

MEMORANDUM

TO: Toni Anderson
Office of City Auditor

FROM: Jeanine Keller *JK*
Bureau of Human Resources – Deferred Compensation

SUBJECT: Ordinance # 185726

DATE: December 7, 2012

Please accept this memorandum as a request to change Chapter 5.09.005 C. to an effective date of November 14, 2012. This change was inadvertently not made as a strikethrough.

Thank you.

Sam Adams, 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.



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

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Anna Kanwit	2. Telephone No. 503-823-3506	3. Bureau/Office/Dept. OMF – Human Resources
4a. To be filed (date): November 14, 2012	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: October 31, 2012
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: *Amend the City Deferred Compensation Plan to allow Roth 457 and auto-enrollment opportunity (Ordinance; amend Code Chapter 5.09)

2) Purpose of the Proposed Legislation:

The purpose of this ordinance is to amend Code Chapter 5.09 of the City’s Deferred Compensation Plan. The IRS recently allowed and the Deferred Compensation Advisory Committee has approved adding a Roth 457 savings option effective January 1, 2013. It is necessary for the City to update Section 5.09.010 A., T. and U. “Definitions” to allow contributions to a Roth Deferral Account.

The State of Oregon allows auto-enrollment of deferred compensation contributions through collective bargaining agreements. The Deferred Compensation Advisory Committee has approved adding an opportunity for auto-enrollment of deferred compensation contributions through collective bargaining agreements. It is necessary for the City to add Section K. in 5.09.040 “Participation in the Plan” to allow an opportunity for Auto-Enroll contributions to the City 457 Deferred Compensation Plan. By adding the provision within the Section K. in 5.09.040 it allows the provision to be offered during the collective bargaining process. This change does not mandate and or authorize auto-enrollment within Deferred Compensation outside of the collective bargaining process

It is necessary that certain housekeeping revisions to the Plan are desirable and should be implemented. Section 5.09.010 L.; Section 5.09.040 B., D., F., and G.; Section 5.09.155 A., B., C.

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)?

- City-wide/Regional Northeast Northwest North
- Central Northeast Southeast Southwest East
- Central City
- Internal City Government Services

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 related to 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 years. 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.)*

This request requires no change to staffing in the current year.

- **Will positions be created or eliminated in future years as a result of this legislation?**

This request requires no change to staffing in future years.

(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



BUREAU DIRECTOR (Typed name and signature)

Office of Management and Finance

Jack D. Graham, Chief Administrative Officer

185726

DATE: October 31, 2012
TO: Mayor Sam Adams
FROM: Anna Kanwit, Human Resources Director
RE: * Amend the City Deferred Compensation Plan to allow Roth 457 and auto-enrollment opportunity (Ordinance; amend Code Chapter 5.09)

1. **INTENDED THURSDAY FILING DATE:** October 31, 2012
2. **REQUESTED COUNCIL AGENDA DATE:** November 14, 2012
3. **CONTACT NAME AND NUMBER:** Jeanine Keller (503) 823-6140
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 purpose of this ordinance is to amend Code Chapter 5.09 of the City's Deferred Compensation Plan. The IRS recently allowed and the Deferred Compensation Advisory Committee has approved adding a Roth 457 savings option effective January 1, 2013. It is necessary for the City to update Section 5.09.010 A., T. and U. "Definitions" to allow contributions to a Roth Deferral Account.

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It is necessary that certain housekeeping revisions to the Plan are desirable and should be implemented. Section 5.09.010 L.; Section 5.09.040 B., D., F., and G.; Section 5.09.155 A., B., C.

8. FINANCIAL IMPACT:

See attached statement.

9. RECOMMENDATION:

It is recommended that City Council approve the Ordinance allowing for Roth 457 implementation and adding provisions that would allow an opportunity for auto-enrollment into a deferred compensation plan through the collective bargaining process.

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