



SPECIAL CITY COUNCIL MEETING

June 14, 2012 @ 5:00 P. M. at the Oran White Civic Center

MINUTES

The City of Tool, City Council meeting was called to order at 5:03 pm. Present were Councilmen Williams, Phillips, Sonka, Wright and Reeder. Quorum was established with Mayor Pitts presiding.

ITEM 1: Discussion on retirement options for City Employees with The Hartford Representative Sean Ray. Sean Ray with Athens Investment Center discussed Deferred Compensation Retirement Program 457(b) with Mayor and Council. This is an optional program offered to the city and employees. The attributes of the 457(b) plan are as follows:

- The Deferred Compensation Plan is a retirement plan allows voluntary savings for retirement with pre-tax dollars.
- Earnings are tax-deferred until assets are withdrawn, by reaching the age of 70 1/2, retirement, severance from employment, death, or unforeseen severe financial emergency. (Withdrawals are subject to ordinary income tax)
- Employer contributions (if applicable) are allowed. Minimum contributions are \$10.00 per pay period; however, employers may choose to establish another minimum contribution amount.
- Participants with a triggering event may transfer, or roll, their 457(b) account to another 457(b), an IRA, a 401, or a 403(b) account.
- Upon participant's death, the beneficiary will receive the current value of the participant's account (less any outstanding fees or loan amounts).
- Participants can elect to receive monthly, quarterly, semi-annual or annual distributions from their account while remaining in the accumulation period.
- Payout options available: Full sum, Partial lump sum or Rollover. Also available are designated period payments.
- Online resources as well as a touch-tone toll-free retirement access through a voice command system is provided.
- City has the option to set a vesting period/schedule as they see fit. The company itself requires none.

Mayor Pitts asked the Council if they wanted to put this on the next agenda for approval and implementation of new program. The Council agreed the item will be put on the next agenda.

Motion to Adjourn was by Council Member Sonka, Council Member Williams second. Motion passed 5-0 at 5:51 pm.

Passed and approved this 19th day of July 2012