The chair has the right to cut off discussion that is too personal, is too loud, or is too crude.

Debate and discussion should be focused, but free and open. In the interest of time, the chair may, however, limit the time allotted to speakers, including members of the body.

Can a member of the body interrupt the speaker? The general rule is "no." There are, however, exceptions. A speaker may be interrupted for the following reasons:

Privilege. The proper interruption would be, "point of privilege." The chair would then ask the interrupter to "state your point." Appropriate points of privilege relate to anything that would interfere with the normal comfort of the meeting. For example, the room may be too hot or too cold, or a blowing fan might interfere with a person's ability to hear.

Order. The proper interruption would be, "point of order." Again, the chair would ask the interrupter to "state your point." Appropriate points of order relate to anything that would not be considered appropriate conduct of the meeting. For example, if the chair moved on to a vote on a motion that permits debate without allowing that discussion or debate.

Appeal. If the chair makes a ruling that a member of the body disagrees with, that member may appeal the ruling of the chair. If the motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the chair is deemed reversed.

Call for orders of the day. This is simply another way of saying, "return to the agenda." If a member believes that the body has drifted from the agreed-upon agenda, such a call may be made. It does not require a vote, and when the chair discovers that the agenda has not been followed, the chair simply reminds the body to return to the agenda item properly before them. If the chair fails to do so, the chair's determination may be appealed.

Withdraw a motion. During debate and discussion of a motion, the maker of the motion on the floor, at any time, may interrupt a speaker to withdraw his or her motion from the floor. The motion is immediately deemed withdrawn, although the chair may ask the person who seconded the motion if he or she wishes to make the motion, and any other member may make the motion if properly recognized.

Special Notes About Public Input

The rules outlined above will help make meetings very public-friendly. But in addition, and particularly for the chair, it is wise to remember three special rules that apply to each agenda item:

Rule One: Tell the public what the body will be doing.

Rule Two: Keep the public informed while the body is doing it.

Rule Three: When the body has acted, tell the public what the body did.

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CITY OF OXNARD CALIFORNIA **FINANCE AND GOVERNANCE COMMITTEE** **AGENDA REPORT**	**TYPE OF ITEM: Report** **AGENDA ITEM NO.: __2__**

DATE: February 12, 2019

TO: Finance and Governance Committee

FROM: Michael More, Human Resources Manager
mike.more@oxnard.org, (805) 385-7480

SUBJECT: Changes to City-Administered Defined Contribution and Defined Benefit Plans. (20/10/5)

RECOMMENDATION

A. For the Defined Contribution Plans, that the Finance and Governance Committee receive and file a report on the consolidation of the current 401(a), 457(b), and Post Employment Health Reimbursement deferred compensation plan recordkeepers to a single recordkeeping platform with VOYA.

B. For the Defined Benefit Plan, that the Finance and Governance Committee recommend the City Council:

1. Award and authorize the City Manager to execute Agreement No. A-8123 (Administrative Services Agreement for Defined Benefit Plans) with MassMutual, subject to changes provided by the City Attorney.

2. Award and authorize the City Manager to execute Agreement No. 8530-19-HR with SFG Retirement Plan Consulting, LLC for investment management services.

BACKGROUND

Defined Contribution Plans

The City of Oxnard provides employer-sponsored deferred compensation plans under Section 457(b) of the Internal Revenue Code ("IRC") and a money purchase plan under Section 401(a) of the IRC (the "Plans"). The 457(b) Plans provide tax benefits to employees who make deposits into the Plans on a pre-tax basis for their retirement. The 401(a) Plans provide defined contribution payments by the City to eligible City employees. Currently, the City offers multiple providers for the Plans, including Nationwide, ICMA-RC, MassMutual, and Transamerica (the "Recordkeepers"). In addition, the City provides certain eligible employees (firefighters and public safety fire managers) with a Post-Employment Health Reimbursement Plan ("PEHP") through three of the four Recordkeepers. PEHPs are used to accumulate assets on a tax-free basis that can be used to pay for qualified medical expenses after separation of service or retirement.

Due to the existence of various Plans with multiple Recordkeepers, City employees are currently not receiving the best investment options at the lowest prices, as no economy of scale exists. By consolidating all 457(b), 401(a), and PEHP assets to a single Recordkeeper, employees will be better served and their funds will grow more rapidly with significantly lower administrative fees, a higher rate of return on funds in the fixed account, and significantly better investment options.

Under the California State Constitution, Article XVI Section 17, government entities that sponsor 457(b), 401(a), and/or PEHP Plans have fiduciary responsibilities to ensure the operation and investment of the public retirement plan is for the exclusive purpose of providing benefits to participants and beneficiaries. The fiduciary responsibilities are to:

- Administer the plan,
- Ensure plan costs are reasonable, and
- Engage in a prudent process for making all decisions related to the operation of the plan, including decisions related to the plan's investments and related services.

As the fiduciary, the City has a responsibility to control the investment choices made available in the plans with Nationwide, ICMA-RC, MassMutual and Transamerica. To ensure that the City was meeting its fiduciary duties, staff contracted with SFG Retirement Plan Consulting, LLC ("SFGRPC") an independent third-party consultant and investment advisor. SFGRPC reviewed data from the Recordkeepers, including the administrative fees associated with those Plans, investment options, asset values, fixed account interest rates, and additional fees that may be charged by the Recordkeepers. SFGRPC also compared the information obtained from those Recordkeepers with other recordkeepers to determine whether the incumbent Plans were competitive and fees assessed from those investment options were reasonable.

Based on SFGRPC's analysis, City staff determined that the Plan participants as a whole would benefit by consolidating the Plans from the multiple Recordkeepers to a single recordkeeper. City staff evaluated the services and costs of existing and prospective recordkeepers and determined that a new recordkeeper, VOYA, would provide the lowest cost alternative with the highest level of resources and technology available to participants in the Plans. SFGRPC prepared a comprehensive investment menu that is higher in quality and lower in cost than the current menus and provides a higher blended fixed account interest rate to plan participants. By aggregating plan assets, the annual plan and investment fees are reduced by $329,224 and the fixed account interest rate is increased from a blended 2.97% to 3.50%, providing estimated additional earnings to participants of $102,242. Further, the 3.50% minimum fixed interest rate is guaranteed for three (3) years and is now available equally to all participants of the Plans. The combination of fee savings and fixed interest earnings provides an annual $431,466 savings to participants based on their existing asset allocation. In addition, SFGRPC estimates a $52 million positive impact to the Plans over a twenty-year period based on the reduction of fees, enhanced fixed account interest rate, and improvement in the quality of mutual fund investment options.

City staff members have held meetings with representatives from all bargaining groups to discuss these positive changes and to address questions concerning the consolidation to VOYA. Bargaining group representatives have indicated acceptance of the proposed change.

In addition to the positive financial impact, the results of the consolidation of Recordkeepers to VOYA will provide participants with a comprehensive single platform and unified education services, thereby ensuring all plan participants are offered the same benefits at the same costs. By doing so, the City will have improved its position in meeting its fiduciary obligation in management of the Plans. City staff expects that participation in the Plans will increase as outreach and marketing of the plan will be unified, and a single provider will have better information to reach out to certain underrepresented bargaining groups. Both VOYA and SFGRPC will hold numerous educational sessions during the conversion over the next 90 days and on a regular basis going forward. Finally, plan participants will have access to VOYA's website and mobile apps for account management and its online retirement planning tools.

Defined Benefit Plan

On December 17, 2002, City Council approved a supplemental retirement benefit for all non-safety employees. This plan is only provided to full-time employees hired before January 1, 2013, due to the adoption of the California Public Employees' Pension Reform Act (PEPRA). The plan is a defined benefit 401(a) plan ("DB Plan") that, combined with the existing Public Employees Retirement System ("PERS") 2% @ 55 benefit, enhances the retirement formula provided by the City to non-safety employees to the equivalent of 3% @ 60 based upon final compensation and years of service. This supplemental product was developed and implemented with Public Agency Retirement Services ("PARS"). Current assets in the DB Plan total approximately $77 million.

PARS is a private company rather than a public agency like PERS, and the DB Plan is administered by the City and several third party providers in accordance with the adopted plan documents. Thus, although the DB Plan is known as and commonly referred to as "PARS," it is actually a 401(a) defined benefit plan that can be administered by any capable defined benefit recordkeeper, trustee and investment advisor. Since inception, the DB Plan has been administered by Phase II Systems Inc. ("Recordkeeper"). In addition, the funds have been held in trust initially by Wells Fargo Bank, and then by US Bank as Trustee ("Trustee"), and investments have always been managed by Highmark Capital ("Investment Advisor"). The contract automatically renews annually. The City retains the right to change any or all of these service providers at the expiration of each one-year term.

In 2018, with the assistance of SFGRPC, City staff conducted a due diligence review of the DB Plan. Staff found that the combined administrative and management fees actually being charged by the Recordkeeper, Trustee, and Investment Advisor were high and lacked transparency since the fees were not discernable. In addition, staff concluded that the assets were largely invested in mutual funds with relatively higher management fees. Finally, staff determined that the Recordkeeper did not have the technological resources available through other recordkeepers to provide sufficient retirement educational or account information to participants or to process retirement applications electronically.

Through SFGRPC, staff obtained bids for recordkeeper and trustee from several national defined benefit retirement plan administrators capable of taking over the DB Plan (including MassMutual, Prudential, and Nationwide). The result of the bids revealed that MassMutual would be able to take over as recordkeeper and trustee at a much lower cost than the existing providers. Separate from this bid, City staff wishes to expand the scope of SFGRPC's existing investment advisory role to include investment advisory services related to the DB Plan assets. Combined, these services will result in total savings to the City of over $185,000 annually. The fee savings are calculated as follows:

Description	Percentage	$ (Cost)/Savings
Fee Savings - Phase II Systems, Inc.	0.10%	$ 77,270
Fee savings - U.S. Bank/Highmark Capital	0.36%	278,173
Fees to Shuster Financial Group	(0.12%)	(92,724)
Fees to MassMutual	(0.10%)	(77,270)
NET ANNUAL FEE SAVINGS	**0.24%**	**$185,449**

In addition to fee savings, the combined impact of lower mutual fund management fees and higher investment performance would have a positive impact of an estimated $1.4 million annually, with the potential to reduce the City's required annual contribution. While past performance is not a guarantee of future results, higher-rated mutual funds with lower fees should continually produce results superior to the status quo. The City contributes approximately $4.4 million annually to the DB Plan.

Staff is requesting that the Finance and Governance Committee recommend that City Council award the Administrative Services Agreement for Defined Benefit Plans (A-8123) with MassMutual for trustee and recordkeeping services related to the DB Plan. This agreement, to be executed by the City Manager as Plan Administrator, may require additional non-substantive legal edits, which should be ready by the time this comes before the City Council. In addition, staff is requesting that the Finance and Governance Committee recommend that City Council authorize the City Manager to execute Agreement No. 8530-19-HR with SFGRPC for investment management services for the DB Plan. If approved, staff will conduct an outreach campaign with existing retirees, who will begin receiving retirement benefit checks from MassMutual instead of Phase II Systems, Inc. approximately two months from approval (estimated to be May 2019). In approximately August 2019, active employees and non-retired participants will be able to access account information and retirement planning tools via the

MassMutual web page. Staff will conduct an outreach campaign with active and retired participants in advance of this launch date.

STRATEGIC PRIORITIES

This agenda item is a routine operational item or does not relate to the four strategic plans adopted by City Council on May 17, 2016.

FINANCIAL IMPACT

Defined Contribution Plans

There is no financial impact to the City as a result of these actions. Savings and benefits accrue solely to the benefit of City employees participating in the Plans.

Defined Benefit Plan

Immediate, tangible fee savings for a full fiscal year beginning in FY 2019-20 will total $185,000 annually and will directly benefit the City. In addition, it is estimated that investment performance will also improve dramatically, given higher-rated mutual fund investments and lower fund management fees. In the past one-year period, for example, investment performance would have been higher by approximately $1.4 million using the proposed versus existing mutual funds. Over a 20-year period, this annual savings would compound to an estimated $62 million improvement in investment performance. The City will benefit directly from the fee savings and improved investment performance, creating the conditions to reduce the City's required annual contribution to the DB Plan.

Prepared by: Michael More, Human Resources Manager

ATTACHMENTS

#1 - Agreement No. A-8123 (Administrative Services Agreement for Defined Benefit Plans)
#2 - Agreement No. 8530-19-HR (Investment Management Services)

MASSMUTUAL
ADMINISTRATIVE SERVICES AGREEMENT
FOR
DEFINED BENEFIT PLANS

This Administrative Services Agreement ("Agreement") is made between Massachusetts Mutual Life Insurance Company ("MassMutual") and City of Oxnard ("Plan Sponsor") with respect to City of Oxnard Defined Benefit Plan ("Plan").

WHEREAS: The Plan Sponsor is the sponsor of the Plan, a defined benefit pension plan, and is (or is authorized to act for) the "administrator" of the Plan;

WHEREAS: The Plan's assets invested with MassMutual will be held and invested under a group annuity contract issued by MassMutual; and

WHEREAS: The Plan Sponsor desires to engage MassMutual to provide the administrative services described in this Agreement (the "Services") to the Plan, and MassMutual is willing to provide the Services in exchange for certain fees on the terms and conditions described by this Agreement.

THEREFORE: The Plan Sponsor and MassMutual effective as of the 1st day of January, 2019 hereby agree as follows:

1. ADMINISTRATIVE SERVICES

1.1 Description of Services: The Plan Sponsor hereby engages MassMutual to provide the administrative services described in Exhibit A ("Services") to this Agreement and the other accompanying exhibits. At all times, these Services are subject to review and approval by the Plan Sponsor and the legal, tax and other advisors of the Plan Sponsor, as the Plan Sponsor in its sole discretion, determines.

1.2 Plan Administrator's Guide: The Plan Sponsor hereby directs MassMutual to perform the Services in accordance with the policies, practices and procedures set forth in MassMutual's Plan Administrator's Guide, as the same may be amended by MassMutual from time to time. MassMutual agrees to provide Plan Sponsor with notice of any changes to the Plan Administrator's Guide, which may take the form of posting an amended Plan Administrator's Guide on MassMutual's plan sponsor website. In any matter not resolved by the language in the Plan Administrator's Guide, Plan Sponsor directs MassMutual, and MassMutual agrees to follow commercially reasonable standards.

1.3 Plan Sponsor Website/Paperless Services/Participant Access: The Plan Sponsor consents to MassMutual's use of electronic media for all Services provided under this Agreement to the extent permitted by law and it agrees to process transactions and transmit data and information to MassMutual using electronic media, via MassMutual's plan sponsor website or such other methods as may be agreed to by MassMutual. MassMutual may charge the Plan Sponsor additional fees if the Plan Sponsor does not process transactions using electronic media made available by MassMutual.

The Plan Sponsor directs MassMutual to allow participants access to internet services and toll-free telephone services which include a voice response unit and customer service professionals. MassMutual endeavors to make its electronic channels, voice response unit and customer service representatives available during normal business hours or such other times as determined by MassMutual. MassMutual is not responsible for the failure of these systems caused by events beyond its control.

MassMutual will act on any telephonic or electronic instructions it reasonably believes to be genuine. In order to prevent unauthorized access to its systems, MassMutual employs reasonable security procedures, such as plan sponsor ID numbers. MassMutual is not responsible for a loss that results if the Plan Sponsor's ID numbers or other security procedures are compromised. Plan Sponsor agrees to immediately notify MassMutual if the Plan Sponsor becomes aware of a security breach.

1.4 Distribution Services: As part of ongoing plan administration, MassMutual will provide terminating plan participants with information regarding their benefit options under the Plan. As part of this service, MassMutual will provide participants with estimated annuity payments and a notice regarding the tax consequences of various forms of distribution. Plan Sponsor authorizes MassMutual to provide participants information regarding individual retirement accounts and other rollover products available through MassMutual. In the event that a terminating participant invests in a rollover product, MassMutual may pay compensation to the Plan's agent or broker of record with respect to assets invested in such rollover product.

1.5 Information Sharing/Use of Corporate Logo: The Plan Sponsor authorizes MassMutual to provide the Plan's actuary (where the actuary is a party other than MassMutual) and other third-party advisors with information regarding the Plan, as requested by such persons. The Plan Sponsor authorizes MassMutual to use its name and logo in marketing materials solely for the purpose of identifying Plan Sponsor as a MassMutual customer. MassMutual agrees that such materials will not state or imply an endorsement of MassMutual products or services.

1.6 Plan Conversion: MassMutual will commence providing Services with respect to the Plan upon the completion of a conversion period during which all plan records required by MassMutual to perform the Services are transferred to MassMutual. During the conversion period, MassMutual may rely on data and any other information supplied by the prior service provider and actuary. The details of the Plan's conversion to MassMutual, including the Plan Sponsor's directions with respect to the investment of Plan assets, and other terms and conditions for the conversion, are described in Exhibit B ("Plan Conversion Services") and Exhibit C ("Plan Investments").

2. INVESTMENT PROCEDURES

2.1 Investment of Plan Assets: The Plan Sponsor or its designee, and not MassMutual, is responsible for the investment of plan assets. Plan assets invested with MassMutual are held and invested under a group annuity contract in MassMutual's general investment account and/or separate investment accounts ("Investment Options"), selected by the Plan Sponsor or its designee as described in Exhibit C ("Plan Investments"). The Plan Sponsor or its designee directs the investment of plan assets among these Investment Options as indicated in Exhibit C. The Plan Sponsor or its designee may amend its selections on Exhibit C at any time by providing MassMutual an amended Exhibit C. The addition or subtraction of Investment Options is implemented on a date mutually agreed to by the Plan Sponsor or its designee and MassMutual which is not later than sixty (60) days after MassMutual receives the amended Exhibit C which reflects the change. MassMutual cannot accept any change it is unable to administer.

If the Plan's assets are invested either exclusively or in part through a group annuity contract issued by MassMutual, the Plan Sponsor acknowledges and agrees that MassMutual has established Investment Options that it makes available to plan sponsors through the contract and that the contract allows MassMutual to add, reinvest the underlying assets of, or discontinue, available Investment Options subject to certain conditions. If MassMutual adds an Investment Option to, or removes an Investment Option from the Investment Options available under the group annuity contract, MassMutual will post a notice titled *Separate Investment Account Additions and Removals* on the plan sponsor website at https://retire.massmutual.com/trc2/public/login.aspx under the 'Actions and Alerts' section. MassMutual will also post on the same plan sponsor website and location a notice titled *Menu of Available Investment Options* for each Investment Option MassMutual makes available under a group annuity contract or funding agreement that discloses the expense ratio for the investment option and the revenue, if any, paid to MassMutual from the investment option, including disclosure of those investment options that make no revenue sharing payments to MassMutual.

Notwithstanding any provision in the Plan Sponsor's group annuity contract or group funding agreement (the "Group Contract"), MassMutual will not delete, change or replace any investment option the Plan Sponsor has selected to be part of the Plan's menu of investment options (including share classes of a given plan investment option) without: (1) providing the Plan Sponsor with sixty days' written notice, and (2) obtaining the Plan Sponsor's consent to the proposed change, subject to the qualification that MassMutual can remove an investment option from the Plan's menu of investment options if the investment option is no longer available through merger or otherwise and further provided that the Plan Sponsor's failure to object will be treated as consent to the proposed change. If the Plan Sponsor affirmatively rejects the proposed change and MassMutual ultimately implements the change, the Plan Sponsor has the right to terminate the Group Contract without application of a surrender charge or similar charge (a "penalty") and the Plan Sponsor will be provided with an additional sixty days from the effective date of the change to identify an alternative service provider. These conditions only apply to changes to plan investment options initiated by MassMutual.

