

Item -VI-K.1
ORDINANCES/RESOLUTIONS

ITEM #67772

*Upon motion Councilman Dyer, seconded by Councilman Wood, City Council **ADOPTED, BY CONSENT**, Ordinance to **AMEND** Sections 2-121 and 2-123 of the City Code re: **Deferred Compensation Plan***

Voting: 10-0

Council Members Voting Aye:

Jessica P. Abbott, M. Benjamin Davenport, Robert M. Dyer, Barbara M. Henley, Vice Mayor Louis R. Jones, Shannon DS Kane, John D. Moss, John E. Uhrin, Rosemary Wilson and James L. Wood

Council Members Absent:

Mayor William D. Sessoms, Jr.

1 AN ORDINANCE TO AMEND SECTIONS 2-121 AND
2 2-123 OF THE CITY CODE PERTAINING TO THE
3 DEFERRED COMPENSATION PLAN
4

5 Sections Amended: §§ 2-121 and 2-123
6

7 BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH,
8 VIRGINIA:
9

10 That Sections 2-121 and 2-123 are hereby amended to the Code of the City of
11 Virginia Beach, Virginia to read as follows:
12

13 **Sec. 2-121. - Plan established.**
14

15 Pursuant to the Government Employees Deferred Compensation Plan Act, section
16 51.1-600 et seq. of the Code of Virginia, 1950, as amended, the city hereby adopts and
17 establishes a plan of deferred compensation for its employees dated the twenty-third day
18 of March, 1981. The purpose of the plan shall be to provide for the deferral of
19 compensation to the participants. The plan shall exist in addition to all other retirement,
20 pension or other benefit systems available to the participants, and shall not supersede,
21 make inoperative or reduce any benefits provided by any other retirement, pension or
22 benefit program established by law.
23

24 On behalf of the employer, the city manager is hereby authorized and directed to
25 execute and deliver the plan to the plan administrator. The plan shall contain such terms
26 and amendments as the city council may from time to time approve. ~~The city council shall~~
27 ~~adopt a deferred compensation investment policy. The city council shall review the~~
28 ~~investment policy no less than every two (2) years.~~
29

30 Those employees participating in the hybrid retirement plan authorized by Code of
31 Virginia § 51.1-169 shall be directed to the Deferred Compensation Plan of the
32 Commonwealth of Virginia in lieu of the plan established above.
33

34 The City Council hereby authorizes the adoption of the Commonwealth of Virginia
35 457 Plan, managed by the Virginia Retirement System, as the City's Deferred
36 Compensation Plan subject to the periodic oversight and direction of the deferred
37 compensation board.
38

39 **2-122. Board—Established.**
40

41 There is hereby created a deferred compensation board, consisting of city
42 employees. The City Council hereby appoints the Director of Finance, the Director of
43 Human Resources, the Employee Relations Manager, and the Payroll Administrator to
44 the board. The City Council will appoint one (1) Councilmember and one (1) member
45 from the Sheriff's Office and three (3) members from Schools, one of which shall be the
46 Schools Chief Financial Officer and one of which shall be a School Board member. The
47 City Manager may appoint up to three (3) additional board members from the deferred

48 compensation plan participants. The board members appointed by the City Manager
49 shall serve terms of three years from the date of appointment. Notwithstanding the
50 previous sentence, all members of the deferred compensation board shall serve at the
51 pleasure of the City Council. The terms of the members of the deferred compensation
52 board shall not be limited by the restrictions of City Code § 2-3.

53
54 **2-123. Same- Powers.**

55
56 The deferred compensation board is hereby granted the power to do all things by
57 way of supervision, administration and implementation of a plan of deferred
58 compensation, including but not limited to the power to contract with private corporations
59 or institutions for service in connection therewith; however, nothing contained in this
60 section shall be construed to authorize the deferred compensation board to act beyond
61 the limits of the plan. Because the City Council has authorized the participation in the
62 Commonwealth of Virginia 457 Plan, the supervision of such plan by the board shall be
63 the regular review of the Commonwealth of Virginia 457 Plan to evaluate whether such
64 plan serves the interests of the plan participants.

65
66 ~~The deferred compensation board shall administer the investment policy in~~
67 ~~accordance with the terms of the investment policy and prudent fiduciary standards. The~~
68 ~~deferred compensation board shall have the authority to add and delete funds from the~~
69 ~~investment policy in accordance with the investment policy adopted by City Council.~~

70
71 The deferred compensation board shall serve as the local finance board for
72 purposes of Other Post-Employment Benefits ("OPEB") for the City. With the consent of
73 the School Board, as evidenced by its adopted resolution on November 1, 2011, the
74 deferred compensation board shall serve as the local finance board for OPEB on behalf
75 of Schools. In its capacity as local finance board, the deferred compensation board shall
76 administer the OPEB trust or other related investments in accordance with prudent
77 fiduciary standards.

Adopted by the Council of the City of Virginia Beach, Virginia, on the 6th day
of February, 2018.

APPROVED AS TO CONTENT:


Finance Department

APPROVED AS TO LEGAL SUFFICIENCY:


City Attorney's Office