



**LAKE WORTH**  
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**MEMORANDUM**

**TO:** Chair, Vice Chair and Members of the CRA Board

**FROM:** Rachel A. Bach, Executive Director

**DATE:** October 10, 2006

**SUBJECT: 401a Money Purchase Plan**

**RECOMMENDATION:**

Approve Resolution Number 06-02 adopting the Lake Worth CRA Money Purchase Plan and authorize Chair and Executive Director to sign all applicable documents.

**EXPLANATION:**

The CRA Board of Commissioners authorized the provision of a 401k or similar defined contribution retirement plan for the Executive Director and CRA employees. The proposed plan is a 401a Money Purchase Plan, which is similar to a 401k plan but because of IRS rules is provided for public sector employees in lieu. The plan requires a 5% contribution from the employee and provides a 5% match by the CRA. All funds are contributed pre-tax. Employees will be fully vested in the CRA's match after 5 years of service. The Plan is being provided by Nationwide Retirement Solutions, which also provides the City's 401a plans. The Executive Director and Chair of the CRA Board are the proposed Trustee's of the plan which authorizes them as signatory for plan changes and general administration of the plan

**PROGRAM IMPACT:**

This will provide CRA employees with a retirement benefit, which will assist the CRA in employee retention and recruitment.

**FISCAL IMPACT:**

This is a budget item under Personnel Services.

Recommended by: \_\_\_\_\_  
 Rachel A. Bach, Executive Director