

**TOWNSHIP OF RARITAN  
COUNTY OF HUNTERDON, NEW JERSEY**

**RESOLUTION #19-67**

**A RESOLUTION AUTHORIZING VALIC AS 457 DEFERRED COMPENSATION  
PLAN PROVIDER FOR THE TOWNSHIP OF RARITAN**

**WHEREAS**, the Township of Raritan (hereinafter referred to as the "Employer" or the "Township") desires to attract and retain qualified employees to be employed by the Township and, as a means thereof, is contemporaneously adopting an Internal Revenue Code Section 457 Deferred Compensation Plan (hereinafter referred to as the "Plan") for the purpose of making available to eligible employees the accrual of tax benefits under such Plan; and

**WHEREAS**, the Employer desires such Plan to comply with the Small Business Job Protection Act of 1996, the Economic Growth and Tax Relief Reconciliation Act of 2001, the Job Creation and Worker Assistance Act of 2002, the final Internal Revenue Code ("Code") Section 415 regulations, Pension Protection Act of 2006, the Heroes Earnings Assistance and Relief Tax Act of 2008 and the Worker, Retiree, and Employer Recovery Act of 2008 amendments to Section 457 of the Internal Revenue Code, such amendments being necessary to maintain the Plan as an eligible Deferred Compensation Plan within the meaning of Section 457 of the Internal Revenue Code of 1986 ("Code"), as subsequently amended; and

**WHEREAS**, the Employer also desires such Plan to comply with the regulations promulgated under Code Section 457 (including proposed revisions thereto); and Internal Revenue Service Revenue Procedures 2004-12 and 2004-56; and

**WHEREAS**, the offering of additional investments from another contractor will provide additional retirement investment options to participating employees and serves the interest of the Township by enabling it to provide enhanced retirement security to its eligible employees; and

**WHEREAS**, such deferred compensation plans are at no cost to the Township; and

**WHEREAS**, The Variable Annuity Life Insurance Company ("VALIC") has been found to possess the necessary administrative, enrollment, and servicing capabilities for the Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and Township Committee of the Township of Raritan, County of Hunterdon, State of New Jersey, pursuant to N.J.A.C. 5:37-4.2, does hereby adopt the Plan prepared by VALIC and assigned Plan Document identifier 81-PD-VALIC-103111 by the Director of the Division of Local Governmental Services.

**BE IT FURTHER RESOLVED** that the Employer is adopting a Prototypical Deferred Compensation Plan substantially similar to one on which a favorable Private Letter Ruling has been previously obtained from the Internal Revenue Service except for provisions added by reason of the Small Business Job Protection Act of 1996 (United States Public Law No. 104-88), the Economic Growth and Tax Relief Reconciliation Act of 2001 (United States Public Law No. 107-16), the Job

Creation and Worker Assistance Act of 2002 (United States Public Law No. 107-147), the final Internal Revenue Code (“Code”) Section 415 regulations, Pension Protection Act of 2006 (United States Public Law No. 109-280), the Heroes Earnings Assistance and Relief Tax Act of 2008 (United States Public Law No. 110-245) and the Worker, Retiree, and Employer Recovery Act of 2008 (United States Public Law No. 110-458), and regulations promulgated under Code Section 457 (including proposed revisions thereto), and Internal Revenue Service Revenue Procedures 2004-12 and 2004-56, and all such provisions are stated in the Plan in terms substantially similar to the text of those provisions in Internal Revenue Code Section 457. The use of the Ruling is for guidance only and the Employer acknowledges that for Internal Revenue Service purposes, the Ruling of another employer is not to be considered precedent.

**BE IT FURTHER RESOLVED** that the Plan Administrator, Raritan Township Administrator, shall be designated as the official representative of the Employer and Plan Administrator for the Administration of the Plan.

**BE IT FURTHER RESOLVED** that

- (1) Solicit Proposals: A request for proposals for a Deferred Compensation Plan and Service Agreement was prepared and made available to the following contractors:

NATIONWIDE

VALIC

ICMA- RC

- (2) Responding Vendors: The vendors responding to the request for proposals were:

NATIONWIDE

VALIC

- (3) Selection Rationale: The successful vendor is VALIC. The Employer reviewed all of the proposals submitted and met with representatives of the responding companies. VALIC was selected because VALIC has been found to possess the necessary administrative, enrollment, and servicing capabilities for the Plan. Further, VALIC currently represents the Township for LOSAP and has proven to be an outstanding partner providing the Township with all the necessary administrative, enrollment and servicing capabilities relating to LOSAP.

**BE IT FURTHER RESOLVED** that VALIC shall be retained by the Employer as the contractor under the Deferred Compensation Plan, and VALIC shall educate all eligible employees of the Employer regarding the Plan and shall enroll and service those eligible employees who participate in the Plan. As enrolling agent, VALIC shall be the exclusive agent for its funding options to be offered under the Plan.

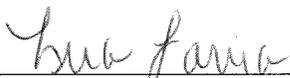
**BE IT FURTHER RESOLVED** that there has been no collusion or evidence or appearance of collusion between any local official and a representative of the contractor in the selection of a contractor for the administration of a Service Agreement pursuant to N.J.A.C. 5:37-5.7.

**BE IT FURTHER RESOLVED** that the Township Administrator is hereby authorized to execute a Service Agreement with VALIC and that such Service Agreement has been assigned by the Director of the Division of Local Government Services the following identifier: 03-SA-VALIC-E121201; and to submit all necessary documents to the Director of Local Government Services in the State Department of Community Affairs for approval.

**BE IT FURTHER RESOLVED** that a certified copy of this resolution shall be forwarded to the Director of the Division of Local Government Services within the State Department of Community Affairs.

**ATTEST:**

**TOWNSHIP COMMITTEE OF THE  
TOWNSHIP OF RARITAN**



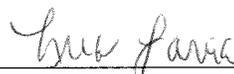
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Lisa Fania, RMC  
Township Clerk



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Jeff Kuhl  
Mayor

**CERTIFICATION**

I, Lisa Fania, Clerk of the Township of Raritan, County of Hunterdon, State of New Jersey, hereby certify that the foregoing resolution is a true, complete and accurate copy of a resolution adopted by the Township Committee of the Township of Raritan at a meeting held on March 5, 2019.



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Lisa Fania, RMC  
Township Clerk