

A regular meeting of the Council of the City of Bedford, Virginia, was held in the Council Hall of the Municipal Building at 7:30 p.m., December 10, 1996.

Members present: Mayor G. Michael Shelton; Councilman H. Davis Ballard; Vice Mayor Larry D. Brookshier; Councilwoman Mary L. Flood; Councilwoman Linda Kochendarfer; Councilman W. D. Tharp; and Councilman Robert T. Wandrei.

Members absent: None.

Staff present: City Manager Jack A. Gross; City Attorney W. W. Berry, IV; and Clerk of the Council Teresa W. Hatcher.

Mayor Shelton opened the meeting and led all present in saying the Pledge of Allegiance to the Flag.

Mayor Shelton declared that the minutes of a regular Council meeting held on November 26, 1996, were approved as distributed.

Councilman Ballard took issue with a correction the Bedford City School Board made to its minutes of November 4, 1996, concerning the new dental unit at Bedford Primary School as follows: ". . .it is the Board's understanding that the City doesn't want to give a permit for this new unit."

During discussion, it was determined that a request for a permit has not been made to the City.

At the direction of Council, for clarification purposes, the City Manager is to write a letter to the School Board informing them that as of this meeting, there has been no request to the City regarding the after-hours use of the dental clinic, and the City did issue the permits for the school-time use of the dental clinic.

Discussion ensued regarding *Expansion Management Magazine's* rating of the school system.

On motion by Councilman Tharp, seconded by Councilwoman Kochendarfer, voted upon and carried unanimously, the following item was added to the agenda: Appropriation - *Expansion Management Magazine* - Rating of the City School System.

Mayor Shelton mentioned the success of the annual Christmas Parade and commended Bedford Main Street, Inc., for its organization of the event.

The Consent Agenda consisted of the following item: Appointment of Barry W. Thompson, Assistant City Manager, to serve as the City's representative on the Community Policy and Management Team.

Councilwoman Kochendarfer moved that the Consent Agenda be adopted. The motion was seconded by Councilman Tharp, voted upon and carried unanimously.

Barbara Ring, Bedford County Chamber of Commerce, reported it is necessary to reprint the *Bedford Naturally* brochure. Ms. Ring reviewed a list showing tourism increases in telephone calls, visits to the Chamber office, and written requests which are a result of aggressive advertising and marketing. The Chamber is asking the City and the County to share equally the \$10,500 cost of reprinting the brochure.

Councilman Tharp moved that Council appropriate \$5,250 from the unappropriated contingency to Account No. 108161.3455 as the City's share of reprinting the *Bedford Naturally* brochure. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried unanimously by the following roll call vote:

Councilman Ballard aye

Vice Mayor Brookshier aye

Councilwoman Flood aye

Councilwoman Kochendarfer aye

Councilman Tharp aye

Councilman Wandrei aye

Mayor Shelton aye

City Manager Gross stated that the Internal Revenue Service has made amendments to its Code which will require changes to the structure of Section 457 deferred compensation plans, such as the plan administered for the City by the International City Management Association Retirement Corporation. These changes will take effect January 1, 1997. The major change provides for the establishment of a plan level trust and will require the naming of a plan trustee. ICMA Retirement Corporation has provided a proposed resolution to amend its deferred compensation plan, in which the City of Bedford is named as trustee. The trustee will hold record title to plan investments and permit deposits and payments from processing accounts according to the instructions of the employer or plan administrator.

The City Manager explained that another change allows participants to offer loans from the 457 plan. This provision raises administrative issues; therefore, the City prefers that its 457 plan not permit loans.

Councilman Tharp moved that Council adopt the resolution amending the City's Deferred Compensation Plan with the ICMA Retirement Corporation. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried by the following roll call vote:

Vice Mayor Brookshier aye

Councilwoman Flood aye

Councilwoman Kochendarfer aye

Councilman Tharp aye

Councilman Wandrei aye

Councilman Ballard aye

Mayor Shelton aye

The resolution follows as adopted:

RESOLUTION RELATING TO AMENDING

A DEFERRED COMPENSATION PLAN

Name of Employer: City of Bedford State: Virginia

Resolution of the above named Employer ("Employer")

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the Employer has established a deferred compensation plan for such employees that serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the continuance of the deferred compensation plan will serve these objectives; and

WHEREAS, amendments to the Internal Revenue Code have been enacted that require changes to the structure of and allow enhancements of the benefits of the deferred compensation plan:

NOW THEREFORE BE IT RESOLVED that the Employer hereby amends and restates the deferred compensation plan (the "Plan") in the form of: (Select One)

- The ICMA Retirement Corporation Deferred Compensation Plan and Trust
- The Plan and Trust provided by the Employer (executed copy attached hereto).

BE IT FURTHER RESOLVED that the assets of the Plan shall be held in trust, with the Employer serving as trustee, for the exclusive benefit of the Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in the ICMA Retirement Trust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries:

BE IT FURTHER RESOLVED that the Plan: (Select one)

- Will permit loans
- Will not permit loans

BE IT FURTHER RESOLVED that the Employer hereby agrees to serve as trustee under the Plan.

Mayor Shelton indicated that an appropriation is not necessary for a rating of the City school system by *Expansion Management Magazine* as funds are currently available in the budget.

Councilman Tharp moved that Council authorize the City Manager to proceed with the expenditure to gain this information (rating of the City school system) and have that expenditure charged against the City Council's miscellaneous expense line item in the budget. The motion was seconded by Councilwoman Kochendarfer, voted upon and carried unanimously.

Mayor Shelton indicated that a Council retreat will be scheduled early in 1997 for various planning items.

The Mayor stated that he will work on a legislative plan to present to the City's representatives to the General Assembly.

Mayor Shelton adjourned the meeting at 7:58 p.m.