



Project title: Authorize the Mayor to sign the letter directing Missionsquare (formerly ICMA-RC) to process and administer emergency withdrawal requests on behalf of participants in the City of Everett's 457(b) deferred compensation plan.

City Council Agenda Item Cover Sheet

Council Bill # *interoffice use*

Agenda dates requested:

May 4th, 2022

Briefing

Proposed action

Consent X

Action

Ordinance

Public hearing

Yes No X

Budget amendment:

Yes No X

PowerPoint presentation:

Yes No X

Attachments: Unforeseeable Withdrawal Directive

Department(s) involved:

HR

Legal

Contact person:

Kandy Bartlett

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Initialed by:

KB

Department head

Administration

Council President

Consideration: Approve and authorize Missionsquare to administer Unforeseeable Emergency Withdrawals

Project: Unforeseeable Emergency Withdrawal Directive

Partner/Supplier : Missionsquare (formerly ICMA-RC)

Location:

Preceding action:

Fund:

Fiscal summary statement:

Project summary statement:

Missionsquare (formerly ICMA-RC) administers one of the City's 457(b) deferred compensation plans. Missionsquare will review and administer the applications from employees and beneficiary's unforeseeable emergency withdrawals under section 457 of the Internal Revenue Code. Missionsquare will make the determination of whether the participant's request complies with the regulation criteria. The City will agree to hold Missionsquare harmless in connection with any claim or liability arising as a result of Missionsquare administering emergency withdrawal requests under the plan. The City retains the ultimate discretionary authority with respect to the decision regarding the participant's unforeseeable emergency withdrawal.

Recommendation (exact action requested of Council):

Authorize the Mayor to sign the letter directing Missionsquare (formerly ICMA-RC) to process and administer emergency withdrawal requests on behalf of participants in the City of Everett's 457(b) deferred compensation plan.



UNFORESEEABLE EMERGENCY WITHDRAWAL DIRECTIVE

May 4, 2022

ICMA Retirement Corporation
777 North Capitol St, NE
Washington, DC 2002


To Whom It May Concern:


By this letter, the City of Everett ("Employer") directs ICMA Retirement Corporation ("ICMA-RC") to process emergency withdrawal requests on behalf of participants in the Employer's 457 Deferred Compensation Plan ("Plan") without requiring Employer approval and under the following conditions:

1. ICMA-RC will make available to the Employer and participants in the Plan copies of the ICMA-RC 457 Deferred Compensation Plan Emergency Withdrawal Form (or an Employer-customized form) ("Form") to be used in connection with emergency withdrawal requests. Employer will notify participants that they must complete the Form and submit it, along with all required documentation, (the "Application") to ICMA-RC for processing.
2. ICMA-RC will review the Application to determine whether the participant's request complies with the criteria for an unforeseeable emergency withdrawal under section 457 of the Internal Revenue Code ("Code") and regulations thereunder, applicable Plan provisions (collectively, the "Emergency Withdrawal Criteria").
3. ICMA-RC may rely in all respects, without having to make further inquiry, upon the Application submitted by the participant, including all supporting documentation, information, or representations provided by the participant. ICMA-RC shall be deemed to have received an Application in good order upon receipt of an Application in a form and manner required by or acceptable to ICMA-RC. ICMA- RC shall not be required to process an Application that has not been submitted in good order.
4. ICMA-RC may take up to five business days to review a request for the purpose of determining whether it is in good order. This five-day assessment period shall not be counted for the purpose of determining ICMA-RC's

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compliance with disbursement processing performance standards subject to performance guarantees.

5. Adequate supporting documentation must be provided by a participant in order for ICMA-RC to make a determination regarding compliance of the participant's request with the Emergency Withdrawal Criteria. An Application otherwise in good order that does not include such documentation will be denied.

6. A participant may resubmit an Application so denied, along with the necessary supporting documentation, for reconsideration by ICMA-RC.

7. Based on ICMA-RC's review of the Application, ICMA-RC will either (a) approve and process the request or (b) reject and deny the request. On a monthly basis, ICMA-RC will provide the Employer or its designee, as appropriate, a report listing all the Applications processed during the previous month.

Such a report will list the participant's name, request date, requested amount, reason for the request and the decision whether to grant or deny the request.

8. If a participant disagrees with ICMA-RC's denial of the Application or partial approval of the Application, the participant may request that the Employer review the Application. In such cases, ICMA-RC will provide the Employer with a copy of the Application.

9. The Employer will treat as binding ICMA-RC's decision to make a payment pursuant to an Application in good order.

10. Employer agrees to allow participants in the Plan to submit their requests for Emergency Withdrawal through ICMA-RC's secure web portal.

11. Employer acknowledges and agrees that ICMA-RC is not responsible for detecting inaccuracies, misstatements, or falsifications made by participants related to the processing of the Application. ICMA-RC's review is not designed to detect such issues. Processing Applications is subject to the limitation that errors, misstatements, fraud, or other unlawful acts by participants may not be detected. Nonetheless, unless prohibited by law or by judicial or regulatory request, ICMA-RC will communicate to the Employer or their designee, as appropriate, any such matters that come to ICMA-RC's attention during the processing of the Application.

12. Employer agrees to hold ICMA-RC harmless in connection with any claim or liability arising as a result of ICMA-RC's processing of emergency withdrawal requests under the Plan, unless such claim or liability results solely from the willful misconduct of ICMA-RC or its employees, directors, officers or agents.

13. Employer further acknowledges and agrees that Employer retains the ultimate discretionary authority with respect to decisions regarding a participant's unforeseeable emergency withdrawal request.



Authorized and Agreed to by City of Everett:

Printed Name & Title

Signature & Date

Reference Plan Numbers: 301333, 800381

Agreed to and Accepted by ICMA Retirement Corporation:

Printed Name & Title

Signature & Date

