



## Legislation Text

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**File #:** 18-1040, **Version:** 1

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**DATE:** October 4, 2018

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator  
Kristine Tallent, Assistant City Administrator/CFO  
Kevin Townsel, Human Resources Director

**SUBJECT:**

Consideration of Resolution 2018-92, A Resolution to Adopt a New Administrative Services Agreement with ICMA Retirement Corporation for the City's 401(a) and 457(b) Deferred Compensation Plans (10/23/18 Work Session)

**Purpose**

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning a proposal to adopt a new Administrative Services Agreement for all of the City's 401(a) and 457(b) Deferred Compensation Plans.

**Background**

The City has previously established Deferred Compensation 401(a) Plans (#105069/#106106, #109793) and 457(b) Plans (#304178/#306779, #307573) and has entered into agreement with ICMA Retirement Corporation as plan administrator. Staff purposes adoption of a new Administrative Services Agreement for all existing plans to affect elimination of a 29 basis point fee paid by the employee. The new agreement also extends the term of the agreement by 5 years.

The Pension Committee considered this change at their October 15, 2018, meeting and unanimously recommended moving to the Board of Mayor and Aldermen for consideration and approval.

**Financial Impact**

There is no cost to the City for adoption of the new agreement. Employees who participate in the Deferred Compensation Retirement program will benefit from the elimination of the 29 basis point administrative fee.

**Recommendation**

Staff recommends approval of the resolution to adopt a new Administrative Services Agreement.