

RESOLUTION #17-2021
AUTHORIZING THE EXECUTION OF SERVICE AGREEMENT
WITH LINCOLN FINANCIAL GROUP TO PROVIDE ADDITIONAL PLAN
OFFERINGS WITHIN THE CITY'S DEFERRED COMPENSATION PROGRAM

WHEREAS, the Board of Commissioners of the City of Margate City, County of Atlantic, State of New Jersey previously established a Deferred Compensation program (hereinafter "Program") for City employees as part of its efforts to attract and retain qualified employees; and

WHEREAS, because the Program (1) serves the interests of the City by enabling it to work with employees to develop enhanced retirement planning with its employees at no additional cost to the taxpayer, and (2) the accrual of tax benefits to eligible employees through their participation in a Deferred Compensation plan or plans within the Program established pursuant to Section 457 of the Internal Revenue Service code serves these objectives, the City seeks to provide additional Deferred Compensation Plan ("Plan") offerings to enhance the Program; and

WHEREAS, the City has solicited proposals from two or more vendors, including Lincoln Financial Group (hereinafter "Lincoln"), whose Plan identifier is 92-PD-Lincoln-121316 and Nationwide whose Plan identifier is 86-PD-NATIONWIDE FRONTLINE-070212R for the administration of the investment of funds under a Deferred Compensation Plan and Service Agreement including providing Prototypical Plans and Service Agreements that meet the requirements of the Municipal, County and Authority Deferred Compensation programs Rules set forth at N.J.A.C 5:37; both of which vendors responded to the request for proposals; and

WHEREAS, the City's administration has reviewed Lincoln's and Nationwide's respective proposals, conferred with Lincoln and Nationwide representatives, and recommends that the Board of Commissioners of the City of Margate select Lincoln as additional provider within the Program because they have the proven ability to provide a high level of service, offer diverse features and flexibility of investment options for Plan participants; and

WHEREAS, there is no cost to the City to adopt and implement Lincoln's proposed Plan.

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the City of Margate City, County of Atlantic, State of New Jersey, as follows:

1. The above recitals are incorporated as though set forth at length herein.
2. Pursuant to N.J.A.C. 5:37-5.2, for purposes of enhancing the City's Deferred Compensation Program, the Board of Commissioners hereby adopts the following additional Deferred Compensation Plan:

Deferred Compensation Plan offered by Lincoln Financial Group bearing Service Agreement identifier 92-SA-LINCOLN-121316 assigned by the New Jersey department of Community Affairs, Division of Local Government Services.

3. Pursuant to N.J.A.C. 5:37-3.5, the City is adopting the above referenced Deferred Compensation Plan substantially similar to one on which a favorable Private Letter Ruling has been previously obtained from the federal Internal Revenue Service except for provisions added by reason of the Small Business Job Protection Act of 1996 (United States Public law No. 104-188) and the Economic Growth and Tax Relief Reconciliation Act of 2001 (United States Public Law No. 107-16) and all such provisions are stated in the plan in terms substantially similar to the text of those provisions in the Internal Revenue Code Section 457. The use of the Ruling is for guidance only and acknowledges that for Internal Revenue Service purposes, the ruling of another employer is not to be considered precedent.
4. Pursuant to N.J.A.C. 5:37-5.4, the City's Chief Financial Officer is hereby designed as the Local Plan Administrator for the administration of said Plans.
5. Pursuant to N.J.A.C. 5:37-5.7, there has been no collusion, or evidence or appearance of collusion, between any local official and any representatives of the vendors in selection of vendors for the administration of a Service Agreement.
6. The Chief Financial Officer for the City of Margate City is hereby authorized to execute said Service Agreement with Lincoln Financial Group bearing Service Agreement Identifier 92-SA-LINCOLN-121316.
7. The City Clerk of the City of Margate is authorized and directed to submit this Resolution and all other necessary documents to the Director of Local Government Services within the State Department of Community Affairs for approval in connection with this resolution.
8. This Resolution shall take effect August 1, 2020.

BE IT FURTHER RESOLVED that a certified copy of this resolution be forwarded to the following:

1. Lisa McLaughlin, Chief Financial Officer

ROLL CALL:

NAME	MOTION	SECONDED	YES	NO	ABSTAINED	ABSENT
Becker			X			
Amodeo		X	X			
Blumberg	X		X			

DATE: January 21, 2021

CERTIFICATION

I, Johanna Casey, Clerk of Margate City, Atlantic County, do hereby certify the foregoing to be a true and correct copy of a resolution adopted by the Commissioners of the City of Margate City at a meeting of said Commission held on January 21, 2021 and said resolution was adopted by not less than a two-thirds vote of the members of the Commission.


Johanna Casey, RMC, City Clerk