

Columbus Consolidated Government
457 Deferred Compensation Plan Board

Called Meeting Minutes

November 13, 2019

Members Present: Forrest Toelle, Chair Angelica Alexander, Assistant Board Chair, Reather Hollowell, and Freddie Blackmon.

Members Absent: Tyler Townsend

Staff Present: Lucy Sheftall, Sheila Risper, Pamela Hodge

Consultant: Jeff Kuchta, Paul Murray, AndCo

Provider Present: Christine Bone, Valic

Chair, Forrest Toelle, called the meeting to order.

Reather presented the Employer Match Proposal FY2021. She stated that the purpose of an Employer Match to the 457 Deferred Compensation Plan (DCP) is to help employees save for retirement.

A discussion was had on the Deferred Compensation Plan - 457 Employer Match proposal FY21. It was said that the proposal initially outlines that for every 1% employee contribution, CCG will contribute "25%." The wording needs to be changed to "0.25% up to a maximum of 1% or \$1,500 annually." It was stated that the maximum CCG employer match contribution should be outlined as 1% as the maximum contribution from CCG of 4%, only relates to the employee benefits program.

It was discussed that after the completion of year one of "participation" out of CCG contributions, employees are eligible to receive 2% of the employee contribution, regardless of retirement age, longevity, etc. each employee will be treated the same and be completely vested with full benefits in the plan. If you retire, you are 100% vested.

A discussion was had on early, normal or late retirement. It was said that employees are still eligible (retirement, deceased or disabled).

There was a discussion about forfeited money and will it be able to be utilized elsewhere. It was said that a forfeited monetary account could be created to keep track of the money that is not used.

It was said that if there is going to be an employer match, the employees must be notified ahead of time so they can have time to be educated on the program and choose whether they would like to contribute.

A January 2021 launch date was proposed. It was stated that the timeframe would be more feasible in order to give the council the opportunity to vote and make revisions if necessary; have the provisions outline and ready by July 1, 2020.

It was said that the 401(a) would be based on age; similar to a 401(k) and will be complementary with the 457 Plan (Plan concerned about the employment status with the city post leaving; employees are then able to take a distribution without penalty).

It was stated that the main hurdle with the incorporation of 401(a) would be the educating employees.

How to track contribution amounts when employees want to discontinue contributions early was discussed.

It was said that employees must have an account with VALIC in order to receive employer (401(a) contributions.

Chris Bone with Valic will check with legal colleagues to be sure that the adoption of the 401(a) is legal and non-discriminatory.

It was stated that the final Proposal will be drafted in the near future and discussion intended to be concluded by the end of the calendar year or by the next meeting. No final decisions were made regarding an employer match.

There being no other business, the meeting was adjourned.

Respectfully submitted,

Sheila J. Risper,
Assistant Human Resources Director