

**TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY**

RESOLUTION No. 2023-018

A motion was made by Councilwoman Holland; seconded by Councilman Tamburro that the following resolution be adopted:

**AUTHORIZING EXECUTION OF A SERVICE AGREEMENT FOR A
DEFERRED COMPENSATION PLAN WITH EQUITABLE LIFE INSURANCE
COMPANY**

WHEREAS, in order to attract and retain qualified employees there exists a need to adopt and implement DEFERRED COMPENSATION PLANS for the employees of the Township of Verona (hereinafter referred to as "Township"), which will provide employees the opportunity to enhance their financial security at retirement through savings of compensation on a deferred basis as provided by Section 457 of the Internal Revenue Code of 1986, as amended ("Code"); and

WHEREAS, there is no direct financial cost to the Township to adopt and implement both a deferred compensation plan and Service Agreement; and

WHEREAS, the Interim Chief Financial Officer made written requests for proposals from Equitable and National Life Group for the administration of the investments of funds under a DEFERRED COMPENSATION PLAN including providing Prototypical Plans and Service Agreements that meet the requirements of the Municipal, County and Authority Deferred Compensation programs Rule *N.J.A.C. 5.37*; and

WHEREAS, proposals were received from Equitable Life Insurance Company (hereinafter referred to as "Equitable") and National Life Group; and

WHEREAS, representatives of the Township of Verona and officers from the PBA Local #72 reviewed the proposals and spoke with the representatives of the responding contractors of deferred compensation services; and

WHEREAS, all employees of the Township are afforded the option to participate in deferred compensation plans approved by the Township; and

WHEREAS, former PBA Local #72 President Barone, Chief Kiernan and Captain Wardrope have reviewed and overseen the process and represent that there has been no collusion, or evidence or appearance of collusion, between any local official and a representative of the contractor in the selection of a contractor for the administration of a Service Agreement pursuant to *N.J.A.C. 5:37-5.7*; and

WHEREAS, it appears that Equitable has the ability to: (1) maintain complete records of accounts; (2) manage accounts with fidelity; (3) provide advice concerning various categories of investments; and (4) provide continuing consultation to participants.

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Verona that the Township Manager, or his designee, is authorized to execute a Service Agreement for the DEFERRED COMPENSATION PLAN provided by Equitable and assigned the plan identifier: 20-PD-EQUITABLE-091720 by the New Jersey Division of Local Government Services and to submit all necessary documents to the Director of the Division of Local Government Services within the State Department of Community Affairs for approval.

BE IT FURTHER RESOLVED that by this Resolution the Township of Verona is adopting a 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.

BE IT FURTHER RESOLVED that the Chief Financial Officer is hereby designated as the local Plan Administrator of the Plan.

ROLL CALL:

AYES: Holland, Tamburro, McEvoy, McGrath, Roman

NAYS:

THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT THE REGULAR MEETING HELD ON JANUARY 23, 2023.

Jennifer Kiernan

**JENNIFER KIERNAN
MUNICIPAL CLERK**

