

FINANCE COMMITTEE

10-050-0

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AMENDING CHAPTER 2, ARTICLE XV, OF THE DULUTH CITY CODE, 1959, AS AMENDED, PERTAINING TO DUTIES OF THE CITY DEFERRED COMPENSATION PLAN COMMISSION.

CITY PROPOSAL:

The city of Duluth does ordain:

Section 1. That Section 2-90 of the Duluth City Code, 1959, as amended, is hereby amended to read as follows:

Sec. 2-90. City of Duluth deferred compensation plan commission.

A city of Duluth deferred compensation plan commission is hereby established. The commission shall have seven members, who shall be appointed by the mayor, but only with the approval of the city council. At least one person from each of the city's collective bargaining units shall be appointed, and any person so appointed shall be qualified to be a member of the commission only while being a member of the collective bargaining unit from which he or she was appointed. The term for any member shall be as the mayor and the city council shall specify at the time of appointment, but no such term shall be for more than four years. Any member or former member may be reappointed.

The duties of the commission shall be:

(a) To monitor the administration of the city of Duluth deferred compensation plan;

(b) To advise the city administration regarding the operation of the plan and the desirability of amending the plan;

~~(c) To participate in determining whether any participant in the plan, who seeks to withdraw deferred compensation because of an unforeseeable emergency, is entitled to such withdrawal by the terms of the plan and applicable law.~~

Section 2. That this ordinance shall take effect 30 days after its passage and publication.

Approved for presentation to council:

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Chief Administrative Officer

Approved as to form:

Approved:

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Attorney

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Auditor

ADM/ATTY SBH:cjk 9/16/2010

STATEMENT OF PURPOSE: This ordinance amendment removes the subsection mandating that the city deferred compensation plan commission make emergency hardship withdrawal determinations. The deferred compensation plan carriers make hardship withdrawal determinations based on IRS regulations. This service is already included in the administrative fees charged by each deferred compensation plan. Further, the information provided by an employee through the hardship withdrawal application is supposed to be confidential pursuant to federal law.