

ORDINANCE NO. 2674

AN ORDINANCE to amend and reordain Section 2-104, Article VIII and to amend Article VIII by adding new sections numbered 2-104.4, 2-104.5, 2-104.6, 2-104.7 and 2-104.8, all of Chapter 2 of The Code of the City of Alexandria, Virginia, 1963, as amended; which Chapter 2 relates to ADMINISTRATION, which Article VIII relates to PERSONNEL, which Section 2-104 relates to SALARY DEDUCTIONS AND WITHHOLDINGS FOR RETIREMENT, DEFERRED COMPENSATION AND INSURANCE PLANS; PAYMENT OF CITY'S SHARE TO MAINTAIN PLANS, which new Section 2-104.4 relates to DEFERRED COMPENSATION PLAN--ADOPTION AND ESTABLISHMENT OF IDENTIFIED PLAN; VOLUNTARY PARTICIPATION; CONTRIBUTIONS BY CITY, which new Section 2-104.5 relates to SAME--DESIGNATION OF CITY MANAGER TO ADMINISTER PLAN; AUTHORITY; SIGNING OF JOINDER AGREEMENTS, which new Section 2-104.6 relates to SAME--CITY LIABILITY LIMITED, which new Section 2-104.7 relates to SAME--OTHER RETIREMENT, PENSION, ETC., SYSTEMS NOT AFFECTED and which new Section 2-104.8 relates to ALTERATION, AMENDMENT OR REPEAL.

THE CITY COUNCIL OF ALEXANDRIA HEREBY ORDAINS:

Section 1. That Section 2-104, Article VIII, Chapter 2 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended and reordained to read as follows:

Sec. 2-104. Salary deductions and withholdings for retirement, deferred compensation and insurance plans; payment of city's share to maintain plans.

The director of finance is hereby authorized to deduct and withhold employees' contributions, either voluntary or mandatory, for the plans adopted in sections 2-99, 2-100, 2-102, 2-104.1 and to deduct, hold and administer payroll deductions in accordance with the plan adopted and established by section 2-104.4 of this Code. The director of finance is further authorized to expend the share of the city toward maintaining these plans.

Section 2. That Article VIII, Chapter 2 of The Code of the City of Alexandria, Virginia, 1963, as amended, be and the same hereby is amended by adding new sections numbered 2-104.4, 2-104.5, 2-104.6, 2-104.7 and 2-104.8 to read as follows:

Sec. 2-104.4. Deferred compensation plan--Adoption and establishment of identified plan; voluntary participation; contributions by city.

Pursuant to the authority provided by section 51-111.67:18 of the Code of Virginia (1950), as amended, there is hereby adopted and established for the City of Alexandria, a municipal

corporation of Virginia, and its employees that deferred compensation plan entitled "The Deferred Compensation Plan of the City of Alexandria, Virginia" which was approved by action of the Deferred Compensation Commission of Virginia on February 16, 1982, in accordance with the provisions of article 10, Government Employees Deferred Compensation Act; chapter 3.2, Virginia Supplemental Retirement Act; title 51, Pensions and Retirement of the Code of Virginia (1950), as amended. No employee of the city shall be required or directed to participate in the plan. No funds shall be contributed by the city to the plan on behalf of any employee, except as and to the extent the city council shall direct.

Sec. 2-104.5. Same--Designation of city manager to administer plan; authority; signing of joinder agreements.

Pursuant to section 51-111.67:18 of the Code of Virginia (1950), as amended, the city manager is hereby designated as the city officer to administer the plan established and adopted in the preceding section of this Code. Subject to the approval of the city council, the city manager may delegate responsibility for administration of the plan to such other city official or employee as he shall appoint or designate as plan administrator for such purpose. On behalf of the city, the city manager may, directly or through the plan administrator, contract with one or more private corporations or institutions for providing such services as may be a part of the plan or as may be deemed necessary or proper including, but not limited to, providing consolidated billing, individual and collective record keeping and accountings, asset purchase, control and safekeeping. There is hereby conferred upon the city manager the authority to do, directly or through the plan administrator, all things by way of supervision, administration and implementation of such plan, including the power to contract with private corporations or institutions for services in connection therewith, as the state commission shall have determined to be proper pursuant to article 10, chapter 3.2, title 51, Code of Virginia (1950), as amended, and within the limits of the plan approved by the state commission; provided, however, that only the city manager is hereby authorized to execute contracts on behalf of the city entered into pursuant to the provisions of the plan, this section and section 2-104.4 of this Code; provided further, however, that the plan administrator may execute on behalf of the city any joinder agreement(s) necessary for a city employee to participate in the plan, except that such agreement(s) which is necessary for the plan administrator to participate in the plan shall be executed on behalf of the city by the city manager.

Sec. 2-104.6. Same--City liability limited.

The city as employer shall make this plan available to its employees as an employment benefit and shall make such payroll

deductions as any individual employee shall direct related to the plan. Beyond the administrative expense and responsibility for performing (a) deductions; (b) remittance of all funds to investment media selected by the employees from the options made available by the plan administrator; and (c) benefit distributions in accordance with employee instructions, the city, its officers, agents and/or employees shall bear no other responsibility or liability. It shall further be understood and by appropriate documentation it shall be made clear and binding upon employee participants that the city does not make any warranties or guarantees with respect to the plan and the city will bear no liability for the program other than as set forth above. Thus, by this section, express disclaimer and otherwise, the city shall bear no liability, other than as set forth above, for any compensation deferred under the plan and/or any investment vehicle, product, security and/or the performance thereof selected by a participant and purchased pursuant to the plan.

Sec. 2-104.7. Same--Other retirement, pension, etc., systems not affected.

The deferred compensation plan established by section 2-104.4 of this Code shall exist and serve in addition to all other retirement, pension or other benefit systems available to any city employees and shall not supersede, make inoperative or reduce any benefits provided by any other retirement, pension or benefit program established by law.

Sec. 2-104.8. Alteration, amendment or repeal.

(a) The city council reserves the right to alter, amend or repeal any provision of the plan adopted and established by section 2-104.4 and any provision of sections 2-104.4, 2-104.5, 2-104.6, 2-104.7 and 2-104.8 of this Code; provided, however, that the amount of benefits which at the time of any such alteration, amendment or repeal shall have accrued for participants or beneficiaries shall not be affected thereby. If the city council repeals the plan, it shall continue to be administered in accordance with its terms and provisions and those of the aforesaid sections of this Code for the sole benefit of the then participants, any beneficiaries then receiving retirement allowances or benefits and any future persons entitled to receive benefits in accordance therewith who are so designated by any of the said participants.

(b) The city reserves the right to modify, replace with a substitute or alternative, eliminate and/or add any investment option at any time in the best interest of the city as determined in its sole discretion. Thus, the city shall offer various investment options to its employees for the investment of their deferred compensation. Participants, however, shall have no vested right to have their deferred compensation invested in any

particular investment product, option or preference other than as provided in subsection (a) of this section.

Section 3. That the title of and an informal memorandum explaining this ordinance shall be published in a newspaper of general circulation published in the city not later than five days following its introduction together with a notice containing the time and place for a public hearing. The city clerk shall have the full text of this ordinance printed in sufficient numbers to supply copies to meet request. The city clerk shall note the date of introduction and first reading, the date of publication, the date of the public hearing, and the date of the second reading and final passage in the minutes of the meeting. This ordinance shall become effective the date of its final passage.

CHARLES E. BEATLEY, JR.
Mayor

Final Passage: April 17, 1982