

# STAFF REPORT REGULAR MEETING

**AGENDA DATE:** December 3, 2024

**DEPARTMENT:** Human Resources

**TITLE:**

Resolution No. 49-2024 – ratifying and confirming the current governing plan document and trust agreement for the City of Lake Worth Beach Deferred Compensation Plan and Trust and their effective date

**SUMMARY:**

The resolution ratifies and confirms that the governing plan document and trust agreement for the City of Lake Worth Beach Deferred Compensation Plan and Trust are contained in a MissionSquare Retirement model 457 plan document, implemented effective April 23, 2018.

**BACKGROUND AND JUSTIFICATION:**

The City, as the sponsoring employer, established a deferred compensation plan and trust in 1980 for the benefit of eligible employees, which plan has been amended from time to time and is currently referred to as the City of Lake Worth Beach Deferred Compensation Plan and Trust ("Plan"). The Plan is intended to be a tax-advantaged, eligible deferred compensation plan under section 457(b) of the Internal Revenue Code ("Code").

The Treasury Regulations under Code section 457(b) require a tax-advantaged, eligible deferred compensation plan to contain all material terms and conditions for benefits in a written plan document. The plan must be administered in accordance with those written terms.

Since inception of the Plan, International City Management Association Retirement Corporation, now known as MissionSquare Retirement ("MissionSquare"), has served as the administrator and document provider for the Plan.

Since inception of the Plan, MissionSquare, or its affiliate VantageTrust Company, has also administered the trust arrangement for the Plan and served as the provider of the trust agreement for the Plan.

The current version of the Plan's governing document and trust agreement are contained in a MissionSquare model 457 plan document consisting of a 2017 plan document and an embedded 2001 trust agreement (collectively, the "Current Governing Document").

In or about February 2018, MissionSquare mailed the Current Governing Document to the City with a notice that it would be deemed adopted and implemented as of April 23, 2018 unless the City wished to modify it, elect optional plan design provisions available within it, or objected to it.

To avoid any ambiguity in compliance with the requirements of the Treasury Regulations or the governance practices and policies of the City, it has been proposed that the City ratify and confirm the Current Governing Plan Document and its April 23, 2018 effective date.

**MOTION:**

Motion to approve/disapprove Resolution No. 49-2024, ratifying and confirming the current governing plan document and trust agreement for the City of Lake Worth Beach Deferred Compensation Plan and Trust and their effective date.

**ATTACHMENT(S):**

Resolution 49-2024  
Exhibit "A"