

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Anna Kanwit		2. Telephone No. 823-3506	3. Bureau/Office/Dept. OMF/BHR
4a. To be filed (hearing date): October 9, 2013	4b. Calendar (Check One) <div style="display: flex; justify-content: space-around;"> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/> </div>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: September 25, 2013
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

1) Legislation Title: * Authorize contract with ING Life Insurance and Annuity Company (ING) for Third Party Administration of the City's Deferred Compensation Plan (Ordinance)

2) Purpose of the Proposed Legislation:

The City currently maintains a governmental 457(b) Deferred Compensation Plan (Plan) pursuant to Section 457 of the Internal Revenue Code (IRC). In February 2013 the City conducted a Request for Proposal for Third Party Administration (TPA) recordkeeping, education, communications and investment related services for the City of Portland's Deferred Compensation Plan. After reviewing all responses, and interviewing four finalists, the Deferred Compensation Selection Committee, comprised of the three voting members of the Advisory Committee, one employee representing bargaining units, and one community representative unanimously selected ING.

The City wishes to engage ING as an administrative service provider to facilitate the administration of the Plan by providing services that shall include without limitation accounting for deferrals or contributions, disbursement of funds, withholding of taxes, investment education, retirement counseling, investment of assets in the appropriate Plan investment options and proper recordkeeping of participant accounts.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|---|------------------------------------|------------------------------------|--------------------------------|
| <input type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.

This request does not impact City revenues.

5) **Expense:** What are the costs to the City as a result of this legislation? What is the source of funding for the expense? *(Please include costs in the current fiscal year as well as costs in future year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the level of confidence.)*

This request does not create any expense to the City.

6) **Staffing Requirements:**

- Will any positions be created, eliminated or re-classified in the current year as a result of this legislation? *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*
- Will positions be created or eliminated in future years as a result of this legislation?

This request does not impact future staffing levels.

(Complete the following section only if an amendment to the budget is proposed.)

7) **Change in Appropriations** *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ YES: Please proceed to Question #9.

☒ NO: Please, explain why below; and proceed to Question #10.

This action is largely internal to City government processes.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Anna Kanwit

APPROPRIATION UNIT HEAD (Typed name and signature)



City of Portland
Bureau of
Human Resources
Knowledgeable | Helpful | Responsive

186278

Anna Kanwit, Director
1120 SW 5th Ave., Rm. 404
Portland, Oregon 97204-1912
(503) 823-3572
Fax (503) 823-4156

Office of Management and Finance

Jack D. Graham, Chief Administrative Officer

DATE: September 25, 2013

TO: Mayor Charlie Hales

FROM: Anna Kanwit, Human Resources Director

RE: * Authorize contract with ING Life Insurance and Annuity Company (ING) for Third Party Administration of the City's Deferred Compensation Plan (Ordinance)

1. INTENDED THURSDAY FILING DATE: October 3, 2013
2. REQUESTED COUNCIL AGENDA DATE: October 9, 2013
3. CONTACT NAME AND NUMBER: Cathy Bless (503) 823-5207
4. PLACE ON: ☒ CONSENT ☐ REGULAR
5. BUDGET IMPACT STATEMENT ATTACHED ☒ Yes ☐ No ☐ N/A
6. TWO (2) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY
ATTORNEY ATTACHED: ☒ Yes ☐ No ☐ N/A

7. BACKGROUND/ANALYSIS

The City currently maintains a governmental 457(b) Deferred Compensation Plan (Plan) pursuant to Section 457 of the Internal Revenue Code (IRC). In February 2013 the City conducted a Request for Proposal for Third Party Administration (TPA) recordkeeping, education, communications and investment related services for the City of Portland's Deferred Compensation Plan. After reviewing all responses and interviewing four finalists, the Deferred Compensation Selection Committee, comprised of the three voting members of the Advisory Committee, one employee representing bargaining units, and one community representative unanimously selected ING.

ING is the current service provider for the plan. The Bureau of Human Resources agrees with the Committee decision and would like to continue with ING as its service provider to facilitate the administration of the Plan by providing services that shall include without limitation accounting for deferrals or contributions, disbursement of funds, withholding of taxes, investment education, retirement counseling, investment of assets in the appropriate Plan investment options and proper recordkeeping of participant accounts.

8. FINANCIAL IMPACT:
See attached statement.

9. RECOMMENDATION:

It is recommended that City Council approve the Ordinance

Charlie Hales, Mayor

We are an equal opportunity employer

Please notify the City of Portland of the need for ADA accommodations no less than five (5) days prior to any City-sponsored event by contacting the Bureau of Human Resources at 503-823-3572 or the City's TTY at 503-823-6868.

