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DEFERRED COMPENSATION PLAN BOARD REPORT 05-35



Date: November 1, 2005

To: Board of Deferred Compensation Administration

From: Staff

Subject: Plan Document Revisions

Recommendation:

That the Board of Deferred Compensation Administration approve the recommended changes to the Deferred Compensation Plan Document generated by the Board's consultant, Mercer Investment Consulting.

Discussion:

Staff recently provided the City's Plan Document to the Board's consultant, Mercer Investment Consulting, for the purpose of ensuring that it is in compliance with revised Internal Revenue Service (IRS) regulations issued in 2004. Ian Berger, an attorney with Mercer, has developed recommended changes, some substantive and others more minor and technical, which are all detailed in the attached document. These changes must be enacted by year-end to meet IRS requirements.

Staff further provided these changes to the Board's counsel, Deputy City Attorney Richard Bobb. Mr. Bobb indicated that he approved of these draft changes for the purpose of meeting the IRS deadline, but that he wished to conduct a more thorough review of the Plan Document language in concert with Mercer and would likely recommend additional changes in the near future. Staff's intent is that this additional review include input from the Board's newly established Plan Governance Committee. As an immediate step, however, to meet the IRS deadline, staff recommends that the Board approve the draft recommended changes to the Deferred Compensation Plan Document generated by Mercer.

Submitted by: _____
Steven Montagna

Approved by: _____
Maryanne Keehn