Any plan investment option changes initiated by an investment provider other than MassMutual will be administered as follows. Unless the change is required by events beyond MassMutual's reasonable control, MassMutual will provide the Plan Sponsor with advance written notice of such change, typically sixty (60) days in advance of the effective date, including an explanation of the reason for, and the effective date of, the change and an opportunity to select other Investment Options available under the group annuity contract. If the change is required by events beyond MassMutual's reasonable control, MassMutual is not required to provide sixty (60) days-notice, but will provide notice as soon as practicable. For administrative purposes, MassMutual may communicate and process changes to the Plan's Investment Option's prior to the effective date of the change. If MassMutual notifies the Plan Sponsor of the discontinuance or liquidation of an Investment Option, and the Plan Sponsor fails to select a replacement Investment Option before the requested response date, the Plan Sponsor hereby directs MassMutual to transfer any plan assets invested in the Investment Option discontinued or liquidated to the Money Market until the Plan Sponsor provides further direction on the investment of those plan assets.

The Plan Sponsor directs MassMutual to treat any change to the Plan's Investment Options approved by the Plan Sponsor under the conditions set forth in the group annuity contract or this Agreement, as an amendment to Exhibit C.

As a result of entering into a contractual relationship with MassMutual through a Group Contract, the Plan is directing MassMutual to reinvest any mutual fund dividends or capital gains distributions payable on the shares of any mutual fund in which a separate account invests in the form of additional shares, if available, and credit to contract value the dividends and distributions either as part of the separate account accumulation unit value, or as additional accumulation units. By purchasing this Group Contract, the authorized plan representative hereby instructs that all such dividends and capital gains distributions be paid and credited as described above, so long as available.

2.2 Transfers Between Investment Options: MassMutual generally processes investment instructions to exchange assets between those Investment Options already selected by the Plan Sponsor at the value determined at the close of the New York Stock Exchange (usually 4:00 p.m. Eastern Time) that next follows the receipt by MassMutual of the investment instructions in good order. Thus, if MassMutual receives investment instructions in good order before the close of the New York Stock Exchange on a business day, the transaction receives the unit value of the Investment Option in question determined as of the market close on that day, earlier times may apply to certain Investment Options. If investment instructions are received in good order after the New York Stock Exchange closes, or on a day when it is not open, the transaction receives the unit value of the Investment Option in question determined as of the market close on the next day the New York Stock Exchange is open. If investment instructions are not processed on a business day for reasons beyond MassMutual's reasonable control, including without limitation, market conditions, the size of the trade or that the order is not accepted for any reason by the Investment Option in question, the instructions will be processed at the value determined at the close of the New York Stock Exchange on the next business day or as soon, thereafter, as is feasible.

2.3 Frequent Trading Policy: In order to comply with the prohibitions on market timing and frequent trading enforced by the managers of certain Investment Options or the underlying investments, MassMutual applies controls that prohibit Plan Sponsors from transferring into certain Investment Options if the Plan Sponsor has transferred into and out of the Investment Option within the previous sixty (60) days (the “Frequent Trading Policy”). A description of the Frequent Trading Policy is available to the Plan Sponsor upon request. In addition, the Plan Sponsor agrees and acknowledges that the managers of the Investment Options may require MassMutual to impose different or additional trading restrictions or to prohibit further trading at any time. MassMutual may revise the Frequent Trading Policy, as necessary, to comply with new investment manager or legal requirements.

2.4 Competing Investment Options: Transfers between Investment Options that are competing funds may be restricted, where such transfers could adversely impact the returns of investors. This restriction may be in lieu of, or in addition to, similar restrictions that may be found in any investment agreement, the prospectus, and other documents governing the Investment Options. The Plan Sponsor acknowledges that MassMutual will enforce such restrictions in providing the Services under this Agreement.

3. PLAN SPONSOR’S RESPONSIBILITIES

3.1 Instructions, Information and Data: The Plan Sponsor will provide MassMutual with all necessary instructions, information and data in a timely fashion and in good order. The information or data required in a given situation is described in this Agreement, the Exhibits, the Plan Administrator’s Guide, or as otherwise communicated by MassMutual. The Plan Sponsor must immediately notify MassMutual if the Plan Sponsor believes MassMutual has not properly processed instructions.

For purposes of this Agreement, “in good order” means an instruction that includes all information reasonably required by MassMutual to give effect to the instruction and is in a format mutually agreeable to the parties. MassMutual has no duty to verify whether instructions, information or data it receives from the Plan Sponsor is properly authenticated, accurate and complete or that it is in receipt of all necessary instructions. MassMutual may fully rely on instructions, information and data provided by the Plan Sponsor, its representatives and other authorized third parties. If MassMutual determines that an item is not in good order, MassMutual will bring this to the Plan Sponsor’s attention and will inform the Plan Sponsor of what additional information or data is required before it can act. The Plan Sponsor is responsible for any expense or claim that results from the Plan Sponsor's failure to provide instructions, information or data in a timely fashion and in good order. MassMutual is not responsible for a loss that results from carrying out instructions received from the Plan Sponsor, its representatives or authorized third parties.

In carrying out its responsibilities under this Agreement, MassMutual will act upon the directions of the Plan Sponsor’s representatives designated by the Plan Sponsor to act on its behalf. MassMutual will rely upon the continuing authority of such representatives until otherwise notified in writing. MassMutual may act upon written directions of the Plan Sponsor or its representatives (in original or by facsimile transmission) or upon oral or telephonic instructions, or electronically transmitted instructions that MassMutual reasonably believes to be genuine.

3.2 Contributions: The Plan Sponsor is responsible for all required contributions and other amounts due to the Plan, and will remit or cause to be remitted all such sums to the Plan on a timely basis in full compliance with ERISA, or other relevant law, and the Internal Revenue Code, as amended ("Code").

3.3 Multiple Plans and Controlled Groups: The Plan Sponsor will inform MassMutual of other retirement plans it sponsors and controlled groups or affiliated service groups of which it is a member.

3.4 Required Reporting and Communications: This Agreement does not affect which party has ultimate responsibility for a report or participant communication. However, MassMutual will assist the Plan Sponsor with the preparation of reports and participant communications as described in Exhibit A. The Plan Sponsor is obligated to review in a timely manner reports and communications prepared by MassMutual and inform MassMutual of any errors or discrepancies. The Plan Sponsor is responsible for providing participants, including terminated participants, all legally required disclosures, communications and other information (e.g., summary plan descriptions, summary annual reports, annual funding notice, benefit statements). MassMutual only provides the communication materials and statements described in this Agreement (including the Exhibits) and the Plan Administrator’s Guide. MassMutual does not make any representations as to whether such communication materials and statements satisfy the requirements under applicable laws and regulations.

3.5 Notice of Plan Events: The Plan Sponsor must notify MassMutual as far in advance as practicable of events that may impact the Services provided under this Agreement. Such events include corporate reorganizations or restructurings, early retirement programs, lay-offs, plan freezes, and plan terminations.

3.6 Third-party Service Providers: The Plan Sponsor may engage third-parties to provide services to the Plan. The Plan Sponsor agrees that any third-party administrator or other person engaged by the Plan Sponsor to provide services to the Plan is not, and will not be deemed to be, MassMutual’s agent or subcontractor and MassMutual is not responsible for the third-party’s acts or omissions with respect to the Plan. MassMutual may subcontract the Services it provides under this Agreement.

3.7 Missing Participants: In the event that MassMutual cannot from its records ascertain the whereabouts of a participant or beneficiary entitled to a distribution from the Plan, MassMutual will notify the Plan Sponsor. The Plan Sponsor is responsible for locating missing participants and directing MassMutual as to the disposition of missing participants’ benefits.

3.8 Certification: In the event of a request by the Plan Sponsor for a transfer of any Plan assets to a new trustee, custodian or insurance company, the Plan Sponsor or a delegate of the Plan Sponsor will, in a written notice delivered to MassMutual: (i) designate the trustee, custodian or insurance company that is to receive the transfer; and (ii) certify that the amount so transferred is to be used to provide benefits for those participants and beneficiaries who would be entitled to benefits under the Plan and such Plan, in the opinion of the Plan Sponsor or its delegate, continues to meet the applicable qualification requirements of the Code. MassMutual will be entitled to rely conclusively upon such certification.

4. FEES

4.1 Fee Schedule: Descriptions of the fees and other revenue MassMutual receives in connection with the Services provided to the Plan Sponsor and the Plan pursuant to this Agreement may be found in Exhibits C ("Plan Investments"), D ("Fees"), F ("MassMutual Retirement Services Float Policy"), H ("Approval Services") and L ("Plan Termination Services/Lump Sum Offering Services"). MassMutual reserves the right to assess fees for services it renders which are not contemplated by this Agreement.

4.2 Method of Payment: The Plan Sponsor certifies that reasonable administrative expenses and fees may be paid from plan assets. To the extent the Plan is prohibited from paying amounts due MassMutual from plan assets, the Plan Sponsor will pay the amount due from its own assets. In the absence of notice provided by the Plan Sponsor, MassMutual will deduct from plan assets amounts owed for expenses and fees. Instead of deducting expenses and fees from plan assets, the Plan Sponsor may provide notice to MassMutual in a form satisfactory to MassMutual that it is electing to directly pay the expenses and fees. In such case, amounts are due and payable by the Plan Sponsor within thirty (30) days from the date of the invoice from MassMutual. If fees and expenses have not been paid within thirty (30) days from the date of the invoice, MassMutual will withdraw the amount of the unpaid fees and expenses and all future expenses from plan assets.

4.3 Modification of Fees: The fees set forth in Exhibit D are effective for 3 year(s) from the effective date of this Agreement and is executed contingent upon the assumptions regarding plan assets, cash flow, and Investment Options on which the fees are based at time of conversion. If these factors are not consistent with these assumptions, MassMutual reserves the right to increase fees. Thereafter fees are subject to change upon sixty (60) days advance written notice provided by MassMutual to the Plan Sponsor. This notice will consist of a revised fee schedule. In addition to the fees set forth in Exhibit D, if MassMutual increases any other compensation it receives from the Plan, whether directly or indirectly, including compensation received from the Plan's Investment Options, MassMutual will provide the Plan Sponsor with sixty (60) days advance notice of the increase. The Plan Sponsor may terminate its Contract without penalty if the changes are not acceptable.

4.4 Investment Fees: Under the arrangements between MassMutual and the investment vehicles offered through the Investment Options under the group annuity contract and under the group annuity contract and this Agreement, MassMutual receives certain fees from a sponsor, manager or other service provider to the investment vehicles in exchange for providing administrative and other services. Amounts received by MassMutual as of the effective date of this Agreement are disclosed by MassMutual as part of its ERISA section 408(b)(2) disclosure you received from MassMutual (currently disclosed on the Cost and Revenue Disclosure document under the column Annual Administrative Services Revenue (%)). These fees represent a portion of the fees assessed against all of the shareholders or investors in these underlying investment vehicles and are separate from fees paid to MassMutual by the Plan under this Agreement. The Plan Sponsor acknowledges that it has taken these fees into consideration in determining, if overall, the fees paid by the Plan under this Agreement are reasonable. From time to time, MassMutual may renegotiate these fees under such arrangements without the approval of the Plan Sponsor. MassMutual will disclose to the Plan Sponsor any change to the renegotiated fees.

4.5 Disclosure of Fees: The attached Exhibits contain a detailed description of all the fees collected under this Agreement. MassMutual also provides or makes available to you materials that describe additional revenue MassMutual receives, including revenue received with respect to the Plan's investments.

4.6 Float: MassMutual's policy is to process contributions to and distributions from the Plan as quickly as possible. Pending the processing of contributions and distributions, funds may be invested in short term instruments such as institutional money market funds. It is MassMutual's policy to retain any earnings ("float") that accrue on these short term investments. The Plan Sponsor acknowledges that it has taken this float into consideration in determining the reasonableness of the fees paid by the Plan under this Agreement. MassMutual Retirement Services Float Policy is attached as Exhibit F.

5. CUSTODY OF PLAN ASSETS

5.1 Assets with MassMutual: Plan assets invested with MassMutual are deposited under a group annuity contract issued by MassMutual.

5.2 Trustee Assets: If any assets of the Plan are not invested under a group annuity contract with MassMutual, these assets are held in trust by the Plan's trustee (the "Trustee"). The Plan Sponsor shall notify MassMutual of the identity of the Trustee. The responsibilities of the Trustee and its legal obligations are governed by a separate trust agreement. In carrying out its responsibilities under this Agreement, MassMutual may rely on information, confirmations and other communications received from the Trustee.

6. AMENDMENT AND TERMINATION

6.1 Amendment: This Agreement may be amended, at any time, by a written agreement of the parties. In addition, acceptance by Plan Sponsor of Services with respect to a Plan and changes to the Plan's Investment Options by the Plan Sponsor's designee will be deemed to be acceptance by Plan Sponsor of corresponding changes to Exhibits A, C and D, as applicable.

Finally, MassMutual may amend this Agreement by providing the Plan Sponsor written notice of an amendment sixty (60) days prior to its effective date. If the amendment is not acceptable to the Plan Sponsor, the Plan Sponsor may terminate this agreement. In the absence of written notice to terminate this agreement delivered to MassMutual before the applicable effective date of an amendment, the Plan Sponsor will be deemed to have approved such amendment. Amendment to the terms of this Agreement may be documented in an addendum to this Agreement.

6.2 Term and Termination: This Agreement commences as of the earliest of the date, (i) so indicated on the first page, (ii) it is executed by the Plan Sponsor, or, (iii) if this is a new relationship, the date funds are deposited with MassMutual or the Trustee. This Agreement continues until terminated by either party.

At any time, MassMutual or the Plan Sponsor may terminate this Agreement by providing the other party written notice of its intent, subject to Section 4.3 and Exhibit D. Appointment of a successor by the Plan Sponsor to provide the Services described in this Agreement effectively terminates this agreement. If the Plan is solely funded by a group annuity contract, then this agreement terminates coincident with the termination of the group annuity contract. Otherwise the termination is effective sixty (60) days from the date notice is received by the other party, unless the parties select another date mutually agreeable to both. If the Plan Sponsor is terminating this agreement because it objects to an amendment by MassMutual, it may terminate the Agreement by delivering thirty (30) days notice to MassMutual. MassMutual will continue to provide administrative services through the termination date, will be entitled to fees, and will cooperate in the conversion of the Plan to the new service provider to the extent mutually agreeable to both parties. MassMutual will provide any outstanding reports to the Plan Sponsor within ninety (90) days of the termination date.

7. LIABILITY; INDEMNIFICATION; DISPUTE RESOLUTION

7.1 Scope of MassMutual's Responsibility under this Agreement: MassMutual has no duties or obligations with respect to the Plan other than those duties and obligations specifically set forth in this Agreement. Without limiting the foregoing, MassMutual has no responsibility for any of the following: the deductibility of the Plan Sponsor's contributions made to the Plan; the continued qualification of the Plan; the accuracy of data supplied to MassMutual by the Plan Sponsor or its representatives and other authorized third parties, at any time prior to or during the term of this Agreement; the payment of interest, penalties or excise taxes arising from the failure of the Plan Sponsor to comply with any of the Plan Sponsor's responsibilities under this Agreement or applicable law; or joint testing of additional plans maintained by the Plan Sponsor, but administered by someone other than MassMutual. MassMutual does not warrant, verify or accept responsibility for administrative services provided to the Plan Sponsor prior to the engagement of MassMutual.

7.2 Fiduciary Status: The Plan Sponsor acknowledges that it is the plan fiduciary within the meaning of ERISA, or other relevant law, with the authority to select service providers and plan investments. It is the intent of the parties that in performing its non-discretionary administrative services for the Plan under this Agreement, MassMutual: (i) acts solely as a non-fiduciary service provider to the Plan Sponsor implementing the instructions and directives it receives from the Plan Sponsor; (ii) is neither a fiduciary nor a plan administrator as these terms are defined in ERISA, or other relevant law; and (iii) has no discretion in matters of plan administration and management including, but not limited to, interpretation of the plan document, the application of law and the investment of plan assets. The parties intend that discretion in these, and all other matters, lie exclusively with the Plan Sponsor. The Plan Sponsor is responsible for appointing a plan administrator who has discretionary authority in the administration of the Plan. The Plan Sponsor may also retain other service providers with whom MassMutual will work to service the Plan, including investment advice providers and directed trustees. These service providers may assume fiduciary responsibility with respect to the Plan and while MassMutual may provide the Plan Sponsor with revenue information with respect to these service providers, they are neither affiliates of, nor subcontractors for, MassMutual. MassMutual does not give legal, accounting, or tax advice and the Plan Sponsor should consult its own legal, accounting and tax advisors.

MassMutual may offer group annuity contracts, the assets of which are allocated to insurance company separate investment accounts ("SIA") that may hold plan assets. Those SIAs may invest in either one or more mutual funds, a bank collective trust fund or a portfolio of securities. MassMutual acknowledges ERISA fiduciary status with respect to the plan to the extent that it invests funds committed to an SIA holding plan assets in accordance with the stated investment objectives of such SIA. MassMutual's affiliate, Barings, LLC acknowledges both its ERISA fiduciary status and status as an investment advisor registered under the Investment Advisers Act of 1940 with respect to the plan to the extent that it manages the securities of a portfolio SIA holding plan assets in accordance with the stated investment objectives of such SIA.

The Plan Sponsor further acknowledges and agrees that all information about the Investment Options (including performance data) are provided to the Plan Sponsor to enable the Plan Sponsor to independently assess the Investment Options and make investment decisions in connection with the Plan. MassMutual is not authorized and will not make recommendations that the Plan Sponsor may rely on as a primary basis for investment decisions. In making the investments under our products available, MassMutual is not acting as a fiduciary to the Plan. The Plan Sponsor or its delegate is responsible for selecting the Investment Options that are available under the Plan.

7.3 Indemnification: MassMutual agrees to indemnify and to defend the Plan with respect to any loss or liability including reasonable legal expenses ("Indemnified Costs") arising from a claim or legal action asserted against the Plan, Plan fiduciaries or Plan Sponsor based upon the gross negligence or willful misconduct of MassMutual in performing its duties under this Agreement. To the extent permitted by applicable law, the liability of MassMutual under this section is limited to two times the compensation paid to MassMutual under this Agreement in the year the act or omission giving rise to the liability occurred. In its turn, the Plan Sponsor agrees that the Plan Sponsor, and to the extent permitted by law the Plan, shall indemnify and defend MassMutual and its agents with respect to any Indemnified Costs arising from a claim or legal action asserted against MassMutual or its agents in performing its duties under this Agreement, except to the extent such Indemnified Costs are the result of the gross negligence or willful misconduct of MassMutual. A party ("the indemnified party") will lose its right to seek indemnification and defense under this section regarding a particular claim or legal action unless it promptly notifies the other party within thirty (30) business days after the indemnified party becomes aware of such claim or action.

7.4 Informal Resolution: If a dispute concerning the performance of duties under this Agreement should arise between the Plan Sponsor and the Plan, on the one hand, and MassMutual on the other, both parties agree that every effort will be made to reach an informal resolution of the matter that is fair and equitable to both parties.

7.5 Mediation and Arbitration: If the parties are unable to resolve a dispute informally, despite their best efforts, the parties agree to endeavor to settle the dispute by a mediation administered by the American Arbitration Association in accordance with its Commercial Mediation Procedures. If any aspect of the dispute is not settled through mediation, the exclusive remedy will be arbitration conducted under the auspices of the American Arbitration Association in accordance with its Commercial Arbitration Rules. In the event of arbitration, the same person cannot serve as both the mediator and the arbitrator. Mediation or arbitration will be conducted in Springfield, Massachusetts, unless the parties agree to a different location. An arbitration award may be entered in any court having competent jurisdiction.

