



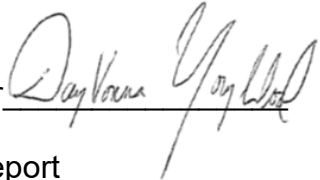
Inter Office Memo

DEPARTMENT OF
HUMAN RESOURCES

ITEM 5

DATE: September 24, 2026

TO: Deferred Compensation Management Council

FROM: DayVonna Youngblood, Human Resources Manager 

SUBJECT: 457(b) Deferred Compensation Plan Participation Report

DISCUSSION

Pursuant to Deferred Compensation Management Council direction, staff has prepared the reporting below and attached, regarding employee participation in the 457(b) Deferred Compensation Plan (the "457(b) Plan"). As of September 4, 2026, there are 8,373 total 457(b) Plan participants, which includes active, separated, and retired employees.

1. Current Participation

Staff created a report showing 457(b) Plan participation by employer-match eligibility, age band, years of service, ethnic group, department, gender, income tier, and employee group, attached to this item as Exhibit A. Each category is sorted by lowest to highest participation rate.

Below is a summary of Exhibit A:

- As of the pay period ending **August 16, 2026**, the overall participation rate is **73.3%**, based on **5,315** active contributors out of **7,247** eligible employees.
 - For reference, the **overall participation rate** was **73.5%** in the previous quarter, and **71.7%** one (1) year ago.
 - The average contribution among all participants is \$165 per pay period, which represents a 5.5% contribution rate.
- As of the pay period ending **August 16, 2026**, the participation rate among employees who are eligible for the employer matching contribution is **75.3%**, based on **4,018** active contributors out of **5,336** eligible employees.
 - For reference, the **match-eligible participation rate** was **75.6%** in the previous quarter, and **73.6%** one (1) year ago.
 - The average contribution for match-eligible participants is \$139 per pay period, which represents a 4.8% contribution rate.
 - In addition, **3,284** or **81.7%** of the **4,018** active contributors are receiving the full

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matching contribution of \$50 per paycheck.

2. Ongoing Enrollment Initiatives

New Employee Orientation. New hires and rehires are required to complete the 457(b) Plan EZ Enrollment Form, through the NEOGOV onboarding platform. The NEOGOV functionality allows for regular notifications to employees who haven't completed their form. It's an industry best practice to require new hires to at least complete the enrollment process, even if they decline to enroll.

In the County's experience, new hire enrollments increased from under 30% to over 70% after implementation of the active choice requirement. For calendar year 2026 (through August 16), out of 226 hires, 173 or 77% have elected to enroll in the 457(b) Plan.

Active Choice Campaign. The annual Active Choice campaign targets unenrolled employees with incentives to actively enroll or decline to enroll in the 457(b) Plan. Active Choice uses the same NEOGOV functionality for existing unenrolled employees which has successfully increased enrollment rates for new hires.

Staff promoted the 4th annual Active Choice campaign between August 17 and September 4. Of the 1,751 eligible employees, 458 or 26.2% of employees participated and 133 or 7.6% chose to enroll. The participation and enrollment rates exceeded the previous highs of 20.8% and 7.2%, respectively.

3. Ongoing Communication

Pay Increase Emails. Each pay period, staff runs a report of all employees who receive pay increases (promotion, step increase, cost of living, etc.) and sends them a friendly reminder that it's a great time to enroll or increase their contribution. For calendar year 2026 (through September 11), staff has sent 7,836 reminder emails.

Matching Contribution Emails. Each quarter, staff sends reminder emails to employees who are eligible for the County matching contribution, but are either not contributing to the 457(b) Plan, or not contributing enough to get the full matching contribution. For calendar year 2026 (through September 14), staff has sent 4,905 emails to non-contributing employees and 3,123 emails to under-contributing employees.

4. Historical Participation

Staff has prepared two (2) charts, showing 457(b) Plan Participation Rates and Participant Counts by year, from 2015 to the present, attached to this item as Exhibit B. For reference, the years in the charts represent the Rates and Counts as of the first pay date of the year and "Present" is the pay period ending August 16, 2026.

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Below is a summary of Exhibit B:

- From 2015 to Present, overall participation in the 457(b) Plan has increased by **106%**, from **35.6%** to **73.3%**.
- From 2015 to Present, the number of 457(b) Plan participants increased by **129%**, from **2,326** to **5,315**.

RECOMMENDED ACTION

There are no recommended actions associated with this item.

ITEM 5 - Exhibit A

Employer Match	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Eligible	5,336	4,018	75.3%	\$2,794	\$139	5.0%
Not Eligible	1,911	1,297	67.9%	\$3,517	\$245	7.0%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

Full/Partial Match	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Full Match	4,018	3,284	81.7%	\$2,994	\$165	5.5%
Partial Match	4,018	734	18.3%	\$2,434	\$22	0.9%
Grand Total	4,018	4,018	100.0%	\$2,891	\$139	4.8%

Age Band	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
60+	494	318	64.4%	\$2,994	\$235	7.9%
18-29	1,017	664	65.3%	\$2,302	\$97	4.2%
50-59	1,465	1,066	72.8%	\$3,349	\$232	6.9%
40-49	1,917	1,458	76.1%	\$3,224	\$168	5.2%
30-39	2,354	1,809	76.8%	\$2,855	\$135	4.7%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

