

Financial Services News

Roanoke County, Va., Sonoma County, Calif. honored for innovative leadership in retirement savings

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Roanoke County, Va. and Sonoma County, Calif. are the inaugural winners of NACo's Deferred Compensation Retirement Program's Aspire Award: Honoring Innovations in Promoting County Employee Retirement Savings. The two counties were selected from among a number of applications from counties that are committed to helping their employees understand how personal savings can complement other income sources during retirement.

Roanoke County was awarded the 2015 Aspire Award for its program "Helping Employees Achieve Their Retirement Goals After the Economic Downturn."

Its employees have participated in the NACo Deferred Compensation Program for more than 20 years. In order to encourage employee participation, the county offers a \$25 per month match.

While this generated interest and participation, the recession that began in 2008 had two consequences: reluctance to sign up or reluctance to increase deferrals. No salary increases for several years combined with the market downturn which then combined with a change in state law that requires employees to contribute to the state retirement plan all helped lead to declining interest in the deferred compensation plan.

As the county began to recover from the recession, efforts to encourage participation in the plan included:

- maintaining the \$25 match

- working with Nationwide to present more workshops on a variety of topics in different locations that are open to employees and spouses

- including a focus on the deferred compensation plan and the match in employee orientation

- providing monthly meetings with Nationwide representation throughout the county and allowing employees to participate during work hours

- holding semi-annual meetings between county staff and Nationwide to review plan status and adjust the outreach as necessary, and

- including Nationwide during open enrollment benefits sessions.

What are the results?

In 2013, there was a 76.8 percent participation rate and 58 percent of new hires signed up. The participation rate for new hires, however, dropped to 73 percent and only 24 percent signed up in 2014 due to mandated participation in a state plan. Despite these decreases, the county's commitment to working with its employees continues to show positive results.

Sonoma County was awarded the 2015 Aspire Award for its "Retirement Literacy 101: The Nuts and Bolts of Constructing a Lifetime Savings Plan" project.

The county recognized that individual savings are extremely important to post-retirement financial wellness and wanted to boost employee participation in its employees' voluntary retirement savings programs — specifically the NACo Deferred Compensation Program. The goal was to ensure that employees were fully aware of the strengths and limitations of the pension and Social Security systems, and how personal savings complements these other income resources.

The county deferred compensation plan staff launched a series of six workshops — during National Save for Retirement Week in October 2014 — by partnering with the county's HR department, the county pension plan, local representatives of the Social Security Administration



Roanoke County, Va. Aspire Award winners, Charlotte Moore (l) and Rebecca Owens, show off their award trophy presented at the Annual Conference Awards Luncheon. Photo by David Hathcox

and Nationwide Retirement Solutions. By presenting a unified message, employees were shown how these various resources all contribute to determining the financial quality of their retirement.

In addition, the Board of Supervisors authorized an Incentive Retirement Savings Plan (IRSP) to motivate employees to take the next step and begin saving. The IRSP matches the first 1 percent of an employee's salary saved in the deferred compensation plan.

The results?

Countywide participation in the workshops — particularly those geared toward employees just beginning to think about retirement — was strong with nearly 200 employees participating. The employees were engaged and the county was able to iden-

tify where additional employee education could be helpful.

The IRSP was also successful. In the six months following its implementation, the number of employees contributing to their deferred compensation accounts increased by 10 percent, bringing the county's total participation rate to 64 percent!

About the Aspire Award

The Aspire Award was created in 2015 to honor the 35-year NACo Deferred Compensation Program, administered by Nationwide Retirement Solutions and to recognize county plan sponsors that have gone above and beyond in empowering their employees for retirement success.

For more information about the Aspire Award or the NACo Deferred Compensation Program, please contact David Thompson, dthompson@naco.org.

What's in a Seal?

Prince Edward County, Va.



Prince Edward County, carved from nearby Amelia County in 1753, was named for Prince Edward Augustus, fourth son of King George III.

His mother, Charlotte of Mecklenburg-Strelitz, was acknowledged in the names of nearby Charlotte and Mecklenburg counties, as was his birthplace, Buckingham House in London, represented by adjacent Buckingham County.

Prince Edward's likeness graces the county seal, which was designed by county resident Richard McClintock in 2002. The seal also prominently displays a sheaf of wheat, historically a prominent crop, and McClintock was deliberate in avoiding contemporary agricultural products, such as cattle, tobacco and sorghum, that went in and out of fashion. Aesthetic considerations led him to exclude symbolism of the current manufacturing industry. Wheat was also central to the original county seal, adopted in 1830.

Aside from Prince Edward, the seal depicts, from the left, the rotunda at Longwood University, in the county seat of Farmville; the cupola at the current courthouse; the former clerk's office in Worsham, which was the county seat until 1871; and the bell tower at Hampden-Sydney College.

McClintock included iconography from the colleges to "represent the enormous contribution Prince Edward County has made to American culture," including educating President William Henry Harrison, who attended Hampden-Sydney.