7.6 Limitation for Mitigation of Damages: The right to indemnification for a loss or liability, or to a payment or an award in mediation or arbitration between MassMutual and the Plan, and the Plan Sponsor or its agents, is limited to damages arising directly from a breach of this Agreement. The right to damages under this Agreement does not extend to punitive, consequential, incidental, indirect or special damages. Both parties have a duty to mitigate damages.

7.7 Statute Of Limitations: Subject to ERISA, no lawsuit or other action may be brought by either party hereto, or on any claim or controversy based upon or arising in any way out of this Agreement, after one (1) year from the date on which the cause of action arose regardless of the nature of the claim or form of action, whether in contract, tort (including negligence) or otherwise; provided, however, the foregoing limitation shall not apply to the collection of any amounts due under this Agreement.

8. GENERAL PROVISIONS

8.1 Severability and Validity Agreement: If the parties determine that a provision of this Agreement is open to more than one interpretation, the provision must be interpreted in a manner consistent with applicable law. The finding of a court of law or other legal body that a provision of this Agreement is unenforceable in a jurisdiction, does not affect the validity of the remaining provisions of the Agreement and the remaining provisions will continue to be enforced in all other jurisdictions. Where a provision of the Agreement is found to be unenforceable, MassMutual and the Plan Sponsor agree to substitute new language in the place of such provision that, as closely as possible, reflects the provision's original intent and economic impact. The failure of either MassMutual or the Plan Sponsor to enforce a provision of this Agreement does not constitute a waiver of the provision and does not affect the validity of this Agreement.

8.2 Assignment: Either party may assign this Agreement by providing at least ninety (90) days prior written notice to the other.

8.3 Force Majeure: The performance of the respective duties of MassMutual and the Plan Sponsor under this Agreement are excused for any period of time during which performance is impossible due to events beyond the control of either party. This includes, but is not limited to, floods, fire, earthquakes and other natural disasters; power outages; the malfunction of communication facilities; and the closing of stock exchanges.

8.4 Third Parties: This Agreement does not impose duties upon or create rights in any person or entity except MassMutual and the Plan Sponsor.

8.5 Electronic Signatures: An electronic format may be used for the execution of necessary documents or where approval of the Plan Sponsor or a participant is required.

8.6 Written Notices: Written notices required under this Agreement must be delivered by a nationally recognized overnight courier service (costs prepaid) to MassMutual; Attention: Executive Vice President for Workplace Solutions, 1295 State Street, Springfield, Massachusetts 01111; and to the Plan Sponsor; Attention: the person designated as the Plan's primary contact at the most recent address on record with MassMutual. The date of a written notice is the date it is received by the recipient. Written notices may be sent by other means, including facsimile or e-mail with confirmation of transmission if this is acceptable to the party receiving the notice. The person designated to receive notice may be changed by providing notice to the other party.

8.7 Plan Sponsor Representations: The Plan Sponsor acknowledges that it is the plan fiduciary responsible for the selection of and monitoring of service providers and the Investment Options for the Plan, and represents that: (i) it is a fiduciary within the meaning of ERISA with respect to the Plan; (ii) it is independent in all respects of MassMutual and all affiliates of MassMutual; and (iii) it has not relied on any advice or recommendation of MassMutual or any affiliates of MassMutual as a basis to enter into this Agreement or with respect to the selection of the Investment Options offered under the Plan.

8.8 Governing Law: The validity and interpretation of this Agreement and the rights and duties of the parties are governed by the laws of the State of California without applying the principles of conflict of laws.

8.9 Venue and Jurisdiction: In the event of litigation, MassMutual and the Plan Sponsor consent to the venue in and to the exclusive jurisdiction of the courts of the State of California, including the Federal District Court for California.

8.10 Records Retention: MassMutual will retain records with respect to the Plan as required under applicable law. MassMutual confirms that the records belong to the Plan and MassMutual will make available the records with respect to the Plan upon a request by the Plan Sponsor at all times during this Agreement, and MassMutual will deliver such records to the Plan Sponsor or its designee, provided that MassMutual may charge the Plan for its reasonable administrative expenses incurred in connection with the delivery of such records as described in Exhibit D. Similarly, for other record requests that are outside the scope of MassMutual's standard services listed in Exhibit A, additional fees may apply as described in Exhibit D.

8.11 Provisions Survive Agreement: The provisions of Sections 6, 7 and 8 of this Agreement will survive and continue to govern the rights of all parties in the event of the termination of this Agreement.

8.12 Participant Defined: A participant is any person with an accrued benefit under the Plan, which includes beneficiaries and alternate payees under qualified domestic relations orders.

8.13 Headings: The headings in this Agreement are for reference only and are not intended to affect the interpretation of its language.

8.14 Plan Sponsor Acknowledgement: The Plan Sponsor acknowledges and agrees that it received from MassMutual, before the execution of this Agreement, sufficient information to make an informed decision as to whether the aggregate of the direct and indirect compensation received by MassMutual in connection with Services constitutes reasonable compensation.

8.15 Entire Agreement: This Agreement, together with the Exhibits selected below, represents the entire understanding between MassMutual and the Plan Sponsor regarding the provision of the Services to the Plan. There are no understandings, covenants, or warranties with respect to the Services beyond those explicitly described in this Agreement and the Exhibits. The execution of this Agreement revokes any existing agreement with respect to the Services between the parties. The Plan Sponsor agrees to the following Exhibits to this Agreement:

Required Exhibits
Exhibit A – Administrative Services
Exhibit B – Plan Conversion Services
Exhibit C – Plan Investments
Exhibit D – Fees
Exhibit E – Compensation Paid By MassMutual
Exhibit F – MassMutual Retirement Services Float Policy
Exhibit G – Not Applicable
Exhibit H – Qualified Domestic Relations Order Approval Services
Exhibit I – Not Applicable
Exhibit J – Not Applicable
Exhibit K – Fee Roadmap
Exhibit L – Not-Applicable

The Plan Sponsor certifies that it has the power and authority to enter into this Agreement. The person signing below as the Plan Sponsor's representative warrants, as an individual, that he or she is the Plan Sponsor's representative authorized to sign this Agreement and that his or her signature is genuine.

SIGNATURES:

In Witness Whereof: MassMutual and the Plan Sponsor have caused this Agreement to be executed by their duly appointed officer or representative effective as of the date executed by both parties.

For Massachusetts Mutual Life Insurance Company

______________________________ December 21, 2018
Keith McDonagh, Senior Vice President Date

Legal Name of Plan Sponsor: City of Oxnard

Contract Number: 021099-0001-0001

For the Plan Sponsor:

______________________________ ______________
Signature Date

____

Printed Name and Title

Exhibit A: Administrative Services

RecordkeepingServices

- **Plan Transition Services**
  - Automated Services Initiation
  - Communication Assistance
  - Data Services
    - Data Consulting
    - Data Validation
    - Data Transmission Report
    - Electronic Transmission of historical data
  - Dedicated Transition Manager
  - Participant Benefit Initiation
  - Plan Document Services
  - Service Initiation
  - Data Exchange**
    - Receive eligible employee data via periodic payroll interfaces
    - Real time service and compensation updates based on timing of feeds from Plan Sponsor (dependant upon plan's definition of service and compensation)
    - Online benefit activity and beneficiary updates
  - The following services are effective July 1, 2019: (Plan Document Services and Data Exchange)*

- **Ongoing Administrative Services**
  - Distribution Processing
    - Single Sum Payments
    - Monitoring, Calculation and Payment of all Required Minimum Distribution
    - Repetitive payments by EFT (preferred method) or check
    - 1099R Tax Information for Participant
    - Federal, State and local income tax reporting
    - IRS reporting
    - Maintenance on retiree accounts
    - Address and Bank Information updates
  - Final Benefit Calculations inclusive of all election forms/ tax notices/regulatory notices
  - QDRO Processing
  - Ongoing Data Management
  - PIN generation for newly eligible employees
  - Estimate requests via the Participant Website
  - Data Exchange**
    - Receive eligible employee data via periodic payroll interfaces
    - Real time service and compensation updates based on timing of feeds from Plan Sponsor (dependant upon plan's definition of service and compensation)
    - Online benefit activity and beneficiary updates
  - The following services are effective July 1, 2019: (Final Benefit Calculation, QDRO Processing, Ongoing Data Management, PIN Generation, Estimate Requests via Participant Website and Data Exchange)*

- **Plan Deconversion Services**
  - Contract Liquidation and Asset Transfer
  - Data Transfer

ParticipantServices

- **Ongoing Administration Services**
  - Participant Information Center (PIC)
    - Customer Service Professionals to answer participant telephone calls
    - Multilingual support
    - 8 am to 8 pm Eastern Time, Monday through Friday
  - Participant Retirement Planning Website Access (24/7/365)
    - Online, interactive benefit modeling via the Participant Website
  - Touchtone Telephone Service
    - Toll free 800# Automated Phone System (24/7/365)
    - Access to benefit information
  - Participant Statements
    - Annual Participant Statements or Cash Balance Statements to Active Participants
    - Annual Total Retirement Projection Statements (if applicable)

**Data Exchange available for plans in excess of 10 million in DB assets or combined Total Retirement Services assets
*Non-Standard Language

  - The following services are effective July 1, 2019: (Participant Retirement Planning Website Access, Touchtone Telephone Service and Participant Statements)*

- **Communication and Education Services**
  - Education Meetings
  - Educational Material and Services Access
  - MassMutual RetireSMART℠ Ready
  - Social Media
  - The following services are effective July 1, 2019: (Communication and Educational Services)*

PlanSponsorServices

- **Ongoing Administration Services**
  - Dedicated Service Team
  - Investment Consulting
  - Investment Processing and Account Maintenance
    - Contribution Deposit processing
    - Group Annuity Contract level Disbursement processing
    - Directed Investment Transfers
  - Payment Services
  - Payroll Remittal Support
  - Termination/Retirement Notification Services
  - Third-Party QDRO Approval Service (available for additional fees, see Exhibit D)
  - Vesting Calculation Service
  - The following services are effective July 1, 2019: (Termination/Retirement Notification Services, Third-Party QDRO Approval Service, Plan Document Services and Vesting Calcuation Service)*

- **Communication & Education Services**
  - Client Financial Reports
    - Quarterly
    - Calendar Year
    - Plan Year
  - Plan Sponsor Newsletter
  - Plan Sponsor Website Access (24/7/365) Online Reporting
    - Daily Valuation of Assets under management at MassMutual
    - Due Diligence reports and fact sheets
    - Contract level financial/investment information
    - Online payment register of all retiree/lump sum payments
    - Online Interactive Benefit Modeling
    - Plan Sponsor Administrative Guide

- **MassMutual ERISA Advisory Services℠**
  - Fiduciary Planning Guide
  - Form 5500 auditor's package and support
    - Backup documentation provided to auditors upon request (maximum of twenty samples)
    - Questions regarding plan operation
  - Plan Administration Guide
  - Plan Document Services (available for additional fees, see Exhibit D)
    - Plan document drafting
      - Restatements
      - Compliance Amendments as required by law
      - Discretionary Amendments as requested by Plan Sponsor
    - Summary Plan Description and Summary of Material Modifications, as needed
  - Sponsor-requested Participant Mailings (available for additional fees, see Exhibit D)
  - White Papers & Technical Guidance

InvestmentServices

- **Ongoing Administration Services**
  - Annual asset/liability management review (completed in conjunction with the annual actuarial valuation reports)
  - Automatic investment rebalancing
  - Credited Rate Reset - Preparation and analysis of General Investment Account ("GIA") credited rate resets, where applicable
  - Credited Rate Reset Notice - Preparation and distribution of notification to plan sponsor of GIA credited rate resets, where applicable
  - Flash Reports

- GIA Fair Value Disclosure - Preparation and distribution to plan sponsor of GIA fair value disclosure
- Investment Updates
- Market Value Adjustment Estimates - Calculation and delivery of market value adjustment estimates for plan sponsors
- MassMutual Smart Architecture℠ Investment Program (Smart Architecture)
- Methodology Reports
- Multiple manager investment product offering
- Plan Sponsor and Participant Fee Disclosures - Maintenance of GIA data for plan sponsor and participant fee disclosures
- Qualitative and Quantitative Standard Reporting
- Quarterly independent third-party investment due diligence
- Strategic Asset Allocation Management
- Third-Party, Additional Investment Options
- Watch List Updates
- White papers

Manual Benefit Calculation Services

- MassMutual Interim Transition Process
  - Review plan documents and sample benefit calculations
  - Prepare Plan Provision Guide
  - Process and Quality Control Manual benefit calculations
  - Fulfillment and mailing of Election packages
  - Manual Calculation timing approximately 30 business days

- City of Oxnard Interim Transition Process
  - Submit requests only for participants eligible for retirement
  - Triage Participant phone calls
  - Signoff on Plan Provision Guide(s)
  - Data process – provide data to MassMutual via data sheet

Exhibit B: Plan Conversion Services

- Dedicated Transition Manager
  - Manages all phases of conversion process
  - Establishes responsibilities (including those of your current recordkeeper)
  - Sets target dates

- Data files are tested before actual data is exchanged

- Complete reconciliation before establishing accrued benefits on MassMutual's record keeping system

- Work with your payroll department or vendor to establish the workflow for submitting data electronically

- Introduce Service Team

Plan Provision Guide: During the plan conversion, MassMutual will complete a Plan Provision Guide (PPG) which reflects MassMutual's understanding of the plan document. MassMutual will rely upon the PPG with regard to all aspects of plan administration. The Plan Sponsor must review the PPG and confirm that it is an accurate interpretation of the plan document.

Reliance on Information: The process of converting the Plan to MassMutual's systems is subject to the provisions of Section 3.1 of this Agreement.

Existing Matters: The Plan Sponsor warrants that it has notified MassMutual of existing matters regarding the Plan of a material nature including, but not limited to, recent or pending plan examinations conducted by the Internal Revenue Service or the U. S. Department of Labor; legal claims asserted against the Plan or the Plan Sponsor by a participant or other party; or a "prohibited transaction" as defined by section 406 of The Employee Retirement Income Security Act. MassMutual has no responsibility for pending claims or losses in existence on the date this Agreement is executed.

Exhibit C: Plan Investments

Contributions and Transferred Assets: Employer Contributions and assets transferred to the group annuity contract are invested in accordance with the allocations described below for each Investment Option, unless the Contract holder provides MassMutual with alternative written allocation instructions and receipt of said instructions is confirmed by MassMutual.

INVESTMENT OPTION	Investment Ticker	Investment Allocation
MM S&P Mid Cap Index (Nrtn Tr) (SIA-CBT)	MDKZX	6.68%
Select TRP/LS Blue Chip Growth (SIA-CKD)	MBCZX	9.48%
500 Index (Vanguard) (SIA-CND)	VFIAX	18.49%
Small Cap Index (Vanguard) (SIA-CNJ)	VSMAX	1.90%
Non-Client SAGIC Core Bond (SIA-E1)		5.39%
Premier High Yield (Barings) (SIA-EV)	MPHZX	7.40%
Washington Mutual (American Funds) (SIA-J61)	RWMGX	5.99%
Floating Rate (Lord Abbett) (SIA-J62)	LRRVX	9.63%
International Growth (Vangurad) (SIA-J63)	VWILX	11.15%
Income (PIMCO) (SIA-JG9)	PIMIX	17.17%
Instl Lrg Cp Grwth (T. Rowe Price) (SIA-JR6)	TRLGX	6.72%

Investment Allocation: Percentage of assets to be invested in each investment option will be directed by the Plan Sponsor and such direction will be provided to MassMutual via written correspondence.

Disbursements and Transfers:
All disbursements processed from the group annuity contract should be withdrawn pro-rata from all Investment Options based upon the Investment Allocation above.

Reporting: Reports are available on MassMutual's plan sponsor website showing deposits and withdrawals from the group annuity contract, and strategic rebalancing if the Plan Sponsor has elected this service. MassMutual will provide an annual report of all deposits and withdrawals to the group annuity contract.

Changes to Plan Investments: The Plan Sponsor may add or remove the Investment Options in which the Plan's assets are invested by submitting an amended Exhibit C to MassMutual from time to time. Any revised Exhibit C must be signed by the Plan Sponsor or its authorized representative. The addition or subtraction of Investment Options is implemented on a date mutually agreed to by the Plan Sponsor and MassMutual which is not later than sixty (60) days after MassMutual receives the amended Exhibit C which reflects the change.

Investment Advisor or Other Person as Authorized Representative: The Plan Sponsor may designate an investment advisor or other person to be the Plan Sponsor's authorized representative with discretion to direct MassMutual as to the investment of the Plan's assets among the Investment Options available under the group annuity contract by providing verification of this person's authority in a manner acceptable to MassMutual. Unless otherwise directed, MassMutual shall be authorized to accept and execute without inquiry instructions given by the Plan Sponsor's authorized representative as to the allocation of the Plan's assets among the Investment Options on this Exhibit C and such authorized representative shall also be authorized to deliver to MassMutual a new amended Exhibit C changing the selection of Investment Options in which the Plan's assets may be invested. MassMutual shall be entitled to rely on any information or instructions provided by the Plan Sponsor's authorized representative without inquiry until instructed otherwise in writing. If the Plan Sponsor designates an authorized representative hereunder, the Plan Sponsor is solely responsible for determining the qualifications and compensation of such representative and MassMutual shall have no responsibility therefore.

MassMutual's Role: MassMutual does not provide investment advice to the Plan and has no discretion with regard to the selection of the Investment Options in which plan assets are invested. MassMutual's role is limited to carrying out the investment instructions of the Plan Sponsor. MassMutual, or its affiliates, may serve as the investment manager to the Investment Options in which the Plan is invested. However, MassMutual does not act as an investment advisor to the Plan. From time to time, MassMutual may provide informational materials regarding the Investment Options to the Plan Sponsor or its authorized representatives. Such material is informational or educational in nature and does not constitute investment advice.

Exhibit D: Fees

ChargesforStandardAdministrativeServices:

Annual Asset Charge: An asset charge at an effective annual rate of .05% of total assets, will be deducted from plan assets in the same manner specified on Exhibit C under "Disbursements and Transfers" on a monthly basis.

Effective July 1, 2019, the above asset charge will change as follows - an annual asset charge of .10% of total assets, will be deducted from plan assets in the same manner specified on Exhibit C under "Disbursements and Transfers" on a monthly basis

SpecialandOptionalServicesandRelatedCharges:

Reporting and Access	Fee
Roll up Financial Reporting	$50 per Report
Backup documentation for audit purposes in excess of 20 participants	$50 for each additional sample
Contract Liquidation Factors	$125 per request for any calculation in excess of one per calendar month
Contract Liquidation Value Estimate Charges	$125 per hour charge

Installation Services	Fee
Transition of hard copy data into electronic files	Hourly charge, quoted upon request
Data Clean up to ensure benefit quality	Hourly charge, quoted upon request
Data Collection	Hourly charge, quoted upon request

Administrative Services	Fee
Data Cleanup due to client submission error	Hourly charge, quoted upon request
Re-Calculation of benefits due to Client Data Submission error (i.e. Salary, Service, Commencement Dates)	Hourly charge, quoted upon request
Re-Calculation of deferred vested benefits previously certified as part of Installation process	Hourly charge, quoted upon request
Address Searches for previously lost participants	$3.00 per search
Customization of Benefit forms	Quoted upon Request
Domestic Relation Order Qualification (separate Service Agreement required)	$600 per Domestic Relations Order

ERISA Advisory Services	Fee
Plan Restatement for Existing MassMutual Pre-Approved Plan Document	Minimum Flat Charge – $4,500 and/or Minimum Hourly Charge – $395
Plan Restatement for Existing MassMutual Individually Designed plan	Minimum Flat Charge – $5,250 and/or Minimum Hourly Charge – $395
Plan Restatement for Conversion to MassMutual Pre-Approved Plan or Individually Designed Plan Document	Minimum Flat Charge – $6,500 and/or Minimum Hourly Charge – $395
Regulatory Plan Amendments for Existing MassMutual Pre-Approved Plan Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Regulatory Plan Amendments for Existing MassMutual Individually Designed plan	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395

Regulatory Plan Amendments for Plan Conversion to MassMutual Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Discretionary Plan Amendments for Existing MassMutual Plan Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Discretionary Plan Amendments for Plan Conversion to MassMutual Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Summary Plan Description for Existing MassMutual Pre-Approved Plan Document	Minimum Flat Charge – $1,450 and/or Minimum Hourly Charge – $395
Summary Plan Description for Existing MassMutual Individually Designed plan	Minimum Flat Charge – $1,700 and/or Minimum Hourly Charge – $395
Summary Plan Description for Conversion to MassMutual Pre-Approved Plan or Individually Designed Plan Document	Minimum Flat Charge – $2,500 and/or Minimum Hourly Charge – $395
Summary of Material Modifications for Existing MassMutual Pre-Approved Plan Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Summary of Material Modifications for Existing MassMutual Individually Designed plan	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Summary of Material Modifications for Conversion to MassMutual Pre-Approved Plan Document or Individually Designed Plan Document	Minimum Flat Charge – $500 and/or Minimum Hourly Charge – $395
Non-MassMutual Plan Document Review/Assistance	Minimum Hourly Charge – $395
Form 5300 or Form 5307 Production Assistance	Minimum Flat Charge – $1500 and/or Minimum Hourly Charge – $395; excludes IRS filing fee
Corrective Action Program Assistance (IRS EPCRS program)	Minimum Hourly Charge – $300 per hour; excludes IRS filing fee
Consulting on merger, acquisition, spin-off assistance and conversion to an alternate type of defined benefit plan (i.e. Traditional to Cash Balance)	Minimum Hourly Charge – $300 per hour

Actuarial Services	**Fee**
Financial Accounting Standard No. 88 or Similar Standard	Hourly charge, quoted upon request
Financial Accounting Standard No. 106 or Similar Standard (Separate Service Agreement required)	Hourly charge, quoted upon request
Effects of plan changes imposed by sponsor	Hourly charge, quoted upon request
General actuarial consulting (due to plan changes, plan mergers or acquisitions, corporate actions, etc.)	Hourly charge, quoted upon request
Completion of Accounting disclosure report prior to start of Standard Actuarial Services. (prior year certification)	Hourly charge, quoted upon request

<u>RegulatoryComplianceServices(ElectionofMassMutualActuarialServicesrequired)</u>

Supplementary Testing Services	**Fee**
IRC Section 401(a)(4) amounts testing for DB, DC or DB/DC combined plans	Hourly charge, quoted upon request
IRC Section 410(b) coverage testing for DB, DC or DB/DC combined plans	Hourly charge, quoted upon request
IRC Section 416 top-heavy testing for DC or DB/DC combined plans	Hourly charge, quoted upon request

<u>Consulting/ProjectServices</u>

MassMutual will perform work on an hourly basis, as requested by the Plan Sponsor, based on expertise required for projects that are not listed as a Standard Service.
Below are the Hourly Rates:

Enrolled Actuary	$400
Actuarial Analyst	$200
Account Manager	$200
Benefit Calculation	$200
Data Management	$200

Payment of Fees: All fees and expenses, except as otherwise provided for in this Agreement, may either be paid by the Plan Sponsor or deducted from Plan Assets. Settlor expenses must be paid by the Plan Sponsor and cannot be paid from plan assets. The Plan Sponsor must confirm the fee type (settlor vs. non-settlor) prior to the commencement of any service. Fees and expenses not paid within 30 days from the date of the invoice may be withdrawn from plan assets (except for settlor expenses or as otherwise provided for in this Agreement). Failure to pay fees due may result in MassMutual stopping all services until such fees are paid.

Exhibit E: Compensation Paid by MassMutual

Agents Benefits, if applicable: MassMutual insurance agents may also be eligible for certain cash and non-cash benefits from MassMutual in addition to commissions. Additional cash compensation includes bonuses and allowances based on factors such as sales, productivity and persistency. Non-cash compensation includes various recognition items such as prizes and awards as well as payment of the cost associated with attendance at conferences, seminars and recognition trips. Sales of this product may help these agents and their supervisors qualify for such benefits.

Subcontracting: MassMutual may make payments to intermediaries under sub-contracting services agreements for certain plan administrative services that MassMutual would otherwise provide, such as assistance with enrollment meetings, or to deliver marketing and sales assistance services to MassMutual.

Override Payments: MassMutual may make override payments to sales and/or servicing organizations to defray a portion of the organization's cost of maintaining its sales and servicing representatives. Not all sales and servicing organizations receive override payments. If MassMutual makes a payment, it is typically based on a percentage of the aggregate value of plan assets held in MassMutual products that were sold, or are serviced, by the organization's representatives. The level of these payments to eligible organizations varies.

Sponsorship Payments: MassMutual may make sponsorship payments to intermediaries for, among other things, training of sales personnel, conference support, marketing or other services they provide to promote awareness of MassMutual's products. Not all intermediaries receive marketing support payments and the level of these flat dollar payments to intermediaries varies. The largest payment to any intermediary during the last calendar year was approximately $1,200,000. Also, MassMutual has a variety of arrangements with intermediaries that are not directly related to the sale of MassMutual products to your plan. For example, MassMutual provides cash and non-cash benefits to intermediaries in consideration of their overall efforts selling MassMutual's products, such as prizes, awards, gifts, entertainment and charitable contributions. MassMutual may also reimburse intermediaries for certain expenses, such as the cost of promotional items or expenses associated with meetings, conferences, seminars, and recognition trips. An intermediary may receive compensation for selling other MassMutual products and MassMutual might purchase goods or services from intermediaries or their affiliates, such as educational seminars and training or pricing services. When a participant in a retirement plan funded by a MassMutual product leaves the plan and transfers the participant's beneficial interest into a MassMutual-affiliated rollover IRA, MassMutual may compensate the intermediary.

No Additional Charges: Any compensation paid under the arrangements listed above is paid from MassMutual's assets and will not result in any additional direct charges to you. If one or more of the above compensation arrangements are provided, such compensation arrangement may provide an intermediary with a financial incentive to recommend a MassMutual product over other available products whose issuers do not provide such compensation or which provide lower levels of compensation. Your intermediary can tell you whether his or her organization has entered into any such agreements with MassMutual. You may want to take such compensation arrangements into account when evaluating any recommendations regarding this MassMutual product. Applicable compensation is reported to you annually on the Form 5500.

Exhibit F: MassMutual Retirement Services Float Policy

This Exhibit describes MassMutual's policy with respect to the receipt and retention of earnings, including interest, dividends, and capital gains distributions, on monies held pending investment or distribution of plan assets ("Float").

MassMutual's procedure for processing various deposits, including but not limited to Plan contributions ("Contributions"), provides for prompt investment of funds according to contract obligations. When a Contribution is received in good order before the cut-off time (normally 4:00 p.m. Eastern Time) on a Business Day, Contributions are valued at the Unit Value as of the end of that Business Day. A Contribution is received in "good order" when a Contribution is accompanied by usable and complete data, and available funds equal to the total amount shown in the data. "Business Day" is defined as each business day that the New York Stock Exchange is open for business. It is MassMutual' goal to minimize the generation of Float by handling transactions as soon as possible in accordance with contract obligations. Notwithstanding this policy, amounts held pending investment may generate Float.

Float may arise in connection with various Contributions, including funds received by wire or electronic funds transfer ("EFT"). Float is generally not earned on Contributions processed via check, unless the funds are available immediately. When a Contribution is received, funds are invested in overnight investments pending execution of investment directions. The Plan Sponsor understands and hereby acknowledges that funds may be invested in the following types of overnight investments: (1) institutional money market account, which earns institutional money market rates; (2) passive overnight bank sweep, which is credited with overnight bank deposit rates; or (3) corporate checking account, which is credited at a rate that is set by the bank, currently 90% of the 3-month average of the 13-week Treasury-bill rates. When funds are withdrawn at the start of the following business day in order to be invested according to investment instructions, the Plan Sponsor understands and hereby acknowledges that MassMutual retains any Float as part of its compensation. Contributions made by wire that are not in good order may earn additional Float until good order is obtained.

It is the policy of MassMutual to process distributions and the corresponding withdrawals from investments as soon as possible. Notwithstanding this policy, Float may arise in connection with distributions, including those that are made by check or by EFT.

There is generally no Float generated in connection with distributions made by wire transfer. MassMutual issues a disbursement and directs the providers of Plan Investment Options to transfer the funds to MassMutual in an amount sufficient to satisfy the distribution request. On the date that the disbursement is issued, the funds are withdrawn from the Investment Options and the Plan Sponsor understands and hereby acknowledges that the funds will be invested in one of the following types of overnight investments: (1) institutional money market account, which earns institutional money market rates; (2) passive overnight bank sweep, which is credited with overnight bank deposit rates; or (3) corporate checking account, which is credited at a rate that is set by the bank, currently 90% of the 3-month average of the 13-week Treasury-bill rates. The Plan Sponsor understands and hereby acknowledges that MassMutual retains any Float that is earned on the funds from the time the disbursement is issued until such time as the disbursement is deposited or cashed as part of its compensation. Generally, in the case of a disbursement issued by check, if the check is not deposited or cashed after six months, the funds are returned to the plan as abandoned property.

EXHIBIT H: QUALIFIED DOMESTIC RELATIONS ORDER APPROVAL SERVICES PLAN SPONSOR DIRECTION

Effective the 1st day of July, 2019, the Plan Sponsor retains Massachusetts Mutual Life Insurance Company ("MassMutual") to review domestic relations orders that affect participants' benefits under the Plan to determine if the order constitutes a qualified domestic relations order that satisfies all the requirements under section 414 (p) of the Internal Revenue Code. The Plan Sponsor has reviewed the Guidelines and Procedures for the Administration of Qualified Domestic Relations Orders and, hereby, directs MassMutual to follow these guidelines and procedures in determining if a domestic relations order constitutes a qualified domestic relations order. The Plan Sponsor grants no discretionary authority to MassMutual in applying these guidelines and procedures and must follow these guidelines and procedures without deviation. In the review and administration of qualified domestic relations orders, MassMutual may subcontract certain work to other vendors.

☐ $500 plus applicable check charge for each Domestic Relations Order that affects a Defined Contribution Plan administered by MassMutual.

☑ $600 for each Domestic Relations Order that affects a Defined Benefit Plan administered by MassMutual.

☐ $1,000 plus applicable check charge for each Domestic Relations Order that affects a Defined Benefit and Defined Contribution Plan.

EXHIBIT K: FEE ROADMAP

Understanding fees is a necessary step in assessing whether or not they are reasonable compensation for the services associated with them. The types of fees described below may be associated with one or more service(s) related to your plan.

Revenue/Fees Received by MassMutual	Description of Revenue/Fees Received	Sponsor Disclosure
12b-1 Fee	These are fees that we may be paid by investment advisors or distributors of mutual funds other than the plan's MassMutual Premier and Select Investment Options that are offered either directly or through separate investment accounts on our investment platform. They can be paid for providing services in connection with the distribution and marketing of the mutual fund, including fees paid for marketing and selling fund shares, such as compensating brokers and others who sell fund shares, and paying for advertising, the printing and mailing of prospectuses to new investors, and the printing and mailing of sales literature. They also can be paid for providing shareholder services to the mutual fund investors, which include responding to investor inquiries and providing investors with information about their investments. W hether paid for distribution or shareholder services, 12b-1 fees are a form of revenue sharing when they are paid to us. 12b-1 fees reduce the mutual fund's NAV.	Proposal/ Services Agreement/ Prospectus/ Cost and Revenue Disclosure
Administrative Fees	Fees associated with administration of the plan's MassMutual Premier and Select Investment Options, including enrollment in and distribution from the investment option, transaction processing, and preparation and mailing of account statements and certain required notices. Administrative fees are included in a mutual fund's expense ratio.	Prospectus/ Statement of Additional Information/ Cost and Revenue Disclosure
Annual Flat Fee	Fee to cover general plan administrative costs we incur, including tracking and properly attributing contributions, earnings and losses, plan investments, expenses, and benefit distributions. This flat fee may be paid by the Plan Sponsor or from plan assets on a periodic basis.	Services Agreement/ Cost and Revenue Disclosure
Asset charge	Charge to cover general plan administrative costs we incur, including tracking and properly attributing contributions, earnings and losses, plan investments, expenses, and benefit distributions. The asset charge is calculated based on plan assets and may be paid by the plan sponsor or plan assets on a periodic basis.	Group Annuity Contract/ Proposal/ Services Agreement/ Cost and Revenue Disclosure
Float	Float is generated from the overnight investment of assets and may arise in connection with deposits such as plan contributions, loan repayments and expense payments. Float may also arise in connection with distributions.	Services Agreement/ Float Disclosure
MassMutual Retirement Services (MMRS) General Investment Account investment option	The MMRS General Investment Account investment option provides participants a guaranteed rate of interest on deposits held for a specified period of time. We are required to return the principal and promised interest regardless of either the expenses we incur in investing the assets within our general investment account or the actual return on those assets. Given the nature of these Investment Options, there is no guarantee that we will receive a pre-set level of revenue, as we do in connection with a mutual fund advisory fee. Although we retain the difference, if any, between the guaranteed rate of interest and the investment return we actually earn on the deposits in our general account (net of expenses), this is not an additional expense to the plan. Note: plans may also refer to these options as the Guaranteed Fund, Fixed Income Account, Guaranteed Interest Account, Experience Account, Active Life Fund or some other variation of these names	Group Annuity Contract/ Proposal/ Services Agreement/ Cost and Revenue Disclosure

Investment Management Fee	Investment management fees, or "annual expense ratio," are paid directly out of the assets of the investment option to the investment adviser for managing the investment portfolio. W ith respect to the MassMutual Premier and Select Funds, we receive these fees in our capacity as investment adviser to these funds and they are included in a mutual fund's expense ratio.	Prospectus/ Cost and Revenue Disclosure
Millennium Trust Company Automatic Rollover IRA Referral Fee	Millennium Trust Company, LLC (MTC) pays MassMutual a one-time referral fee of $40 for IRAs with balances of $500 or more, $10 for IRAs with balances between $75 and $500 and $0 for IRAs with balances less than $75.	Form 5500 Schedule C Attachment
Optional Services' Fees	These are fees that we may be paid if you elect to receive any of the optional services described in Services Overview. These fees may be paid by the Plan Sponsor or from plan assets	Services Agreement/ Plan Administrative Guide/ ERISA Advisory Services Fee Guide
Other Investment Fees	Other investment fees (for example: account maintenance fees), or "annual expense ratio," are any expenses incurred by the investment option that are not included in any other Investment Related Compensation/Fee categories. Other investment fees may include custodial, legal, accounting, transfer agent as well as shareholder service expenses paid outside of a mutual fund's 12b-1 arrangement. Other investment fees are included in a mutual fund's expense ratio.	Prospectus/ Annual Report/ Cost and Revenue Disclosure
Per Participant Fee	Fee to cover general plan administrative costs we incur, including tracking and properly attributing contributions, earnings and losses, plan investments, expenses, and benefit distributions. The participant charge is based on the number of participants and may be paid by the Plan Sponsor or from plan assets on a periodic basis.	Proposal/ Services Agreement/ Cost and Revenue Disclosure
Quarterly Expense Fee	The wrap fee is calculated based on the amount of plan assets in one or more specified plan Investment Options. This fee may cover the direct services the customer receives with respect to such plan investment option as well as cover general plan administrative costs we incur. The fee is deducted from the plan investment option and reduces the investment performance of such option.	Proposal/ Services Agreement/ Cost and Revenue Disclosure
Securities Lending Fees	These are fees that may be received by advisors to investment funds if they lend portfolio securities to broker-dealers or other institutional borrowers. Loaned securities are secured by collateral in the form of cash, cash equivalents (such as money market instruments) or other liquid securities in an amount at least equal to the market value of the securities loaned. The advisor invests the collateral and retains a portion of the earnings from the invested collateral. Accordingly, while the earnings on the investment of the collateral is additional revenue to the advisor, it is not an additional cost to the plan that invests in the fund. Currently we do not lend our portfolio securities.	Prospectus (or other offering document)/ Statement of Additional Information
Sub-Transfer Agent (Sub-TA) Fees	These are fees we are paid by the transfer agent of non-proprietary mutual funds that are offered on our investment platform and represent compensation for providing mutual fund shareholder accounting services. Transfer agents track and record who owns how many of a mutual fund's shares. For retirement plans, the plan's recordkeeper often performs these functions instead of the transfer agent and is thus considered a sub-transfer agent and is eligible for compensation, which is a form of revenue sharing. Sub-TA fees are a form of revenue sharing when they are paid to us.	Proposal/ *Cost and Revenue Disclosure*
Surrender Charge	A surrender charge may apply if the plan terminates certain of our group annuity plans. Surrender charges are typically expressed as a specified percentage of assets held in the group annuity contract and reimburse us for a portion of sales commissions we have paid but not recovered due to early contract termination. This fee is paid by the Plan Sponsor or deducted from plan assets.	Group Annuity Contract
Wrap Fees	The wrap fee is calculated based on the amount of plan assets in one or more specified plan Investment Options. This fee may cover the direct services the customer receives with respect to such plan investment option as well as cover general plan administrative costs we incur. The fee is deducted from the plan investment option and reduces the investment performance of such option.	Group Annuity Contract/120 Day Mailing/ Cost and Revenue Disclosure

Compensation Received by Third Party	Description of Compensation	Sponsor Disclosure	Recipient of Compensation (Payee)
Commissions	We pay commissions to advisors with respect to new sales and ongoing business with MassMutual from revenue we derive from your plan, including revenue from 12b-1 fees on MassMutual's Premier and Select Investment Options.	Commission Disclosure/ Cost and Revenue Disclosure	Advisor
Investment Advisory and Sub-Advisory Fee	If your plan offers MassMutual Premier or Select Funds as a plan investment option, it will pay a mutual fund investment management fee. If your plan offers a guaranteed separate investment account (SAGIC or Capital Preservation Account) as a plan investment option, it will pay a separate account management fee. In either case, we will pay a portion of the remainder of that fee, net of the annual administrative services revenue that is deducted, to the advisor or sub-advisor of the fund or account. To the extent the advisor or sub-advisor is an affiliate of MassMutual – Barings, LLC, Baring International Investment Limited ("Baring"), OppenheimerFunds, Inc. ("OFI") or OFI Institutional Asset Management, Inc. ("OFI Inst") – this will result in MassMutual and the affiliate's receipt of the entire amount of the difference between the investment option's annual plan cost and its annual administrative services revenue.	Prospectus/ Statement of Additional Information/ Cost and Revenue Disclosure	Mutual Fund Sub-advisor
Investment Option Expenses	For plan Investment Options other than the MassMutual Premier and Select Funds, the plan pays investment expenses composed of the investment management fee, administrative fees and, depending on the share class in which the plan invests 12b-1 fees, which are reflected in the mutual fund's expense ratio, to the mutual fund's investment adviser and other mutual fund service providers.	Prospectus/ Proposal/ Cost and Revenue Disclosure	Investment Manager
Marketing Allowance	We pay marketing allowances to advisors to support their marketing services, including for the development of marketing, advertising and promotional materials, the sponsoring of sales conferences and workshops, and the supervising of research reports, correspondence and lecture materials.	Services Agreement	Advisor
Non-monetary compensation	We provide non-monetary compensation to sales representatives who sell our products, including welfare plan compensation (health, vision, life and disability coverage), 401(k) plan compensation, pension plan compensation, participation at conferences we sponsor and other awards.	Services Agreement/ Proposal	Advisors, Agents, and Brokers, Sponsors
Override Payments	We pay override to general agents and other selling organizations to defray a portion of the cost of maintaining a sales force. The amount of the override is typically a percentage of the commissions earned by the selling organization's agents.	Commission Disclosure/ Form 5500	General Agents and Broker Dealers
Plan Expense Reimbursement Account (PERA) or ERISA Budget Account (EBA)	If a PERA or an EBA Account is available to your plan, then at your direction, and on your plan's behalf, we will pay third parties who provide administrative services to your plan. These payments are made from revenue we derive from your plan.	Services Agreement	Third Party Plan Service Providers

