

Resolution of the Demarest Governing Body

Resolution No. 045 -24

January 22, 2024

Council Member	Motion	Second	Yes	No	Abstain	Absent
Jiang						✓
Fox		✓	✓			
Marks			✓			
Slowikowski	✓		✓			
Reiss			✓			
Collins			✓			

**TITLE: RESOLUTION TO IMPLEMENT EMPLOYEE DEFERRED
COMPENSATION PLAN**

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WHEREAS, in order to attract and retain qualified employees there exists a need to adopt and implement a DEFERRED COMPENSATION PLAN for the employees of the Borough of Demarest (hereinafter referred to as "Employer"), 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 Employer to adopt and implement both a deferred compensation plan and Service Agreement

WHEREAS, the Employer made written requests for proposals from two or more contractors including Equitable and CBIZ InR 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;

WHEREAS, the following contractors submitted proposals:
Equitable Life Insurance Company (hereinafter referred to as "Equitable) and CBIZ InR

WHEREAS, the Borough of Demarest reviewed the proposals and spoke with the representatives of the responding contractors of deferred compensation services; and

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

NOW, THEREFORE, BE IT RESOLVED by the Borough of Demarest that:

- a) effective as of the date of this resolution 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, is hereby adopted and signed by the Employer.

It is hereby acknowledge that the said DEFERRED COMPENSATION PLAN is 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), the Tax payer Relief Act of 2001 (United States Public Law No. 105-34), 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 Code Section 457 including pertinent applicable Treasury Regulations. 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.

- b) The Borough Administrator is authorized to execute the Service Agreement (bearing the identifier: 20-SA-Equitable-091720 assigned by the New Jersey Division of Local Government) with Equitable for the provision of administrative and investment services. There has been no collusion, or evidence or appearance of collusion, between any local official and a representative of Equitable and CBIZ InR in the selection of Equitable as contractor for the administration of the Service Agreement pursuant to N.J.A.C. Section 5:37-5.7.

(c) the Borough Administrator is hereby designated as Local Plan Administrator for the administration of the DEFERRED COMPENSATION PLAN.

The undersigned hereby certifies that this is a true copy of a resolution duly passed by the Council of the Borough of Demarest at a meeting held on January 22, 2024, and a certified copy of this resolution and all necessary required documents shall be submitted to the Director of the Division of Local Government Services within the State Department of Community Affairs for approval.

APPROVED:



Mayor Brian Bernstein

CERTIFICATION

I, Julie Falkenstern, Acting Borough Clerk, of the Borough of Demarest, in the County of Bergen and the State of New Jersey do hereby certify that the foregoing Resolution is a true copy of the original resolution duly passed and adopted by the Governing Body at the meeting on January 22, 2024



Julie Falkenstern, Acting Borough Clerk