



CITY OF WAUKESHA

Administration

201 Delafield Street, Waukesha, WI 53188
Tel: 262.524.3701 fax: 262.524.3899
www.ci.waukesha.wi.us

Common Council Item Number: 15-2131	Council Date: 3/3/15	Committee Date: Committee: Finance 2/24/2015
Submitted By: Donna Whalen, HR Mgr./Asst. City Attorney	City Administrator Approval: Kevin Lahner, City Administrator KML	
Finance Department Review: Rich Abbott, Finance Director RA	City Attorney's Office Review: Brian Running, City Attorney BR	
Subject: Review and Act on a request to approve retaining outside legal counsel for the purpose of reviewing and updating documents relating to deferred Compensation program(s) available to City Employees. In conjunction, a request to transfer the exact amount to fund the review out of Contingency (9710.89910) to HR (1430.52190) in an amount not to exceed \$5,000.		

Details:
The City has agreements with the following entities to administer deferred compensation programs to City employees: ICMA; Mutual of America; Metropolitan Life; Nationwide; and the State of Wisconsin Deferred Compensation Program. It has been a number of years since the City's master agreement and/or subsidiary agreements have been reviewed and amended to comply with requirements of IRS regulations relating to 457(b) deferred compensation programs for municipal employers. This update is necessary and the need is immediate. This is a highly specialized area of legal practice and City staff does not possess the expertise needed for this project.

Options & Alternatives:
Three local law firms with staff specializing in employee benefit practice were contacted to obtain estimates of the cost of legal fees to complete this project. Estimated legal fees include: \$2000 to \$5000; \$2900 to \$3300; and \$2500 to \$3000.

Financial Remarks:
Budgeted Contingency Funds (9710.89910) will be transferred to HR's "Other Professional Services" (1430.52190) for the actual cost of the legal expenses, not to exceed \$5,000. The selected law firm will bill at their government discounted rate. The remaining contingency will be no less than \$95,000.

Executive Action:
Recommend approval of retention of outside legal counsel to review and prepare necessary legal documents to bring City of Waukesha deferred compensation program into compliance with federal and state law.

Committee Recommendation:



