

RESOLUTION NO. 321

A RESOLUTION AUTHORIZING FAR WEST FEDERAL SAVINGS AND LOAN ASSOCIATION TO PROVIDE DEFERRED COMPENSATION PLAN FOR CITY EMPLOYEES IN THE CITY OF WILSONVILLE.

WHEREAS, the City Staff has prepared a report on the above captioned subject which is attached hereto as Exhibit "A", and

WHEREAS, the City Council has duly considered the subject and the recommendation(s) contained in the staff report, and


WHEREAS, interested parties, if any, have had an opportunity to be heard on the subject,

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Wilsonville does hereby adopt the staff report attached hereto as Exhibit "A", with the recommendation(s) contained therein and further instructs that action appropriate to the recommendation(s) be taken.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 6th day of June, 1983, and filed with the Wilsonville City Recorder this same day.


WILLIAM G. LOWRIE, Mayor

ATTEST:


DEANNA J. THOM, City Recorder

CITY OF WILSONVILLE

MEMO

June 6, 1983

DATE

TO: Mayor and City Council
FROM: Daniel O. Potter, City Administrator
SUBJECT: Deferred Compensation Plan and Agreement

The Far West Federal Savings and Loan Association is willing to enter into an agreement to provide a Deferred Compensation Plan for city employees.

This Plan would be in addition to a Plan formally had with Equitable Savings and Loan that has been purchased by the Benjamin Franklin Savings and Loan Association.

Our reason for adding Far West Federal Savings and Loan Association is so the employees may have better service to their accounts than is currently provided by Benjamin Franklin.

Attached is a form agreement which would authorize Far West Federal Savings and Loan Association to provide an employee Deferred Compensation Plan.

As a part of the process it is also necessary that Council name specific individuals who may sign for the employer as indicated on the attached form of agreement. I suggest that the following people be authorized to sign for the employer:

William G. Lowrie
Robert W. Harris
Daniel O. Potter
Deanna J. Thom

Recommendation: It is my recommendation that Council authorize Far West Federal Savings and Loan Association to provide Deferred Compensation Plan for city employees in the City of Wilsonville. And, that you further authorize the above named individuals to sign for the employer on matters relating to the Deferred Compensation Plan and Agreement entered into as a part of the Plan.

Respectfully submitted,



Daniel O. Potter

DOP/fr

Attachment

NEW INCREASE FORMERLY \$ _____ DECREASE FORMERLY \$ _____ RE-ENROLLMENT

DEFERRED COMPENSATION PLAN AND AGREEMENT

AGREED AND ENTERED INTO this _____ day of _____, 19____, between _____, the "Employer," and _____, the "Participant."

1. Purpose. Employer desires to establish and Participant desires to participate in an "eligible deferred compensation plan" as defined in Section 457 of the Internal Revenue Code. Participant performs services for Employer either as an employee or independent contractor.

NOW, THEREFORE, in consideration of the mutual agreement and covenant contained herein and for other valuable consideration, receipt of which is hereby acknowledged, it is mutually agreed and covenanted by and between Employer and Participant as follows:

2. Deferral of Compensation. Beginning with the first full pay period commencing after execution of this Plan and Agreement and for each pay period thereafter, Employer shall deduct from Participant's compensation as of the last business day of each pay period and shall credit on its books and records in Participant's Deferred Compensation Account ("Account"), the following amount: \$ _____ (\$5.00 minimum).

3. Change in Amount of Deferral. The amount of compensation to be deferred and not yet earned may be increased or decreased by the execution of a revised deferred compensation agreement provided that any such revision shall be effective only for compensation which will be earned during the calendar month next succeeding the month during which such revision is executed.

4. Investment of Deferred Compensation. All amounts of deferred compensation credited to the Participant's Account shall be invested in a savings account or certificate of deposit account of FAR WEST FEDERAL SAVINGS AND LOAN ASSOCIATION, Portland, Oregon. All dividends and other distributions of the accounts shall automatically be reinvested in a savings account or certificate of deposit account, and all earnings shall be credited to the Participant's Account.

5. Payments Under the Plan. (a) Upon the Participant's Separation from Service, as defined in Paragraph 11, Employer shall direct FAR WEST FEDERAL SAVINGS AND LOAN ASSOCIATION to pay Participant the value of Participant's Account in the manner specified in the Settlement Agreement. (b) Upon the occurrence of an Unforeseeable Emergency, as defined in Paragraph 11, Participant may submit an Unforeseeable Emergency Withdrawal Request on such form supplied by Employer. The request will be approved by Employer for only the amount of payment, if any, as is consistent with the terms of this Plan and Agreement.

6. Distribution to Beneficiaries. If the Participant dies before the entire amount deferred is paid to the Participant, Employer shall direct FAR WEST FEDERAL SAVINGS AND LOAN ASSOCIATION to pay the value of the Account to the Participant's beneficiary or beneficiaries in the manner and to the person(s) designated in the Designation of Beneficiary and Death Benefit Payment form. If no beneficiary has been designated in the Designation of Beneficiary and Death Benefit Payment form, Employer shall direct FAR WEST FEDERAL SAVINGS AND LOAN ASSOCIATION to liquidate and pay the entire amount of the Account to Participant's estate.

If the Participant dies before the entire amount deferred is paid to the Participant, the entire amount deferred and not yet distributed must be paid to a beneficiary over —

- (a) The life of the beneficiary (or any shorter period), if the beneficiary is the Participant's surviving spouse, or
- (b) A period not in excess of fifteen years, if the beneficiary is not the Participant's surviving spouse.

7. Maximum Yearly Deferral. Except as in Paragraph 8, the maximum amount of Participant's compensation that may be deferred for a taxable year shall not exceed the lesser of:

- (a) \$7,500.00, or
- (b) 33-1/3% of the Participant's includable compensation for the taxable year, reduced by any amount excludable from the Participant's gross income for the taxable year under Section 403(b) of the Internal Revenue Code on account of contributions made by the Employer.

A Participant's "includable compensation" for a taxable year includes only compensation from the Employer that is attributable to services performed for the Employer and that is includable in the Participant's gross income for the taxable year.

8. Limited Catch-Up. For one or more of the Participant's last three (3) taxable years ending before he attains normal retirement age under the Plan, the ceiling set forth in Paragraph 7 shall be the lesser of:

- (a) \$15,000.00, or
- (b) The sum of —
 - (i) The Plan ceiling established for purposes of Paragraph 7 for the taxable year (determined without regard to this paragraph), plus
 - (ii) So much of the Plan ceiling established for Paragraph 7 for taxable years before the taxable year as has not theretofore been used under Paragraph 7 or this paragraph.

9. All of the terms and conditions of the Deferred Compensation Plan and Agreement contained on the reverse hereof, are incorporated herein and by this reference made a part hereof.

EMPLOYER:

PARTICIPANT:

By _____
Signature (Typed Name)

Employee, Independent Contractor
(Circle One)

Title _____

DO YOU HAVE A 403b TAX DEFERRED ANNUITY? YES NO

THIS AGREEMENT INCLUDES DEFERRALS FROM THE LIMITED CATCHUP PROVISION — PARAGRAPH 8.