



Town of Vienna

Charles A. Robinson Jr.
Town Hall
127 Center Street South
Vienna VA, 22180

Legislation Text

File #: 16-340, **Version:** 1

Subject:

Adoption of the Deferred Compensation Plan [457(b)] of the Commonwealth of Virginia

Explanation and Summary :

Town staff has examined and found that the Deferred Compensation Plan offered by the Commonwealth of Virginia through the Virginia Retirement System provides a less expensive vehicle for deferred investments than the current Town provider. Both plans are administered through ICMA-RC, but the Commonwealth's offer is part of a larger pool, allowing the Town to realize savings through economies of scale. Town of Vienna would be one of 73 local public Virginia jurisdictions in the pool. Staff recommends that Council approve the resolution to adopt the Commonwealth of Virginia's Deferred Compensation Plan, pursuant to the Code of Virginia § 51.1-603.1, effective as early as April 1, 2017, as agreed to with the Virginia Retirement System. Further, staff recommends that Council authorize the Town to pay the VRS plan administration fee, which is currently \$8.50 per participant per year. At this time, the Town has 90 active participants in its 457(b) plan, for a total estimated cost of \$765, which adjusts from time to time. This amount is available within the HR budget as a result of savings in the current fiscal year.

Departmental Recommendation :

Town Council (a) adopt the Resolution to adopt the Deferred Compensation Plan of the Commonwealth of Virginia; (b) authorize the Town Manager to execute the Adoption Agreement with the Virginia Retirement System and other administrative documents required after the resolution is adopted; and (c) authorize the Town to pay the VRS administration fee of approximately \$8.50 per participant, or an approximate total of \$765, which is currently available through savings achieved within the Human Resources budget.

Finance Recommendation : Recommend approval

Purchasing Recommendation : Recommend approval

Town Attorney Recommendation : Town Council may approve the proposed resolution and VRS adoption agreement as well as the proposed expenditure of funds in its discretion.

Town Manager's Recommendation : I recommend the Town Council adopt the Resolution to adopt the Deferred Compensation Plan of the Commonwealth of Virginia as presented.

Cost and Financing: \$765

Account Number: 100-102-1021-11222-433308

Decision Needed by This date: N/A

PROPOSED/SUGGESTED MOTION

"I move to (a) adopt the Resolution to adopt the Deferred Compensation Plan of the Commonwealth of Virginia; (b) to authorize the Town Manager to execute the Adoption Agreement with the Virginia Retirement System as well as other administrative documents required after the resolution is adopted; and (c) authorize the Town to pay the VRS administration fee of approximately \$8.50 per participant, or an approximate total of \$765, which is currently available through savings achieved within the Human Resources budget from the account listed above."

Or

Other action deemed necessary by Council.