QDRO Review Services	If your plan elects to receive QDRO determination and administration services, then we will pay to a third-party administrator a fee for these services. This fee may be paid by the Plan Sponsor, deducted from participants' accounts or plan assets or paid from revenue we derive from your plan.	Services Agreement	QDRO.com
Shareholder Servicing Agreement Fee	We may pay a fee to your plan's advisor for providing shareholder services to the plan on behalf of the MassMutual Premier and/or Select Funds. Services provided may include: delivering current prospectuses, reports, notices, communication and other information, and providing support services, including answering participant inquiries. We pay this fee from revenue we derive from your plan, including revenue from 12b-1 fees on MassMutual's Premier and Select Investment Options.	Prospectus/ Cost and Revenue Disclosure	Advisor
Sponsor Third-Party Fiduciary Partnership Services	If your plan elects to receive plan sponsor fiduciary partnership services, a third-party plan fiduciary will receive a fee for providing investment advice to the Plan Sponsor. This fee may be paid by the Plan Sponsor, deducted from participants' accounts or plan assets or paid from revenue we derive from your plan.	Proposal/ Services Agreement	Envestnet Retirement Solutions (ERS)
Sub-administrative Service Fee	We may pay a fee to your plan's advisor for providing administrative services to your plan on our behalf (*e.g.*, plan design consulting, employee communication programs, enrollment meetings, etc.) We pay this fee from revenue we derive from your plan, including revenue from 12b-1 fees on MassMutual's Premier and Select Investment Options.	Services Agreement	Advisor
TPA Administrative Charge	This fee may be paid by the Plan Sponsor or deducted from participants' accounts or plan assets.	TPA Fee Disclosure	TPA
Trust/Custody Services	The fee is paid to your plan's directed trustee or custodian for providing trustee or custodial services. This fee may be paid by the Plan Sponsor, deducted from participants' accounts or plan assets or paid from revenue we derive from your plan.	Trust Agreement/ Custody Agreement	State Street Trust Co, Reliance Trust Co or other Trustee

Agreement No. **8530-19-HR**

AGREEMENT FOR PROFESSIONAL SERVICES
COVER PAGE

(1) Agreement Start Date: September 1, 2018

(2) Consultant: SFG Retirement Plan Consulting, LLC

(3) Services: Defined Benefit 401(a) retirement plan investment advisory and fiduciary services.

(4) Schedule of Services: The services performed under this agreement shall be completed during the term of this Agreement.

(5) Agreement Ending Date: March 31, 2022

(6) Total Agreement Amount: Per Rates and Costs Exhibit

(7) City's Project Manager: Steve Naveau, Human Resources Director

(8) Consultant's Project Manager: Mark Shuster, Managing Partner

(9) Insurance Coverage: INS-A

(10) Addresses for Notice:

FOR CONSULTANT:

225 South Lake Ave, Suite 600
Pasadena, CA 91101
Attn: Mark Shuster, Managing Partner

FOR CITY:

300 W. Third Street, Suite 100
Oxnard, CA 93030
Attn: Human Resources Director

(11) Contact Emails:

CONSULTANT'S PROJECT MANAGER:

mshuster@sfgrpc.com

CITY'S PROJECT MANAGER:

steve.naveau@oxnard.org

The Agreement for Professional Services is attached hereto and incorporated herein by this reference. The following exhibits are also attached hereto and incorporated herein by this reference into the Agreement:

☒ Scope of Services Exhibit
☒ Rates and Costs Exhibit
☒ Insurance Exhibit (INS-A)
☐ Schedule of Services Exhibit

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES ("Agreement") is entered into in Ventura County, California, on the date that is written as "(1) Agreement Start Date" on the Cover Page, which is attached hereto and incorporated herein by this reference. This Agreement is entered by and between the City of Oxnard ("City") and the person or entity listed as "(2) Consultant" on the Cover Page, for good and valuable consideration, subject to the following terms and conditions:

1. Scope of Services. Consultant shall provide to City the services listed as "(3) Services" on the Cover Page (the "Services"). Consultant shall provide the Services during the term of this Agreement, as set forth below, according to the schedule written as "(4) Schedule of Services" on the Cover Page, and as further explained in the Scope of Services Exhibit, which is attached hereto and incorporated herein by this reference. In the event of any conflict between the terms of this Agreement and any incorporated document(s), the terms of this Agreement shall control.

2. Standard of Performance. Consultant shall undertake and complete the Services to conclusion using the standard of care, skill and diligence normally provided by a professional person in the performance of similar consulting services.

3. Correction of Errors. Consultant shall correct, at its expense, all errors which may be disclosed during review of the Services. Should Consultant fail to make such correction in a reasonably timely manner, such correction shall be made by City, and the cost thereof shall be paid by Consultant.

4. Term. This Agreement shall begin on the date that is written as "(1) Agreement Start Date" on the Cover Page and shall end on the date that is written as "(5) Agreement Ending Date" on the Cover Page. Time is of the essence in this Agreement.

5. Compensation. For the Services performed during the term of this Agreement, City shall pay Consultant an amount not to exceed the amount that is listed as "(6) Total Agreement Amount" on the Cover Page, at the rates listed in Rates and Costs Exhibit, attached hereto and incorporated herein by this reference. The rates in Rates and Costs Exhibit shall be in effect through the end of this Agreement. Except as otherwise expressly provided in this Agreement, City shall not be responsible for expenses incurred by Consultant in performing the Services.

6. Invoices. Consultant shall submit a payment request to City by the end of each calendar month listing the Services provided, costs of those Services, and total amount due for the month. Each invoice must also list the current balance on the Agreement, including that invoice, as well as the months remaining on the term of the Agreement.

7. Acceptance of Payment. Consultant's acceptance of final payment made pursuant to this Agreement shall constitute a release of City from all claims and liabilities for compensation to Consultant for anything completed, finished or relating to the Services. City's payment shall not constitute nor be deemed a release of the responsibility and liability of Consultant for the accuracy and competency of the information provided and/or the Services performed hereunder, nor shall such payment be deemed to be an assumption of responsibility or liability by City for any defect or error in the Services performed by Consultant and its employees, agents and subcontractors. Consultant shall provide City with a completed Request for Taxpayer Identification Number and Certification, as issued by the Internal Revenue Service. If any sales tax is due for the Services performed by Consultant or materials or products provided to City by Consultant, Consultant shall pay the sales tax. City shall not reimburse Consultant for sales taxes paid by Consultant.

8. Non-binding Terms. Any terms and conditions that are typed, printed, or otherwise included in any Consultant invoice rendered pursuant to this Agreement shall be deemed to be solely for the convenience of the parties. No such term or condition shall be binding upon City, and no action by City (including, without limitation, the payment of any such invoice in whole or in part) shall be construed as binding City with respect to any such term or condition, unless the specific term or condition has been previously agreed to by Consultant and City in this Agreement or in a binding amendment thereto.

9. Non-Appropriation of Funds. Payments to be made to Consultant by City for the Services performed within the current fiscal year are within the current fiscal budget and within an available, unexhausted and unencumbered appropriation of City. In the event City does not appropriate sufficient funds for payment of the Services beyond the current fiscal year, this Agreement shall cover payment for the Services only up to the conclusion of the last fiscal year in which City appropriated sufficient funds and shall automatically terminate at that fiscal year's conclusion.

10. Coordination of Services. The Services shall be coordinated with the person in the position listed in "(7) City's Project Manager" on the Cover Page, subject to the direction of the City Manager and Department Director. Consultant hereby designates the person in the position listed in "(8) Consultant's Project Manager" on the Cover Page as the person responsible for the Services who shall coordinate with City's Project Manager in making binding decisions in line with this Agreement on behalf of Consultant.

11. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform the Services. Any person who performs engineering services pursuant to this Agreement shall be licensed as a Civil Engineer by the State of California and in good standing. Consultant shall make reasonable efforts to maintain the continuity of Consultant's staff who are assigned to perform the Services. Consultant may associate with or employ associates or subcontractors in the performance of the Services, but at all times shall Consultant be responsible for its associates and subcontractors' labor, advice or materials provided in furtherance of providing the Services. Should any of Consultant's employees, assigns or subcontractors not conduct him- or herself appropriately, as determined by the City's Project Manager, in the process of providing the Services or any portion thereof, the City's Project Manager may notify the Consultant's Project Manager, who shall immediately handle the problem, as determined appropriate by him or her, such that the problem does not persist.

12. Additional Work. City may request additional specified work under this Agreement. The City's Project Manager must authorize all such work in writing before commencement. Consultant shall perform such work, and City shall pay for such additional work, in accordance with Rates and Costs Exhibit. Should the work not fall under any such listed rate or cost, Consultant shall submit a quote for all additional work, which the City's Project Manager must approve in writing by before any such work may commence. The City shall compensate Consultant for any work that does not fall under a rate or cost listed in the Rates and Costs Exhibit, and for which Consultant did not obtain the City's Project Manager's written approval before work commenced, as determined by the City's Project Manager in his or her sole discretion.

13. Advertising and Publicity. Consultant shall not use the name of or refer to City directly or indirectly in any advertisement, news release, or professional or trade publication without prior written approval from the City Manager. This Section shall survive the termination of this License.

14. Audit. City shall have the option of inspecting, auditing and/or reproducing all records and other written materials: used by Consultant in preparing its billings to City as a condition precedent to any payment to Consultant; or for other purposes relating to the Agreement. Consultant will promptly furnish all documents requested by City. Additionally, if this Agreement is in excess of $10,000, the State Auditor may examine and audit Consultant for a period of 3 years after final payment under the Agreement. Regardless of whether a State audit is permitted, Consultant shall maintain and preserve all such records for a period of at least 3 years after final payment under the Agreement or until an audit has been completed and accepted by City, whichever occurs later. Consultant shall maintain all such records in City or to promptly reimburse City for all reasonable costs incurred in conducting the audit at a location other than in City, including but not limited to expenses for personnel, salaries, private auditor, travel, lodging, meals and overhead. Consultant shall include a copy of this Section in all contracts with its subcontractors, and Consultant shall be responsible for immediately obtaining those records or other written material from its subcontractors upon a request by the State Auditor and/or City.

15. Termination. City may terminate this Agreement at any time, with or without cause and without penalty, upon 15 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice. Consultant may terminate this Agreement at any time, with or without cause and without penalty, upon 30 days prior written notice. Such termination shall be effective on the date specified in the notice, or if no date is specified, then 10 calendar days from the date of delivery or mailing of such notice and only if all assignments accepted by Consultant have been

completed before the date of termination. In the event of termination of this Agreement by either party due to no fault or failure of performance by Consultant, City shall pay Consultant compensation for all Services satisfactorily completed in accordance with all of the terms and provisions of this Agreement, as determined by the City, before the effective date of termination; provided, in no event shall the Consultant receive an amount exceeding that which would have been paid to Consultant for the full performance of the Services.

16. Hold Harmless, Defense and Indemnity.

a. If Consultant provides any architectural, landscape architectural, engineering or land surveying ("design professional") services, to the maximum extent permitted by law, Consultant shall hold harmless, defend, and indemnify City, its legislative and advisory bodies, and the City's officials, directors, officers, employees, and agents (collectively, "Indemnitees") from and against any and all claims, demands, causes of action, damages, injuries, liabilities, losses, penalties, fines, judgments, costs or expenses, including reimbursement of attorneys' fees, court costs and costs of alternative dispute resolution, including but not limited to those relating to death or injury to any person and injury to any property (collectively, "Claims"), to the extent that the Claims arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant or of any of its officers, employees, subcontractors or agents in the performance of the Agreement or in the failure to comply with any of the obligations contained in this Agreement. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, to the extent required herein immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

b. If Consultant provides no design professional services, to the maximum extent permitted by law, Consultant shall hold harmless, defend and indemnify the Indemnitees from and against any and all Claims, which arise out of, pertain to, or relate to the performance of this Agreement, or the failure to comply with any of the obligations contained in this Agreement, by Consultant or of any of its officials, directors, officers, employees, subcontractors, or agents. Consultant's obligation to defend is a separate and distinct obligation from Consultant's duty to indemnify and applies through final judgment, including exhaustion of any appeals. Consultant shall be obligated to defend Indemnitees in all legal, equitable, administrative, or special proceedings, with counsel approved by the City Attorney, immediately upon tender to Consultant of the Claim in any form or at any stage of an action or proceeding. The defense obligation includes the obligation to provide independent defense counsel if Consultant asserts that the liability is caused in whole or in part by the negligence or willful misconduct of any of the Indemnitees.

c. The review, acceptance or approval of Consultant's work or work product by any of the Indemnitees shall not affect, relieve or reduce Consultant's indemnification or defense obligations. This Section 16 shall survive completion of the Services or termination of this Agreement. The provisions of this Section 16 shall not be restricted by and does not affect the provisions of this Agreement relating to insurance.

17. Insurance. Consultant shall obtain and maintain during the performance of any services under this Agreement the insurance coverages listed within the insurance document stated in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit, which is attached hereto and incorporated herein by this reference, unless the City's Risk Manager waives, in writing, the requirement that Consultant obtain and maintain such insurance coverages. Consultant shall, before performance of any Services, file with the City's Risk Manager evidence of insurance coverage as specified in "(9) Insurance Coverage" on the Cover Page and in the Insurance Exhibit. Maintenance of insurance coverages by Consultant is a material element of this Agreement. Consultant's failure to maintain or renew insurance coverages or to provide renewal evidence, and any lapse in insurance coverage, may be considered a material breach of this Agreement.

18. Documents and Materials.

a. All final computations, exhibits, files, plans, correspondence, reports, drawings, designs, data, photographs, specifications, information, images, video files, media, or other deliverables prepared, created, drawn, calculated, photographed or developed by Consultant pursuant to this Agreement ("Documents and Materials") shall be the City's property without restriction or limitation upon its use, duplication or dissemination. All Documents and Materials shall be considered "works made for hire," and all Documents and Materials and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of the City without restriction or limitation upon their use, duplication or dissemination by the City. Consultant shall not obtain or attempt to obtain copyright protection as to any Documents and Materials. Consultant hereby assigns to the City all ownership and any and all intellectual property rights to the Documents and Materials that are not otherwise vested in the City pursuant to this Section 18.

b. Consultant shall deliver all Documents and Materials to City's Project Manager upon completion of the Services or termination of this Agreement without additional cost or expense to the City. Additionally, anytime at City's request, City shall be entitled to possession of, and Consultant shall furnish to City's Project Manager within 10 calendar days, any or all of the Documents and Materials without additional cost or expense to the City. In both situations, if Consultant prepares Documents and Materials on a computer, Consultant shall provide City with said Documents and Materials both in a printed format and in an electronic format that is acceptable to the City. Consultant may retain copies of these Documents and Materials but must request permission from the City before use, duplication or dissemination of these Documents and Materials for any purpose other than for the Services provided to the City pursuant to this Agreement.

c. Any substantive modification of the Documents and Materials by City staff or any use of the completed Documents and Materials for other City projects, or any use of incomplete Documents and Materials, without the written consent of Consultant, shall be at City's sole risk and without liability or legal exposure to Consultant.

d. Consultant warrants and represents that it has secured all necessary licenses, consents or approvals to use any instrumentality, thing or component as to which any intellectual property right exists, including computer software, used in the rendering of the Services and the production of all Documents and Materials, and that the City has full legal title to and the right to use, duplicate or disseminate the Documents and Materials. Consultant shall defend, indemnify and hold Indemnitees harmless from any loss, claim or liability in any way related to a claim that City's use of any of the Documents and Materials is violating federal, state or local laws, any contractual provisions, or any laws relating to trade names, licenses, franchises, copyrights, patents or other means of protecting intellectual property rights and/or interests in products or inventions. Consultant shall bear all costs arising from the use of patented, copyrighted, trade secret or trademarked documents, materials, equipment, devices or processes in connection with its provision of the services and Documents and Materials. In the event the use of any of the Documents and Materials by the City is held to constitute an infringement and the use of any of the same is enjoined, Consultant, at its own expense, shall: secure for City the right to continue using the Documents and Materials by suspension of any injunction, or by procuring a license or licenses for City; or modify the Documents and Materials so that they become non-infringing while remaining in compliance with the requirements of this Agreement.

e. This Section 18 shall survive the termination of this Agreement.

19. <u>Confidentiality of Information</u>.

a. For the purposes of this Agreement, "confidential information" means all data or information, in whatever form transmitted, relating to the past, present or future business affairs of the City, including without limitation, (i) technical information, including patent, copyright, trade secret, and other proprietary information, techniques, sketches, drawings, models, inventions, processes, apparatus, equipment, algorithms, software programs, software source documents, and formulas; or (ii) non-technical information, including without limitation finances, financial and accounting data and information, suppliers, customers, customer lists, purchasing data and any other information belonging to the City, or to a third party whose information is in the City's possession or control under obligations of confidentiality, and which is disclosed to Consultant or is developed by Consultant in whole or in part at the City's expense.

b. Said data or information constitutes confidential information pursuant to California Government Code Sections 6254(e), 6254(k), 6254(aa), 6254.9, 6254.16, 6254.18 and 6255, which exempts the City's internal programs and network structure and information regarding infrastructure and customer information from disclosure under the California Public Records Act (California Government Code Sections 6250 through 6276.48) ("CPRA"). Without in any way affecting the confidential nature of the information, the City will provide the requested information to the Consultant pursuant to the terms of this Agreement, and the City's disclosure shall not constitute a public disclosure pursuant to Government Code Section 6254.5.

c. All confidential information shall not be reproduced, transmitted, disclosed or used by the Consultant without the written consent of the City, except as may be necessary for Consultant to fulfill its obligations to the City.

d. Notwithstanding the above, these limitations shall not apply to information that (i) is already known to Consultant at the time of that information's disclosure or becomes publicly known through no wrongful act or omission of Consultant, (ii) is communicated to a third party with the express written consent of City and is not subject to restrictions on further use or disclosure, (iii) is independently developed by Consultant and has no relation to this Agreement, or (iv) is required by law, court order, court-issued subpoena or other legal process to be disclosed; provided, however, that before making such disclosure, Consultant shall immediately provide City with written notice and a reasonable opportunity for City to object to the disclosure or to take action to maintain the confidentiality of the information, unless such prior disclosure is legally impermissible.

e. Consultant shall use reasonable care to protect the confidential information. In the event of a breach or threatened breach of this Agreement, City shall be entitled to obtain an injunction prohibiting any such breach, the costs of which shall be paid by Consultant. Any relief granted shall be in addition to and not in lieu of any other legal or equitable relief, including money damages.

f. Other than an obligation upon the City to deal in good faith, the City makes no warranties and shall bear no liability or responsibility for errors or omissions in any confidential information disclosed under this Agreement or for any business decisions made by Consultant in reliance on any confidential information disclosed under this Agreement.

g. Consultant will use the confidential information solely for the limited purposes of the Services.

h. Except as otherwise agreed upon by the Parties, Consultant shall maintain physical custody or control over all confidential information obtained by it and shall be responsible for ensuring that such confidential information is not disclosed.

i. Without prejudice to the rights and remedies otherwise available to City, Consultant acknowledges and agrees that: the confidential information is valuable to City, unique, and contains sensitive information; a breach of this Agreement could cause irreparable harm to City; and that City could be entitled to seek injunctive relief, specific performance or both if Consultant breaches or threatens to breach any of the provisions of this Agreement.

j. All confidential information shall remain the property of City. Following Consultant's completion of the Services, Consultant shall promptly destroy all such confidential information in its possession or control and certify such destruction to City in a writing signed by an authorized representative.

k. This Section 19 shall survive the termination of this Agreement.

20. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its employees or agents shall have control over the conduct of Consultant or any of its employees, except as stated in this Agreement. Consultant has and shall retain the right to exercise full control over the employment, direction, means of performance, location, compensation and discharge of all persons assisting Consultant, and it is free to dispose of all portions of its time which it is not obligated to devote to City in such a manner and to such persons, firms, or corporations as Consultant wishes except as expressly provided in this Agreement. This Agreement shall not be interpreted to prevent or preclude Consultant from rendering any services for Consultant's own account or to any other person or entity as Consultant in its sole discretion shall determine; provided, however, that performing such services shall not materially interfere with the Services Consultant shall perform for the City. Except as City's Project Manager specifies in writing, Consultant and its employees and agents have no authority, express or implied, to act on behalf of City in any capacity, to incur any debt, obligation or liability on behalf of City, bind City in any manner, or otherwise act on behalf of City as an agent. Consultant and its employees are not employees of City. Consultant and its employees are not entitled to receive from City any of the benefits or rights afforded employees of City, including but not limited to reserve leave, sick leave, vacation leave, holiday leave, compensatory leave, Public Employees Retirement System benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits. Consultant shall not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City. Consultant agrees to pay all required taxes on amounts paid to Consultant under this Agreement, and to indemnify and hold City harmless from any and all taxes, assessments, penalties, and interest asserted against City by reason of the independent contractor relationship created by this Agreement. Consultant shall be solely responsible for, and shall save City harmless from, all matters relating to the payment of Consultant's subcontractors, material suppliers, directors, officers, employees, agents and representatives, including compliance with social security requirements, federal and State income tax withholding, and all other regulations governing employer-employee relations, as applicable. City shall have the right to offset against the amount of any compensation due to Consultant under this Agreement any amount due to City from Consultant as a result of its failure to promptly pay to City any reimbursement or indemnification arising under this Section.

21. Nondiscriminatory Employment. Consultant shall not unlawfully discriminate against any individual based on race, color, religion or religious creed, national origin, ancestry, ethnic group identification, primary language,

physical disability, mental disability, medical condition, genetic information, marital status, gender, gender identity, gender expression, sex, sexual orientation, age, immigration status, citizenship or military and veteran status. Consultant understands and agrees that it is bound by and will comply with all legal nondiscrimination mandates. For every subcontractor who will perform Services, Consultant shall be responsible for such subcontractor's compliance with this Section.

22. Consultant's Representations. Consultant represents, covenants and guarantees that: a) Consultant is licensed, qualified, and capable of furnishing the labor, materials, and expertise necessary to perform the Services in accordance with the terms and conditions set forth in this Agreement; b) there are no obligations, commitments, or impediments of any kind that will limit or prevent Consultant's full performance under this Agreement; c) to the extent required by the standard of practice, Consultant has investigated and considered the scope of Services performed, has carefully considered how the Services should be performed, and understands the facilities, difficulties and restrictions attending performance of the Services under this Agreement.

23. Compliance with Laws. In performing the Services under this Agreement, Consultant shall comply with all applicable laws, ordinances and regulations. Before providing any Services under this Agreement, Consultant shall, at its own expense, obtain and maintain all required certificates, licenses and permits, including a City business tax certificate.

24. Conflict of Interest. If, in performing the Services set forth in this Agreement, Consultant makes, or participates in, a "governmental decision" as described in Title 2, Section 18701(a)(2) of the California Code of Regulations, or performs the same or substantially all the same duties for City that would otherwise be performed by a City employee holding a position specified in City's conflict of interest code, Consultant shall be subject to City's conflict of interest code, the requirements of which include the filing of one or more statements of economic interests disclosing the relevant financial interests of Consultant's personnel providing the Services set forth in this Agreement. Furthermore, Consultant shall not to accept any employment or representation during the term of this Agreement or within 12 months after completion of the Services which is or may likely make Consultant "financially interested," as provided in California Government Code Sections 1090 and 87100, in any decisions made by City on any matter in connection with which Consultant has been retained pursuant to this Agreement.

25. Fictitious Name. If Consultant has a fictitious name, Consultant shall submit to City a new Fictitious Business Name Statement approved by any California county before Consultant's prior Fictitious Business Name Statement expires if such expiration may occur during the term of this Agreement, including any term amendment.

26. Non-Assignability. This Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's personnel's unique competence, experience and specialized personal knowledge. Consultant shall not assign or transfer any interest in this Agreement or any part thereof, whether by assignment or novation, without City's prior written consent, which may be withheld for any reason or for no reason at all. Any purported assignment without written consent shall be null, void, and of no effect, and Consultant shall hold harmless, defend and indemnify Indemnitees from and against all Claims arising from or relating to any unauthorized assignment.

27. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of Consultant.

28. Applicable Law; Venue. The validity, interpretation, and performance of this Agreement shall be controlled by and construed under the laws of the State of California, excluding California's choice of law rules. Venue for any such action relating to the Agreement shall be in the Ventura County Superior Court.

29. Titles. The titles used in this Agreement are for convenience only and shall in no way define, limit or describe the scope or intent of this Agreement or any part of it.

30. Force Majeure. Neither City nor Consultant shall be responsible for delays or failures in performance resulting from acts beyond the control of either party. Such acts shall include but are not be limited to acts of God, riots, acts of war, epidemics, fire, earthquakes, or other disasters.

31. Authority. Any person executing this Agreement on behalf of Consultant warrants and represents that s/he has the authority to execute this Agreement on behalf of Consultant and to bind it to the performance of these obligations.

32. Binding Agreement. The parties do not intend this Agreement to be binding upon them and shall not be held liable to its terms until it is fully executed by all required signers.

33. Cumulative Remedies. All rights and remedies of City herein shall be in addition to all other rights and remedies available at law or in equity, including, without limitation, specific performance for the enforcement of this Agreement, and temporary and permanent injunctive relief.

34. Integration; Amendment. This Agreement, including any other documents incorporated herein by specific reference, constitutes the entire and integrated agreement of City and Consultant regarding the subject matter described herein. This Agreement supersedes all prior oral or written communications, negotiations, representations, agreements and promises. This Agreement may not be modified or amended, nor any provision or breach waived, except in a writing, signed by both parties, that expressly refers to this Agreement.

35. Construction. In the event of any asserted ambiguity in or dispute regarding the interpretation of any matter herein, the interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or who drafted the Agreement in whole or in part.

36. No Waiver. Waiver by either party of any one or more of the conditions of performance under this Agreement shall not be a waiver of any other condition of performance under this Agreement. In no event shall the making by City of any payment to Consultant constitute or be construed as a waiver by City of any breach of covenant, or any default that may then exist on the part of Consultant, and the making of any such payment by City shall in no way impair or prejudice any right or remedy available to City with regard to such breach or default.

37. Attorneys' Fees. The prevailing party shall be entitled to recover reasonable costs, attorneys' fees (including the reasonable value of the services rendered by the City Attorney's Office) and expenses, including investigation fees and expert witness fees, in addition to any other relieve to which that party may be entitled, in any legal action or other proceeding, including an action for declaratory relief, for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with this Agreement.

38. Notice. Except as otherwise required by law, a notice or communication authorized or required by this Agreement shall be in writing and shall be deemed received—on (a) the day of delivery if delivered by hand or overnight courier service during City's regular business hours or (b) the third business day following deposit in the United States mail, postage prepaid—to the addresses listed as "(10) Addresses for Notice" on the Cover Page or at such other address as one party may notify the other in writing.

39. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one and the same agreement. A signed copy of this Agreement transmitted by email to Project Managers' emails listed in "(11) Contact Emails" on the Cover Page or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement for all purposes.

40. Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement on the date that is written as "(1) Agreement Start Date" on the Cover Page.

CITY OF OXNARD		**SFG Retirement Plan Consulting, LLC**	
☐ Tim Flynn, Mayor[1] ☒ Alexander Nguyen, City Manager ☐ Lisa Boerner, Purchasing Manager ☐ Buyer	Date	Mark Shuster, Managing Partner[2]	1/19/19 Date
		JoAnn Parrino, Partner	1/19/19 Date

ATTEST:

Michelle Ascencion, City Clerk (only if Mayor signs)   Date

APPROVED AS TO FORM:

Stephen M. Fischer, City Attorney (always required)   1/28/19 Date

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[1] The City Council must authorize and the Mayor must sign any agreement over $175,000 annually. The City Manager may authorize and sign any agreement over $100,000 but up to $175,000 annually. The Purchasing Manager may authorize and sign any agreement up to $100,000 annually. A Buyer may authorize and sign any agreement up to $25,000 annually.

[2] The City requires the following for any contract:

- For a corporation, the signatures of the Board President, CEO or Vice President and of the Board Secretary, Assistant Secretary, CFO or Assistant Treasurer;
- For an LLC, the signatures of at least two managers of the LLC; or
- For a partnership, the signature of a partner. If the partnership is a limited partnership, the signer must be a general partner.

If the company has a different structure, or if the above-listed persons are not the appropriate signers, please submit to the City Attorney legally-binding documentation stating who can sign and bind your company.

SCOPE OF SERVICES EXHIBIT

The City, as the responsible plan fiduciary for the Plan, engages the Consultant to provide the services described in this Agreement according to the terms of this Agreement.

1. Fiduciary Authority. The "Plan" is a defined benefit plan that does not allow participants to exercise control over plan investments (e.g. Pooled Plan) identified as follows:
   (A) City of Oxnard Supplemental Retirement Plan

2. The City has the authority to enter into an agreement with third parties to assist in the investment management of plan assets. In this capacity, the City (or, to the extent the City has delegated its investment authority to an investment committee, the Committee) is referred to as the "Client."

3. Services. Consultant agrees to provide the following services to Client and the Plan:

   (A) Fiduciary Services. Consultant will perform the Fiduciary Services as follows:
      1. Provide discretionary investment advice to Client regarding the eligible investment options to be held in the Plan including advice regarding: the selection and/or removal of investments consistent with the Plan's investment objectives and asset class weighting and allocation.
      2. Develop an investment policy statement (IPS). The IPS establishes the investment policies and objectives for the Plan, and shall set forth the asset classes and investment categories to be offered under the Plan, as well as the criteria and standards for selecting and monitoring the investments. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt the investment policy statement.
      3. As described more fully in the IPS, prepare periodic investment advisory reports that document consistency of fund management and performance to the guidelines set forth in the IPS and to maintain, remove, and/or replace investments held within the plan.
      4. As described more fulling in the IPS, meet with Client on a periodic basis to discuss reports and recommendations.

   (B) Non-Fiduciary Services. Consultant will perform the Non-Fiduciary Services as follows:
      1. Provide initial (one-time) RFP services and plan fee negotiations.
      2. Distribute plan level newsletters to Client.
      3. Assist Client in the transition of record-keepers and/or plan providers.
      4. Assist Client in their communications with the Vendor.
      5. Assist Client in resolving Vendor service issues.

4. Fiduciary Status: Limitations on Functions. Client acknowledges that:

   (A) In performing the Fiduciary Services, Consultant is acting as a fiduciary of the Plan and as a registered investment adviser under the Investment Advisers Act of 1940.
   (B) In performing the Non-Fiduciary Services, Consultant is not acting as a fiduciary of the Plan.
   (C) In performing both Non-Fiduciary Services and Fiduciary Services, Consultant does not act as, nor has Consultant agreed to assume the duties of, a trustee or the Plan Administrator, and Consultant has no discretion or responsibility to interpret the Plan

documents, to determine eligibility or participation under the Plan, or to take any other action with respect to the management, administration or any other aspect of the Plan.

(D) Consultant does not provide legal or tax advice.

(E) Investments are subject to various market, political, currency, economic, and business risks, and may not always be profitable. As a result, Consultant does not and cannot guarantee financial results.

(F) Consultant may, by reason of performing services for other clients, from time to time acquire confidential information. Client acknowledges and agrees that Consultant is unable to divulge to the Client or any other party, or to act upon, any such confidential information with respect to its performance of this Agreement.

(G) Consultant is entitled to rely upon all information provided to Consultant (whether financial or otherwise) from reputable third parties or by Client, Client's representatives or third-party service providers to Client, the Plan or the Consultant, without independent verification. Client agrees to promptly notify Consultant in writing of any material change in the financial and other information provided to Consultant and to promptly provide any such additional information as may be reasonably requested by Consultant.

(H) Consultant will not be responsible for voting (or recommending how to vote) proxies of any publicly traded securities (including mutual fund shares) held by the Plan (or its trust). Responsibility for voting proxies of investments held by the Plan or its trust remain with Client.

(I) Client understands that Consultant (i) may perform other services for other clients, (ii) may charge a different fee for other clients, and (iii) may give advice and take action that is different for each client even when retirement plans are similar.

5. <u>Representations of Client</u>. Client represents and warrants as follows:

(A) It is the "responsible plan fiduciary" for the control and/or management of the assets of the Plan, and for the selection and monitoring of service providers for the Plan. Consultant is entitled to rely upon this statement until notified in writing to the contrary.

(B) The person signing the Agreement on behalf of Client has all necessary authority to do so.

(C) The execution of this Agreement and the performance thereof is within the scope of the investment authority authorized by the governing instrument and/or applicable laws. The signatory on behalf of Client represents that the execution of the Agreement has been duly authorized by appropriate action and agrees to provide such supporting documentation as may be reasonably required by Consultant.

(D) The Plan and related Trust permit payment of fees out of Plan assets. Client has determined that the fees charged by Consultant are reasonable and are the obligation of the Plan; however, if Client desires, it may pay the fees directly, rather than with Plan assets.

6. <u>Representation of Consultant</u>. Consultant represents as follows:

(A) It is registered as an investment adviser under the Investment Advisers Act of 1940.

(B) It has the power and authority to enter into and perform this Agreement.

7. <u>Standard of Care</u>.

(A) Consultant will perform the Fiduciary Services described in Appendix A to the Plan in accordance with the standard of care required of an Investment Adviser acting as a fiduciary.

(B) Consultant will perform the Non-Fiduciary Services described in Appendix B using reasonable business judgment and shall not be liable for any liabilities and claims arising thereunder, unless directly arising from Consultant's intentional misconduct or gross negligence.

8. Receipt of Disclosure and Consent to Electronic Deliver. Client acknowledges receipt and undertakes to review and consider the disclosures made by Consultant (including in this Agreement, the Form ADV Part 2 and Consultant Privacy Policy), in particular the portions related to services, compensation, and potential conflicts of interest, as well as the remainder of the disclosures concerning, among other matters, background information such as educational and business history, business practices such as the types of advisory services provided, the methods of securities analysis used, and the like.

   Further, Client consents to electronic delivery (via email or other generally accepted method) of current and future distributions of Consultant's Form ADV Part 2 and Privacy Policy. Consent to electronic delivery may be canceled at any time by sending a written request to Consultant.

Consent to Use of Client Name and Logo. Client authorizes Consultant to use Client's name and/or logo in marketing material created by Consultant include providing Client's name as a reference if requested by a potential client of Consultant. The consent provided in the sentence above only authorizes Consultant the authority to reference that the Client is a client and may not state, infer, or imply that Client recommends Consultant or its services.

RATES AND COSTS EXHIBIT

1. The fee for services provided under this Agreement shall be 12 basis points per annum (1 basis point per month). One basis point is the equivalent of 0.01 percent.

2. The fee shall commence the date the plan transfers to a new recordkeeper, or the effective date of a revised agreement with the current recordkeeper, Consultant's compensation will be deducted from plan assets and paid to Consultant by the recordkeeper.

INSURANCE EXHIBIT

INS-A

INSURANCE REQUIREMENTS FOR CONSULTANTS (WITH ERRORS AND OMISSIONS REQUIREMENT)

1. Consultant shall obtain and maintain during the performance of any services under this Agreement the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of services hereunder by Consultant, its agents, representatives, employees or subconsultants.

a. Commercial General Liability Insurance, including Contractual Liability, in an amount not less than $1,000,000 combined single limit for bodily injury and property damage for each claimant for general liability with coverage equivalent to Insurance Services Office Commercial General Liability Coverage (Occurrence Form CG 0001). If a general aggregate limit is used, that limit shall apply separately to the project or shall be twice the occurrence amount;

b. Business automobile liability insurance in an amount not less than $1,000,000 combined single limit for bodily injury and property damage for each claimant for automobile liability with coverage equivalent to Insurance Services Office automobile liability coverage (Occurrence Form CA0001) covering Code No. 1, "any auto;"

c. Professional liability/errors and omissions insurance appropriate to Consultant's profession to a minimum coverage of $1,000,000, with neither Consultant nor listed subconsultants having less than $500,000 individually. The professional liability/errors and omissions insurance must be project specific with at least a one year extended reporting period, or longer upon request.

d. Workers' compensation insurance in compliance with the laws of the State of California, and employer's liability insurance in an amount not less than $1,000,000 per claimant. Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City.

2. Consultant shall, prior to performance of any services, file with the Risk Manager certificates of insurance with original endorsements effecting coverage required by this Exhibit INS-A. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on the attached forms or on other forms approved by the Risk Manager. All certificates and endorsements are to be received and approved by the Risk Manager before commencement of services. City reserves the right to require complete certified copies of all required insurance policies at any time. The certificates of insurance and endorsements shall be sent via email (or fax if necessary) to the Risk Manager, addressed as follows (do not send hard copies):

City of Oxnard
Insurance Compliance
Reference No. _______________
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

3. Consultant agrees that all insurance coverages shall be provided by a California admitted insurance carrier with an A.M. Best rating of A:VII or better and shall be endorsed to state that coverage may not be suspended, voided, canceled, or reduced in coverage or limits without 30 days' prior written notice to the Risk Manager. The Risk Manager shall not approve or accept any endorsement if the endorsement contains "best effort" modifiers or if the insurer is relieved from the responsibility to give such notice.

