

CITY COUNCIL COMMUNICATION 97-065
FEBRUARY 17, 1997 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
PLAN 60 DEFERRED COMPENSATION PLAN	◆ RESOLUTION ORDINANCE RECEIVE/FILE	MARK J. DURHAM ACTING FINANCE DIRECTOR

SYNOPSIS —

At the City Council meeting held on November 18, 1996, Council approved the recommendation to establish a committee to prepare a request for proposals. Council also created a subcommittee of the City Council to review the information and make a recommendation to the City Council. The request for proposals is now being submitted for the City Council's approval.

FISCAL IMPACT —

No additional cost.

RECOMMENDATION —

Approval of the request for proposals for the continued operation of Plan 60 with a third party administrator.

BACKGROUND —

Over 20 years ago the City approved commencement of a deferred compensation program for City employees. In late 1979, the Plan 60 Deferred Compensation Program commenced as a choice for employees who wished to participate in the deferred compensation program. The City has since provided the management of the Plan and investment of Plan funds. The market value of the fund as of October 31, 1996 was \$46,437,742 and included 1,523 participants. As of December 31, 1996, there were 1,240 participants, and the market value of the Plan was \$36,881,118.

Over the past few weeks a special committee comprised of individuals representing various employee and retirement groups has prepared a request for proposals for the services of a third party administrator to operate the Plan 60 Deferred Compensation Program.