

Introduced by: Peter Williams, City Manager
Date: March 13, 2018
Action: Passed
Vote: 6-0

CITY OF BETHEL

Resolution # 18-05

A RESOLUTION AUTHORIZING THE CITY'S PARTICIPATION IN THE STATE OF ALASKA'S PUBLIC EMPLOYEES'S DEFERRED COMPENSATION PLAN

- WHEREAS, the City of Bethel, located in Bethel, Alaska, wishes to modify a standing fringe benefit of its employees by discontinuing the 457 deferred compensation programs currently offered through Nationwide, Lincoln Financial, and ICMARC Retirement Corporation and instead adopting the 457 deferred compensation plan offered by the State of Alaska PERS;
- WHEREAS, the City of Bethel, as a small municipality does not have the personnel to perform the fiduciary duty required by law when managing a deferred compensation through the City;
- WHEREAS, despite offering three deferred compensation programs, none of these programs currently substitute for and/or provide the necessary education and services which the City is mandated to provide;
- WHEREAS, the 457 deferred compensation plan offered by the State of Alaska program provides lower costs to the employees of the City of Bethel;
- WHEREAS, this modification of the 457 deferred compensation plan can be done at no cost to the City of Bethel;
- WHEREAS, the State's plan is not only less costly for employees, it is also managed in a way that meets all of the City's fiduciary responsibilities for a deferred compensation program: education, assistance, administrative review, investment guidance, written plan document and a management team.

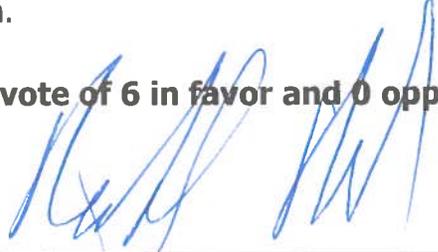
NOW THEREFORE BE IT RESOLVED by the Bethel City Council that

1. Pursuant to AS 39.45.010 et. seq., the City Council of the City of Bethel supports becoming a participating employer of the Public Employee's Deferred Compensation Program of Alaska.

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2. All regular full-time employees of the City of Bethel shall be provided the opportunity to be participating members of the Public Employees' Deferred Compensation Program of Alaska.
3. All eligible regular part-time employees of the City of Bethel shall be provided the opportunity to be participating members of the Public Employees' Deferred Compensation Program of Alaska.
4. The following employee groups are excluded from participation: Part-time employees working less than 30 hours per week, and temporary employees.
5. The City of Bethel acknowledges the Public Employees' Deferred Compensation Program of Alaska is a voluntary plan which accepts employee contributions on either a pre-tax or post-tax basis through payroll deduction. No employer contributions will be made to the program.
6. The City of Bethel further requests that participation in the Public Employee's Deferred Compensation Program of Alaska be made effective May 1, 2018.
7. The Bethel City Council authorizes and directs Administration to:
 - a. Notify Nationwide, Lincoln Financial and ICMARC that the City is converting over to a deferred compensation plan with the State of Alaska;
 - b. Take any and all steps necessary to enroll the City of Bethel and its employees in the Public Employee's Deferred Compensation Program;
 - c. Initiate a Participation Agreement between the City of Bethel and the State of Alaska; Department of Administration.

Enacted this 13th Day of March 2018 by a vote of 6 in favor and 0 opposed.



Richard Robb, Mayor

ATTEST:



Lori Strickler, City Clerk
City of Bethel, Alaska