4. Consultant agrees that the commercial general liability and business automobile liability insurance policies shall be endorsed to name City, its City Council, officers, employees, agents and volunteers as additional insureds as respects: liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to City, its City Council, officers, employees, agents and volunteers. **The General Liability Special Endorsement Form and Automobile Liability Special Endorsement Form attached to this Exhibit INS-A or substitute forms containing the same information and acceptable to the Risk Manager shall be used to provide the endorsements (ISO form CG 2010 11/85 or if not available, CG 2010 with an edition date prior to 01/04 <u>and</u> CG 2037).**

5. The coverages provided to City shall be primary and not contributing to or in excess of any existing City insurance or self-insurance coverages (**this must be endorsed**). Additionally, the workers' compensation policy shall include a waiver of all rights of subrogation which the insurer may have against the City. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its City Council, officers, employees and volunteers. The insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6. The insurer shall declare any deductibles or self-insured retentions to and be approved by the Risk Manager. At the option of the Risk Manager, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its City Council, officers, employees and volunteers, or the Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

7. All insurance standards applicable to Consultant shall also be applicable to Consultant's subconsultants. Consultant agrees to maintain appropriate agreements with subconsultants and to provide proper evidence of coverage upon receipt of a written request from the Risk Manager.

INSTRUCTION FOR SUBMITTING INSURANCE CERTIFICATES AND ENDORSEMENT FORMS

Certificates of Insurance

The sample accord form on the following page is provided to facilitate your preparation and submission of certificates of insurance. You may use this or any industry form that shows coverage as broad as that shown on the attached sample. **Please note the certificate holder address must be as shown on the attached sample accord form with the contract number and insurance exhibit identification information completed.** Improperly addressed certificates may delay the contract start-up date because the City's practice is to return unidentifiable insurance certificates to the insured for clarification as to the contract number. **Cancellation provisions must be endorsed to the policy. Modifying the certificate does not change coverage or obligate the carrier to provide notice of cancellation.**

Endorsement Forms

Original endorsements are required for commercial general liability and business automobile liability insurance policies and must be attached to the applicable certificate of insurance. City preference is that the Consultant/insurer use the endorsement forms which are attached. Substitute forms will be accepted, however, as long as they include provisions comparable to the sample accord form.

ACORD CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)

PRODUCER	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
CODE SUB-CODE	**COMPANIES AFFORDING INSURANCE COVERAGE**
INSURED	COMPANY LETTER A SPECIFY COMPANY NAMES IN THIS SPACE
	COMPANY LETTER B

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	**GENERAL LIABILITY** [x] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [x] OCCUR. [x] OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE PRODUCTS COMP/OP AGG. PERSONAL & ADV. INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED. EXPENSE (Any one person)	$1,000,000 $1,000,000 $1,000,000 $1,000,000 $ $
A	**AUTOMOBILE LIABILITY** [x] ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS GARAGE LIABILITY				COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$1,000,000 $ $ $
A	**EXCESS LIABILITY** UMBRELLA FORM OTHER THAN UMBRELLA FORM				EACH OCCURRENCE AGGREGATE	$ $
A	**WORKERS' COMPENSATION** AND EMPLOYERS' LIABILITY				STATUTORY LIMITS EACH ACCIDENT DISEASE-POLICY LIMIT DISEASE-EACH EMPLOYEE	 $1,000,000 $1,000,000 $1,000,000
A	**OTHER** Errors and omissions insurance or malpractice insurance available for the insured's profession				Minimum coverage Each consultant/ & listed sub-consultant	$1,000,000 $500,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS

CERTIFICATE HOLDER **CITY OF OXNARD** **Attn: Insurance Compliance** **Reference No.________** **P.O. Box 100085 – OX** **Duluth, GA 30096** **Via Email: cityofoxnard@ebix.com** **Via Fax: 678-259-1007**	**CANCELLATION** SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ~~ENDEAVOR TO~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~ AUTHORIZED REPRESENTATIVE

GENERAL LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")

SUBMIT IN DUPLICATE

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)

PRODUCER

Telephone:

POLICY INFORMATION:
Insurance Company:
Policy No.:
Policy Period: (from) (to)
LOSS ADJUSTMENT EXPENSE ❒ Included in Limits ❒ In Addition to Limits

❒ Deductible ❒ Self-Insured Retention (check which) of $ ______________ with an Aggregate of $______ applies to ______________ coverage. ❒ Per Occurrence ❒ Per Claim (which)

NAMED INSURED

APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ❒ in which case only the following specific agreements and permits with the City are covered

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

GENERAL LIABILITY
❒ COMMERCIAL GENERAL LIABILITY
❒ COMPREHENSIVE GENERAL LIABILITY
❒ OWNERS & CONTRACTORS PROTECTIVE

❒ Claims Made
Retroactive Date ______________
❒ Occurrence

COVERAGES

	LIABILITY LIMITS IN THOUSANDS $	
	EACH OCCURRENCE	AGGREGATE
❒ GENERAL		
❒ PRODUCTS/COMPLETED OPERATIONS		
❒ PERSONAL & ADVERTISING INJURY		
❒ FIRE DAMAGE		
❒ ______________		
❒ ______________		

OTHER PROVISIONS

CLAIMS: Underwriter's representative for claims pursuant to this insurance.

Name: ______________
Address: ______________
____
Telephone: ( )

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

1. **INSURED.** The City, its officers, agents, employees and volunteers are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.

2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.

3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.

4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.

5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.

6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
   a. Insurance Services Office Commercial General Liability Coverage, "occurrence" form CG0001; or
   b. If excess, affords coverage which is at least as broad as the primary insurance form CG0001.

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER

CITY OF OXNARD
Attn: Insurance Compliance
Reference No.________
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

AUTHORIZED REPRESENTATIVE

❒ Broker/Agent ❒ Underwriter ❒ ______________

I ______________ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.

Signature ______________
(original signature required)
Telephone: ( ) ______________ Date Signed: ______________

AUTOMOBILE LIABILITY SPECIAL ENDORSEMENT FOR THE CITY OF OXNARD (the "City")

SUBMIT IN DUPLICATE

ENDORSEMENT NO.	ISSUE DATE (MM/DD/YY)

PRODUCER

Telephone:

NAMED INSURED

POLICY INFORMATION:
Insurance Company:
Policy No.:
Policy Period: (from) (to)
LOSS ADJUSTMENT EXPENSE ❒ Included in Limits
❒ In Addition to Limits

❒ Deductible ❒ Self-Insured Retention (check which) of $ ______________
with an Aggregate of $______________________________ applies to coverage. ❒ Per Occurrence ❒ Per Claim (which)

APPLICABILITY. This insurance pertains to the operations, products and/or tenancy of the named insured under all written agreements and permits in force with the City unless checked here ❒ in which case only the following specific agreements and permits with the City are covered:

CITY AGREEMENTS/PERMITS

TYPE OF INSURANCE

❒ COMMERCIAL AUTO POLICY
❒ BUSINESS AUTO POLICY
❒ OTHER

OTHER PROVISIONS

LIMIT OF LIABILITY

$ ______________ per accident, for bodily injury and property damage.

CLAIMS: Underwriter's representative for claims pursuant to this insurance.
Name: ______________________________
Address: ______________________________
____
Telephone: (   ) ______________________________

In consideration of the premium charged and notwithstanding any inconsistent statement in the policy to which this endorsement is attached or any endorsement now or hereafter attached thereto, insurance company agrees as follows:

1. **INSURED.** The City, its officers, agents, volunteers and employees are included as insureds with regard to liability and defense of suits arising from the operations, products and activities performed by or on behalf of the named insured.
2. **CONTRIBUTION NOT REQUIRED.** As respects: (a) work performed by the named insured for or on behalf of the City; or (b) products sold by the named insured to the City; or (c) premises leased by the named insured from the City, the insurance afforded by this policy shall be primary insurance as respects the City, its officers, agents, employees or volunteers; or stand in an unbroken chain of coverage excess of the named insured's scheduled underlying primary coverage. In either event, any other insurance maintained by the City, its officers, agents, employees or volunteers shall be in excess of this insurance and shall not contribute with it.
3. **SEVERABILITY OF INTEREST.** This insurance applies separately to each insured against whom claim is made or suit is brought except with respect to the company's limits of liability. The inclusion of any person or organization as an insured shall not affect any right which such person or organization would have as a claimant if not so included.
4. **CANCELLATION NOTICE.** With respect to the interests of the City, this insurance shall not be canceled, or materially reduced in coverage or limits except after thirty (30) days prior written notice by receipted delivery has been given to the City.
5. **PROVISIONS REGARDING THE INSURED'S DUTIES.** Any failure to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the City, its officers, agents, employees or volunteers.
6. **SCOPE OF COVERAGE.** This policy, if primary, affords coverage at least as broad as:
   a. Insurance Services Office Automobile Liability Coverage, "occurrence" form CA0001, code ("any auto"); or
   b. If excess, affords coverage which is at least as broad as the primary insurance form referenced in the preceding section (1).

Except as stated above nothing herein shall be held to waive, alter or extend any of the limits, conditions, agreements or exclusions of the policy to which this endorsement is attached.

ENDORSEMENT HOLDER

CITY OF OXNARD
Attn: Insurance Compliance
Reference No.________
P.O. Box 100085 – OX
Duluth, GA 30096
Via Email: cityofoxnard@ebix.com
Via Fax: 678-259-1007

AUTHORIZED REPRESENTATIVE
❒ Broker/Agent ❒ Underwriter ❒ ______________________________

I ______________________________ (print/type name), warrant that I have authority to bind the above-mentioned insurance company and by my signature hereon do so bind this company to this endorsement.

Signature ______________________________
(original signature required)

Telephone: (   ) Date Signed ______________

OXNARD
CALIFORNIA

Consolidation of the City's 457(b), 401(a) and PEHP Record-Keeping Platforms

Presented to: Finance and Governance Committee
February 12, 2019

Background

- The City of Oxnard provides employer-sponsored deferred compensation plans under Section 457(b) of the Internal Revenue Code ("IRC") and a money purchase plan under Section 401(a) of the IRC (the "Plans")
    - 457(b) Plans provide tax benefits to employees who make deposits into the Plans for their retirement
    - 401(a) Plans provide defined contribution payments by the City to eligible City executives and employees
    - The 457(b) and 401(a) plans are with multiple providers: Nationwide, ICMA-RC, MassMutual, and Transamerica (the "Record-keepers")

- In addition, the City provides certain eligible employees with a Post-Employment Health Reimbursement Plan ("PEHP") through three of the four Record-keepers.
    - PEHPs are used to accumulate assets on a tax-free basis that can be used to pay for qualified medical expenses after separation of service or retirement

Background

- By having multiple plans with multiple Record-keepers, the City is not leveraging the buying power of all plan assets, therefore no economy of scale exists.

- By consolidating all 457(b), 401(a), and PEHP assets to a single Record-keeper, employees will be better served and their funds will grow more rapidly with significantly lower administrative fees, a higher rate of return on funds in the fixed account, and significantly better investment options.

Fiduciary Duty

- Government entities that sponsor 457(b), 401(a), and/or PEHP Plans have fiduciary responsibilities to ensure the operation and investments of the plan is for the exclusive purpose of providing benefits to participants and beneficiaries. The fiduciary responsibilities are to:
  - Administer the plan,
  - Ensure plan costs are reasonable, and
  - Engage in a prudent process for making all decisions related to the operation of the plan, including decisions related to the plan's investments and related services.

RFI & RFP

- SFGRPC conducted an RFI that included a review of all contract fees, investment options, fixed interest rates and participant services
- Utilizing the RFI data, SFGRPC conducted an RFP to seven (7) record-keepers, including the incumbents
- Based on the results of the RFP, Staff determined plan participants as a whole would benefit by consolidating record-keepers to a single record-keeper
- Staff evaluated the services and costs of existing and prospective record-keepers and determined Voya would provide fees, guaranteed interest rates, technology and resources best benefiting employees.

RFP Results

	Admin Fees	Fund Fees	Advisor Fees	Total Fees	Interest Rates*
Nationwide 457(b)	0.20%	0.95%	0%	1.15%	3.45%
Nationwide 401(a)	0.20%	0.99%	0%	1.19%	2.46%
ICMA-RC 457(b)	0.39%	0.36%	0%	0.75%	1.99%
ICMA-RC 401(a)	0.30%	1.26%	0%	1.56%	1.99%
MassMutual 457(b)	0.45%	0.79%	0%	1.24%	3.00%
Current Weighted Total Fee	**0.28%**	**0.74%**	**100%**	**101.01%**	**2.97%**
New Voya	**0.04%**	**0.40%**	**0.06%**	**0.50%**	**3.50%**

Investment Performance

SFGRPC Line-Up: Investment Scoring/Rating Comparison

	RPAG (0-10, 10 is best)	Morningstar (1-5, 5 is best)
Nationwide	6.7	3.5
ICMA-RC	6.7	3.5
MassMutual	6.9	3.2
SFGRPC	**8.7**	**3.9**

SFGRPC Line-Up: Enhanced Performance from Current Menus

	ICMA-RC	Nationwide	Total
1-Year Performance Difference*	**1.36%**	**1.72%**	**+$1,278,718**
3-Year Performance Difference*	**2.13%**	**1.43%**	**+$4,062,213**
5-Year Performance Difference*	**1.17%**	**1.32%**	**+$5,085,631**
10-Year Performance Difference*	**3.11%**	**2.51%**	**+$21,901,685**

* Based on historical performance. Does not assume any future contributions or withdrawals. Actual performance will vary based upon market conditions. Past performance is not a guarantee of future results.

New Investment Line-Up

Style	Fund Name	Ticker	Asset Class	RPAG Score (0-10, 10 is best)	Morningstar Rating (1-5, 5 is best)	Expense Ratio	Revenue Sharing
Domestic Equity	American Funds Washington Mutual R6	RWMGX	Large Cap Value	10	5	0.36%	$0
	MFS Core Equity R6	MRGKX	Large Cap Blend	10	5	0.84%	$0
	Fidelity 500 Index Premium	FUSVX	Large Cap Blend	10	4	0.07%	$0
	Fidelity Total Market Index Premium	FSTVX	Large Cap Blend	9	4	0.32%	$0
	MassMutual Select Blue Chip Growth I	MBCZX	Large Cap Growth	9	4	0.38%	$0
	Victory Sycamore Established Value R6	VEVRX	Mid Cap Value	10	4	0.64%	$0
	Fidelity Mid Cap Index Premium	FSCKX	Mid Cap Blend	10	4	0.45%	$0
	Carillon Eagle Mid Cap Growth R6	HRAUX	Mid Cap Growth	10	4	0.05%	$0
	Vanguard Mid-Cap Growth Index Admiral	VMGMX	Mid Cap Growth	9	3	0.43%	$0
	Wells Fargo Special Small Cap Value R6	ESPRX	Small Cap Value	10	4	0.12%	$0
	DFA US Micro Cap I	DFSCX	Small Cap Blend	9	4	0.10%	$0
	Vanguard Small Cap Index Adm	VSMAX	Small Cap Blend	8	4	0.60%	$0
	Federated MDT Small Cap Growth R6	QLSGX	Small Cap Growth	9	4	0.53%	$0
	Vanguard Small Cap Growth Index Admiral	VSGAX	Small Cap Growth	9	3	0.58%	$0
	Vanguard Strategic Equity Inv	VSEQX	SMid Cap Blend	10	3	0.00%	$0
International / Global Equity	DFA International Social Cor Eq Instl	DSCLX	International Large Cap Value	9	4	0.88%	$0
	Goldman Sachs Intl Eq Insghts R6	GCIUX	International Large Cap Blend	10	5	0.10%	$0
	Vanguard Developed Markets Index Admiral	VTMGX	International Large Cap Blend	10	4	0.10%	$0
	Vanguard International Growth Adm	VWILX	International Large Cap Growth	8	5	0.10%	$0
	Vanguard International Explorer Inv	VINEX	International Small-Mid Cap Growth	10	3	0.24%	$0
	American Funds New World R6	RNWGX	Emerging Market Equity	10	4	0.64%	$0
	American Funds New Perspective R6	RNPGX	Global Equity	9	4	0.13%	$0
Specialty Equity	Cohen & Steers Real Estate Securities I	CSDIX	REIT	10	4	0.15%	$0
	Vanguard Information Technology Idx Adm	VITAX	Technology	10	4	0.15%	$0
	Vanguard Health Care Index Admiral	VHCIX	HealthCare	10	4	0.15%	$0
	Vanguard Utilities Index Adm	VUIAX	Utilities	10	4	0.61%	$0
	DFA Global Real Estate Securities Port	DFGEX	Global Real Estate	10	4	0.15%	$0

New Investment Line-Up

Style	Fund Name	Ticker	Asset Class	RPAG Score (0-10, 10 is best)	Morningstar Rating (1-5, 5 is best)	Expense Ratio	Revenue Sharing
Fixed Income	Vanguard Total Bond Market Index Adm	VBTLX	Core Fixed Income	10	3	0.13%	$0
	Western Asset Core Plus Bond IS	WAPSX	Core Fixed Income	9	5	0.13%	$0
	DFA Inflation-Protected Securities I	DIPSX	U.S. Government TIPS	7	4	0.14%	$0
	Vanguard Short-Term Investment-Grade Adm	VFSUX	Short-Term Bond	7	4	0.14%	$0
	Lord Abbett High Yield R6	LHYVX	High Yield	10	4	0.15%	$0
	Lord Abbett Floating Rate R6	LRRVX	Bank Loan	9	4	0.14%	$0
	PGIM Global Total Return R6	PGTQX	Global Fixed Income	9	4	0.15%	$0
	Fixed / Stable Value		GIC	N/R	N/R	0.15%	$0
Asset Allocation - Age Based	Vanguard Target Retirement Income Inv	VTINX	Conservative	9	4	0.29%	$0
	Vanguard Target Retirement 2015 Inv	VTXVX	Moderate Conservative	9	3	0.19%	$0
	Vanguard Target Retirement 2020 Inv	VTWNX	Moderate	9	4	0.02%	$0
	Vanguard Target Retirement 2025 Inv	VTTVX	Moderate	8	4	0.02%	$0
	Vanguard Target Retirement 2030 Inv	VTHRX	Moderate	7	4	0.65%	$0
	Vanguard Target Retirement 2055 Inv	VFFVX	Moderate Aggressive	8	4	0.54%	$0
	Vanguard Target Retirement 2050 Inv	VFIFX	Moderate Aggressive	8	4	0.75%	$0
	Vanguard Target Retirement 2045 Inv	VTIVX	Moderate Aggressive	8	4	0.05%	$0
	Vanguard Target Retirement 2040 Inv	VFORX	Moderate Aggressive	8	4	0.67%	$0
	Vanguard Target Retirement 2035 Inv	VTTHX	Moderate Aggressive	8	4	0.37%	$0
	Vanguard Target Retirement 2060 Inv	VTTSX	Moderate Aggressive	7	3	0.52%	$0
	Vanguard Target Retirement 2065 Inv	VLXVX	Aggressive	N/R	N/R	0.05%	$0
Asset Allocation - Risk Based	Vanguard Wellesley Income Admiral	VWIAX	Moderate Conservative	9	4	1.09%	$0
	Fidelity Puritan	FPURX	Moderate	7	4	0.32%	$0
	American Funds Growth and Inc Port R6	RGNGX	Moderate Aggressive	9	4	0.49%	$0

Consolidation Summary

- Reduced plan and investment fees
- Fee transparency
- Fee equalization
- Enhanced participant services
- Independent investment review and management
- Estimated $52m positive impact to participants over a 20-year period *

* Based upon current and proposed fees, an average 1% increase in investment performance and current guaranteed interest rates. Actual performance will vary thus affecting positive impact higher or lower.

Questions?