Years of Service	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Less than 2 years	771	484	62.8%	\$2,254	\$101	4.5%
20 years or more	1,343	916	68.2%	\$3,640	\$263	7.2%
2 years - 5 years	1,861	1,373	73.8%	\$2,456	\$96	3.9%
10 years - 20 years	1,646	1,270	77.2%	\$3,317	\$194	5.9%
5 years - 10 years	1,626	1,272	78.2%	\$3,056	\$162	5.3%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

Ethnic Group	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Not Specified	18	11	61.1%	\$3,384	\$264	7.8%
M. East/N. Afr.	6	4	66.7%	\$2,547	\$286	11.2%
Native Amer.	63	42	66.7%	\$2,515	\$87	3.4%
Black/Afr. Amer.	389	277	71.2%	\$2,888	\$136	4.7%
Hispanic/Latino	3,612	2,598	71.9%	\$2,833	\$136	4.8%
Haw./Pac. Island	130	94	72.3%	\$3,173	\$265	8.3%
White	1,941	1,439	74.1%	\$3,385	\$208	6.2%
Asian	1,088	850	78.1%	\$2,806	\$179	6.4%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

ITEM 5 - Exhibit A

Department	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Library	275	166	60.4%	\$1,990	\$102	5.1%
General Services	240	164	68.3%	\$2,454	\$84	3.4%
Social Services	2,357	1,645	69.8%	\$2,544	\$110	4.3%
Assessor-Recorder	114	82	71.9%	\$2,938	\$197	6.7%
Public Works & Planning	463	333	71.9%	\$3,047	\$170	5.6%
Sheriff - Coroner	1,200	875	72.9%	\$3,364	\$239	7.1%
District Attorney	220	164	74.5%	\$4,591	\$303	6.6%
Administrative Office	68	51	75.0%	\$4,015	\$219	5.5%
Behavioral Health	632	480	75.9%	\$3,158	\$153	4.8%
County Clerk - Elections	27	21	77.8%	\$2,636	\$209	7.9%
Probation	493	387	78.5%	\$2,869	\$164	5.7%
Child Support Services	235	185	78.7%	\$2,594	\$110	4.2%
Public Health	356	286	80.3%	\$3,381	\$226	6.7%
IT Services	107	86	80.4%	\$3,449	\$214	6.2%
Public Defender	143	116	81.1%	\$4,541	\$232	5.1%
Auditor	84	69	82.1%	\$2,894	\$182	6.3%
County Counsel	42	35	83.3%	\$5,522	\$220	4.0%
Agriculture Department	86	74	86.0%	\$3,237	\$200	6.2%
Human Resources	72	65	90.3%	\$3,563	\$124	3.5%
Retirement Association	33	31	93.9%	\$3,229	\$177	5.5%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

Gender	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Male	3,090	2,252	72.9%	\$3,203	\$211	6.6%
Female	4,151	3,058	73.7%	\$2,823	\$130	4.6%
Non-Binary	6	5	83.3%	\$2,176	\$101	4.6%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

Income Tier	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
Fifth 20%	1,703	1,097	64.4%	\$1,840	\$72	3.9%
Fourth 20%	1,197	825	68.9%	\$2,276	\$88	3.9%
Third 20%	1,463	1,094	74.8%	\$2,711	\$114	4.2%
Second 20%	1,435	1,120	78.0%	\$3,301	\$180	5.4%
First 20%	1,449	1,179	81.4%	\$4,876	\$337	6.9%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

ITEM 5 - Exhibit A

Employee Group	Eligible	Enrolled	Part%	Avg Comp	Avg Contr	Contr%
U13	151	98	64.9%	\$2,219	\$103	4.6%
U22	293	191	65.2%	\$2,117	\$95	4.5%
U12	1,023	675	66.0%	\$2,007	\$83	4.1%
U39	69	47	68.1%	\$2,980	\$100	3.4%
U04	1,083	742	68.5%	\$2,325	\$89	3.8%
U42	26	18	69.2%	\$3,872	\$225	5.8%
U02	1,108	793	71.6%	\$2,552	\$134	5.3%
U03	568	411	72.4%	\$3,170	\$140	4.4%
U25	53	39	73.6%	\$2,727	\$91	3.3%
U01	426	318	74.6%	\$3,549	\$274	7.7%
U30	88	67	76.1%	\$5,881	\$336	5.7%
U36	436	335	76.8%	\$3,293	\$157	4.8%
UNR	369	287	77.8%	\$2,793	\$146	5.2%
U14	55	43	78.2%	\$4,770	\$439	9.2%
ELC-HDS-SMG	388	317	81.7%	\$5,530	\$312	5.6%
MGT	383	315	82.2%	\$3,505	\$202	5.8%
U37	47	39	83.0%	\$4,119	\$268	6.5%
U11	173	145	83.8%	\$3,116	\$156	5.0%
U19	175	148	84.6%	\$3,162	\$247	7.8%
U31	73	62	84.9%	\$5,534	\$278	5.0%
U35	27	23	85.2%	\$5,406	\$388	7.2%
U07	63	54	85.7%	\$4,815	\$391	8.1%
U43	128	110	85.9%	\$3,413	\$268	7.8%
U10	42	38	90.5%	\$4,721	\$427	9.0%
Grand Total	7,247	5,315	73.3%	\$2,984	\$165	5.5%

ITEM 5 – Exhibit B

Participation Rates and Participant Counts, 2015-Present

