

RESOLUTION NO. 17-06-14

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK RESCINDING RESOLUTION 04-02-14 AUTHORIZING THE TOWN MANAGER TO EXECUTE THE ADMINISTRATIVE SERVICES AGREEMENTS WITH THE INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION – RETIREMENT CORPORATION TO APPOINT THE INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION – RETIREMENT CORPORATION AS THE ADMINISTRATOR OF THE TOWN-SPONSORED 401(A) DEFINED CONTRIBUTION PENSION PLAN AND 457(B) DEFERRED COMPENSATION PLAN FOR THE BENEFIT OF TOWN EMPLOYEES AND THEIR BENEFICIARIES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Lake Park (“Town”) is a municipal corporation of the State of Florida with such power and authority as has been conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, the Town has employees who render valuable services; and

WHEREAS, the Town currently contributes to and sponsors a 401(a) defined contribution pension plan and a 457(b) deferred compensation plan for its employees through the Variable Annuity Life Insurance Company (“VALIC”); and

WHEREAS, on February 19, 2014, the Town Commission of the Town of Lake Park approved Resolution 04-02-14 authorizing and directing the Town Manager to execute the Administrative Services Agreements between ICMA-RC for the administration of the Town-sponsored 401(a) defined contribution pension plan and 457(b) deferred compensation plan for its employees to change the administration of the such plans from the current administrator, VALIC, to ICMA-RC; and

WHEREAS, staff recommended approval of such Resolution based upon the representation from ICMA-RC that such change would occur at no cost to Town employees who are participants in the VALIC plans; and

WHEREAS, staff has now been advised by VALIC that there will be \$14,154.28 in surrender fees, which ICMA-RC has agreed to pay but which ICMA-RC will assess against the accounts of current VALIC participants at the rate of \$1.52 per month for the first five years following the change-over; and

WHEREAS, staff advised Town employees of this development, conducted a survey to determine if employees wanted to proceed with the change in the administration of the Town-sponsored 401(a) defined contribution pension plan and 457(b) deferred compensation plan from VALIC to ICMA-RC despite such fee, and Town employees voted overwhelmingly in opposition to such change; and

WHEREAS, staff now recommends that Resolution 04-02-14 be rescinded and that VALIC continue as the administrator of the Town-sponsored 401(a) defined compensation pension plan and 457(b) deferred compensation plan.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PAK, FLORIDA AS FOLLOWS:

Section 1. The whereas clauses are incorporated herein as true and correct and are hereby made a specific part of this Resolution.

Section 2. The Town hereby rescinds Resolution 04-02-14 and authorizes VALIC to continue as the administrator of the Town-sponsored 401(a) defined compensation pension plan and 457(b) deferred compensation plan.

Section 3. This Resolution shall become effective immediately upon adoption.