



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Law

To: City Council

From: City Manager & Staff

Council Meeting Date: May 6, 2019

Re: Authorizing a Fixed Account Amendment to the Group Flexible Purchase Payment Deferred Variable Annuity Contract with Nationwide Life Insurance Company

Executive Summary

Staff is requesting an amendment to the plan options available to participants of the 457(B) Deferred Compensation Plan administered by Nationwide.

Discussion

Nationwide has made a determination it needs to change the Guaranteed Minimum Interest Rate (GMIR) of the fixed annuity contract available in the 457 Plan offered to City of Columbia participants.

Nationwide has provided the City with three options and City staff is recommending the selection of Option A which will result in the continued offering of a GMIR at a lower annual rate. The City has been granted an extension until April 16, 2019 to make the election. Failure to choose an option will result in closure of the plan option to new contributions with all future allocations defaulting to the Default Investment Alternative established by Nationwide.

Attached as supplemental information is correspondence from Nationwide which further explains the options available.

Fiscal Impact

Short-Term Impact: None.

Long-Term Impact: None.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable



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Legislative History

Date	Action
	None.

Suggested Council Action

Passage of the ordinance authorizing a Fixed Account Amendment to the Group Flexible Purchase Payment Deferred Variable Annuity Contract with Nationwide Life Insurance Company.