



Legislation Details (With Text)

File #: 191959 **Version:** 0

Type: Resolution-Immediate Adoption **Status:** Passed

File created: 4/14/2020 **In control:** COMMON COUNCIL

On agenda: **Final action:** 4/14/2020

Effective date:

Title: Resolution authorizing the Executive Director of the City of Milwaukee Deferred Compensation Plan (“Plan”) to collaborate with Voya, the Plan’s third party administrator, to implement provisions of the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) intended to provide financial flexibility to Plan participants.

Sponsors: ALD. HAMILTON, ALD. LEWIS, ALD. COGGS

Indexes: DEFERRED COMPENSATION PLAN, FEDERAL LEGISLATION

Attachments: 1. Summary of CARES Act, 2. CARES Act Voya Direction Letter, 3. How the Coronavirus Relief Bill Affects DC Plans

| Date | Ver. | Action By | Action | Result | Tally |
|-----------|------|----------------|---------|--------|-------|
| 4/14/2020 | 0 | COMMON COUNCIL | ADOPTED | Pass | 15:0 |
| 4/16/2020 | 0 | MAYOR | SIGNED | | |

IMMEDIATE ADOPTION

191959

ORIGINAL

ALD. HAMILTON, LEWS AND COGGS

Resolution authorizing the Executive Director of the City of Milwaukee Deferred Compensation Plan (“Plan”) to collaborate with Voya, the Plan’s third party administrator, to implement provisions of the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) intended to provide financial flexibility to Plan participants.

This resolution authorizes the Executive Director of the City of Milwaukee Deferred Compensation Plan to collaborate with Voya, the Plan’s third party administrator, to implement provisions of the federal CARES Act intended to provide financial flexibility to Plan participants. These CARES Act provisions allow for penalty-free coronavirus-related distributions of up to \$100,000.00 in calendar year 2020, expanded availability of coronavirus-related loans for a 180-day period, and liberalized loan repayment terms.

Whereas, The CARES Act, federal legislation intended to address a broad array of economic and other concerns raised by the coronavirus pandemic, became law on March 27, 2020; and

Whereas, The CARES Act includes provisions intended to provide increased financial flexibility to

participants in employer-sponsored qualified retirement plans; and

Whereas, The CARES Act provisions applicable to the Plan allow for penalty-free coronavirus-related distributions of up to \$100,000.00 in calendar year 2020, expanded availability of coronavirus-related loans for a 180-day period, and liberalized loan repayment terms; and

Whereas, On April 6, 2020, the Board of the City of Milwaukee Deferred Compensation Plan ("Board") unanimously authorized the Plan's Executive Director to seek Common Council approval to implement the CARES Act provisions applicable to the Plan; and

Whereas, Upon authorization by the Common Council the Plan's Executive Director will collaborate with Voya, the Plan's third party administrator, to execute promptly the Board's and the Common Council's directive to implement the CARES Act provisions applicable to the Plan; and

Whereas, The Plan's Executive Director will, as soon as reasonably practicable thereafter and as required by law, present to the Board and the Common Council modifications to the Plan Document reflecting the CARES Act provisions implemented herein; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Plan's Executive Director is authorized to collaborate with Voya, the Plan's third party administrator, to execute promptly the Board's and the Common Council's directive to implement the CARES Act provisions applicable to the Plan as soon as practicable.

Beth Cleary
4/13/2020