

**Lee County Board
Dixon, Illinois**

Ordinance NO. _____

**EXPANSION OF LEE COUNTY
EMPLOYEE 457 (b) DEFERRED COMPENSATION PLAN**

WHEREAS, on August 15, 1989, the Lee County Board (Board) established a Deferred Compensation Plan pursuant to Section 457(b) of the Internal Revenue Code; and

WHEREAS, a Deferred Compensation Plan provides tax benefits to County employees, incentivizing them to voluntarily set aside and invest portions of their current income to meet their future financial needs and supplement their county retirement benefits; and

WHEREAS, when the Deferred Compensation Plan was originally adopted, the Ordinance specifically referred to the “*National Association of Counties (NACo) Deferred Compensation Program*”; and

WHEREAS, NACo does not directly administer or offer a Deferred Compensation Program, but instead partners with Nationwide Retirement Solutions (NRS) to provide Plan services for counties; and

WHEREAS, NACo RMA LLC is a Registered Municipal Advisor that acts as a solicitor for Nationwide Retirement Services Corporation by introducing the services of Nationwide Retirement Services to county governments and agencies, and in exchange for these solicitation services NACo RMA LLC receives negotiated fees from Nationwide Retirement Services; and

WHEREAS, there are other Deferred Compensation Plan providers that are qualified, to offer options to employees with potentially more competitive fees; and

WHEREAS, offering employees a choice of Deferred Compensation Plan providers allows them to make decisions that best fits their personal needs, and reduces liability to the County by allowing the employee to choose a provider.

NOW, THEREFORE BE IT ORDAINED BY THE LEE COUNTY BOARD:

Section 1. Lee County will continue to provide a Deferred Compensation Program to all eligible county employees and elected officials that volunteer to participate.

Section 2. The Lee County Board hereby expands its Deferred Compensation Program to include other qualified, registered, licensed, and insured deferred compensation providers as approved by the Finance Committee, with the advice of the Treasurer.

Section 3. The Lee County Treasurer is hereby authorized to act as the “Administrator” of the Plan and to perform the necessary administrative functions necessary to implement the voluntary compensation deferments of employees participating in the program.

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Section 4. It is implicitly understood that other than the incidental expenses of collecting and disbursing of the employees' deferrals and other minor administrative matters, there is to be no cost or contribution by the County to the program.

Section 5. Work Absence. If a participating employee is absent from work by leave of absence, FMLA, or other type of extended work leave, deferrals under the Plan shall continue to the extent that compensation continues, unless the employee elects to change their deferral.

Section 6. Disability. A disabled participating employee may elect to continue deferrals during any portion of the period of his or her disability to the extent that he or she has actual compensation from which to make contributions to the Plan and has not had a severance from employment.

PASSED BY THE LEE COUNTY BOARD

THIS _____ DAY OF _____, 2023

BY: _____
Lee County Board Chairman

ATTEST:

BY: _____
Lee County Clerk