Administration of PARS Benefit:
Conversion from Phase II Systems, Inc. to MassMutual

Presented to: Finance and Governance Committee

February 12, 2019

Background

- Supplemental retirement plan effective January 1, 2002
- Covered groups include all employees except Police and Fire safety employees
- No longer offered to new hires as of January 1, 2013 due to The California Public Employees' Pension Reform Act (PEPRA)
- Enhances benefit to 3% @ 60
- Investments managed as balanced approach
  - Stocks (50% - 70%)
  - Bonds (30% - 50%)
  - Cash (0% - 20%)
- Current account balance of approximately $77 million

Issues with Current Structure

- Higher management fees
- Lack of fee transparency
- Higher investment (mutual fund) fees
- Inaccessibility of information for employees
- Inefficient processing

All of these items create direct costs to the City of Oxnard, and any savings directly benefit the City.

Solution and Process

- Seek another administrator of supplemental defined benefit plan (PARS)
- Engaged Shuster Financial Group to seek solutions from other defined benefit plan administrators
    - Received proposals from Prudential and MassMutual
- MassMutual was determined to be the lowest cost with the highest level of service and technology

What is/is NOT Being Proposed

What is Being Proposed

- Changing the plan administrator from Phase II Systems, Inc. to MassMutual
- Changing the trustee from U.S. Bank to MassMutual
- Changing the investment manager from Highmark Capital to Shuster Financial Group
- Saving the City approximately $185K in fees ***annually***
- *Improving investment performance due to lower mutual fund fees and better quality mutual funds*
- *Improving access to information for employees and retirees via MassMutual's online portal*
- *Creating operational efficiencies with MassMutual's online portal*

What is NOT Being Proposed

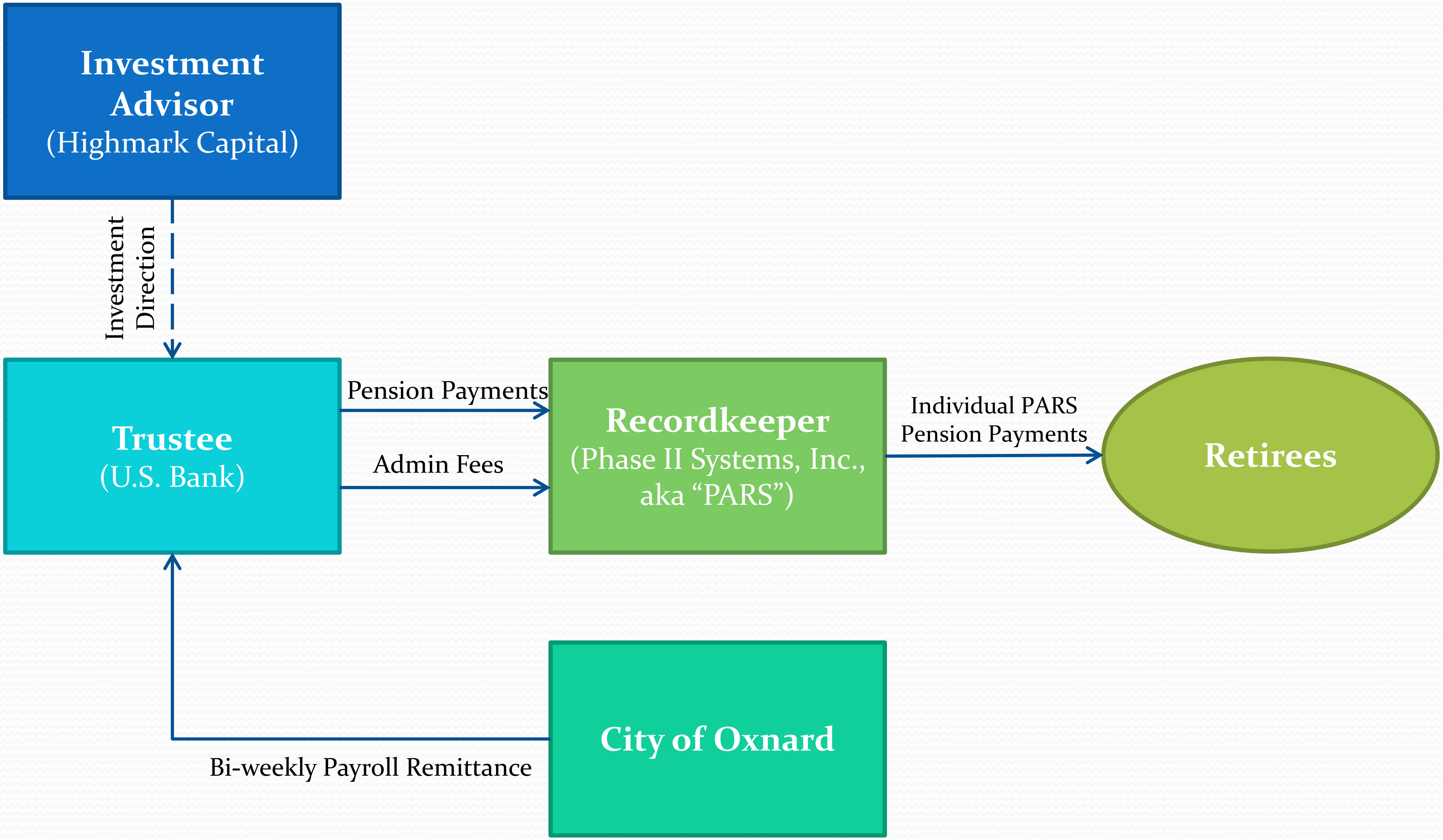
- Changing or eliminating the supplemental retirement benefit to employees
- Changing the investment strategy

Recommendation

- Finance and Governance Committee to approve the following agreements for the management of the "PARS" supplemental retirement benefit:
  - Agreement No. A-8123 with MassMutual as trustee and recordkeeper (Administrative Services Agreement for Defined Benefit Plans)
  - Agreement No. 8530-19-HR with SFG Retirement Plan Consulting, LLC (investment management services)

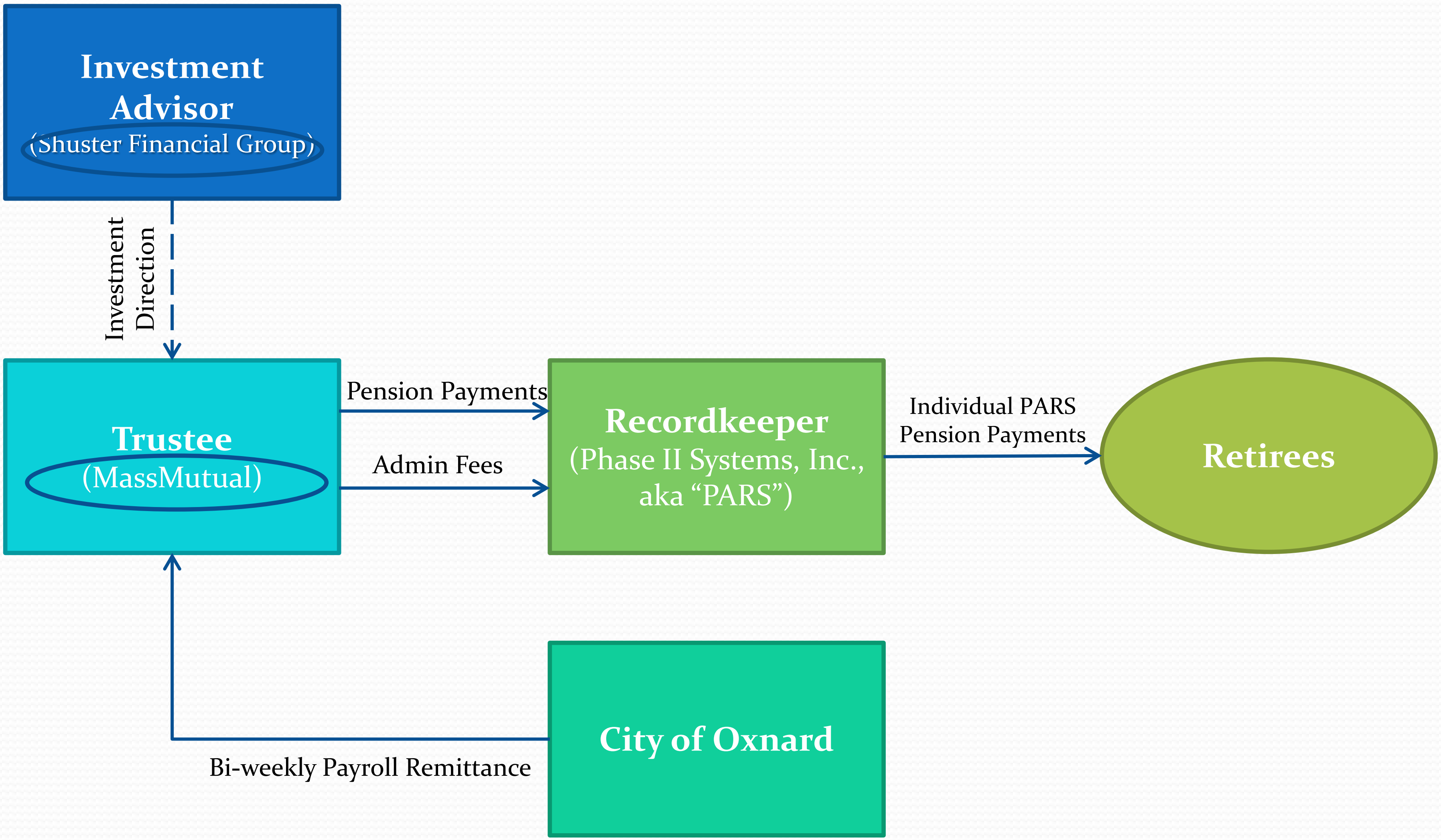
PARS Administration Process

Current



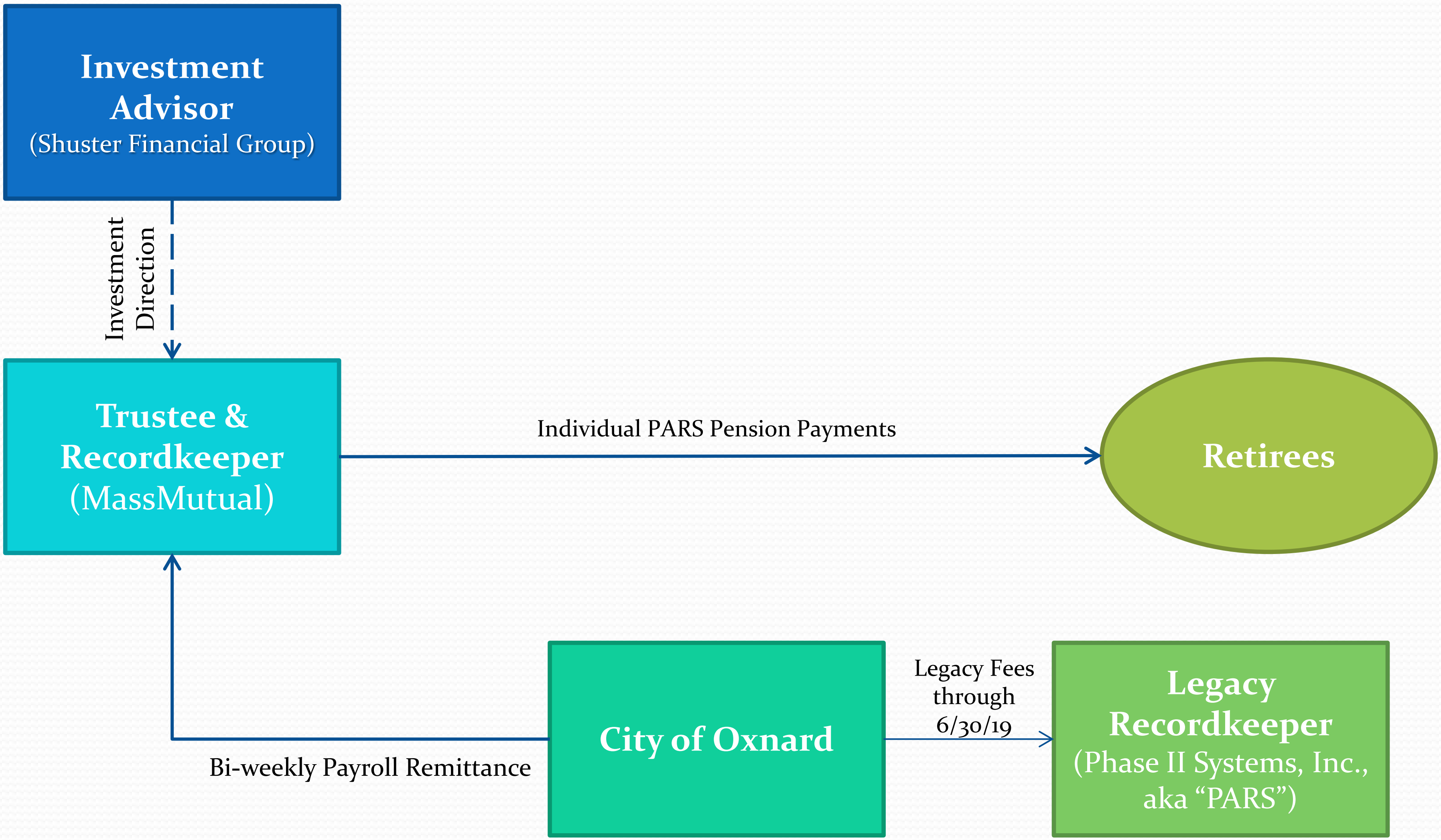
PARS Administration Process

Proposed for January 2019 – March 2019



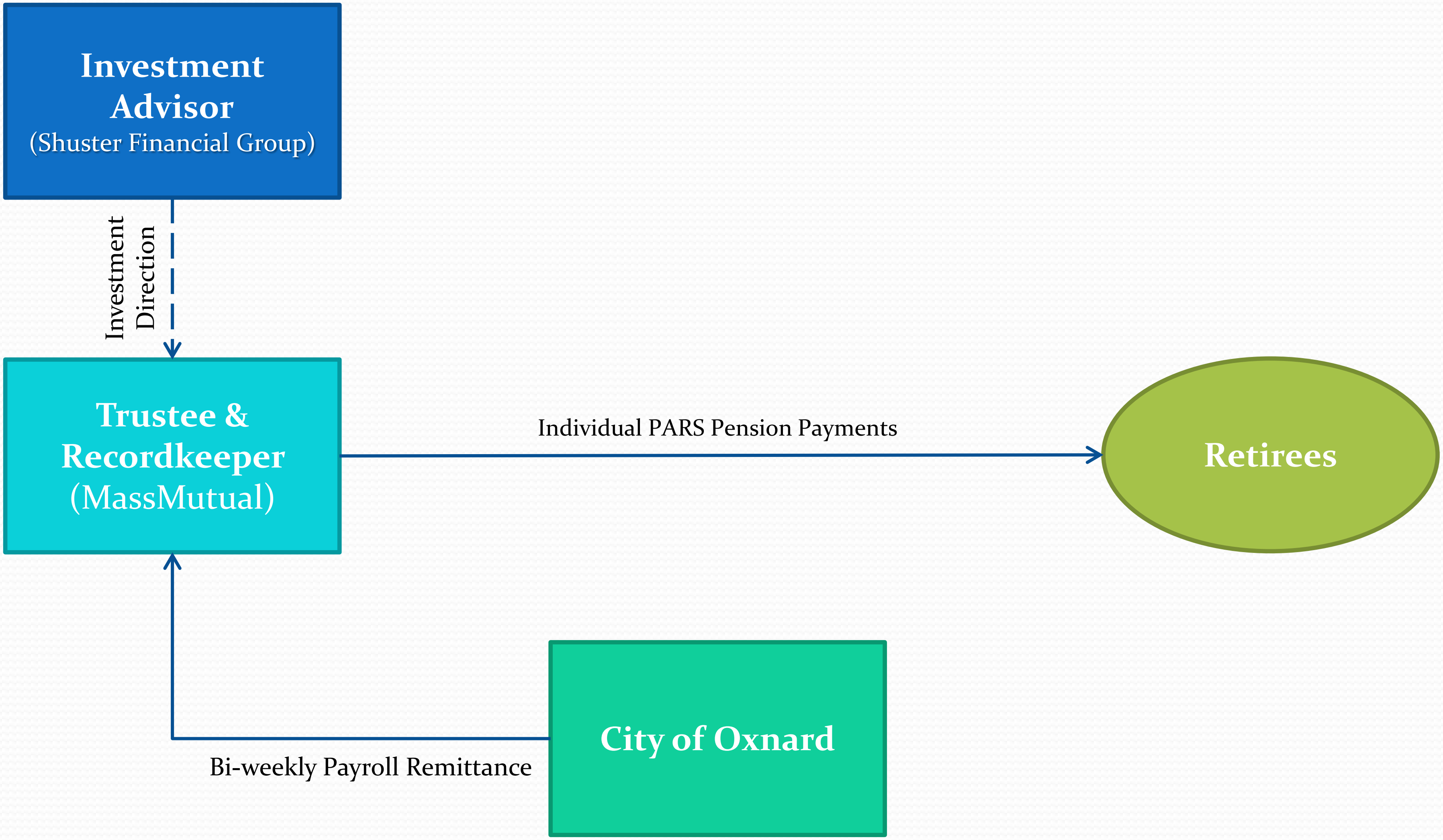
PARS Administration Process

Proposed for April - June 2019



PARS Administration Process

Proposed for July 2019 and Thereafter



Net Fee Savings for Interim Transition Period (Apr – Jun 2019)

Description	Percentage	$ (Cost)/Savings
Fees to Phase II Systems, Inc.	(0.025%)	$ (19,318)
Fee savings - U.S. Bank/Highmark Capital	0.09%	69,544
Fees to Shuster Financial Group	(0.03%)	(23,181)
Fees to MassMutual	(0.025%)	(19,318)
NET SAVINGS – 3 MONTH PERIOD	**0.01%**	**$7,727**

Net Annual Fee Savings
Beginning July 1, 2019

Description	Percentage	$ (Cost)/Savings
Fee Savings to Phase II Systems, Inc.	0.10%	$ 77,270
Fee savings - U.S. Bank/Highmark Capital	0.36%	278,173
Fees to Shuster Financial Group	(0.12%)	(92,724)
Fees to MassMutual	(0.10%)	(77,270)
NET ANNUAL FEE SAVINGS	**0.24%**	**$185,449**

City of Oxnard

Defined Benefit Portfolio Performance Analysis - Net of Plan, Advisor and Investment Fees*

July 31, 2018 Market Value:	**$77,270,383**

Option	Service	Portfolio Returns (9/30/18)		
		1-Year	3-Year	5-Year
Current	Highmark Investment Management	9.79%	11.84%	9.36%
	End of Year Balance	$84,835,153	$108,094,734	$120,866,396
MassMutual	SFGRPC Investment Management	11.55%	13.27%	10.06%
	End of Year Balance	$86,195,112	$112,294,314	$124,784,489
	Combined Difference/Savings to City	**$1,359,959**	**$4,199,579**	**$3,918,094**

PARS Conversion Timeline

March 2018

Send letter to Phase II Systems Inc. to transfer assets to new trustee (MassMutual)

April 2019

Commence agreement with MassMutual to begin transition

April 2019

Outreach to retirees and active members (through June 2019)(1)

April 1, 2019

Deadline to provide notice to Phase II Systems, Inc. 90 days before cancellation of agreement

May 2019

MassMutual begins retiree services including paying current retirees

July 1, 2019

MassMutual begins full administration (2)

Notes:

(1) Several emails to employees and bargaining units, letters to retirees, informational meetings scheduled in Apr-Jun 2019 open to retirees and active participants.

(2) Includes information for all active participants, including annual pension statements, benefits estimates, benefits meetings (group and individual), online benefit modeling and projections.

Questions?