

Introduced by: Mayor
Date: March 3, 1998
Action: Adopted
Vote: 7 Yes, 2 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 98-015**

**A RESOLUTION CONFIRMING THE AMENDMENT OF THE
BOROUGH'S DEFERRED COMPENSATION PLAN TO A 457 ICMA
PLAN AND TRUST AND PEBSCO CUSTODIAL ACCOUNT
AND DIRECTING THE ADMINISTRATION TO TAKE
FURTHER ACTION NECESSARY TO ADMINISTER THE PLAN**

WHEREAS, the Borough has employees rendering valuable public services; and

WHEREAS, the Borough initially established a deferred compensation plan in 1980 for employees which serves the interest of the Borough by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, currently the borough is serviced by two deferred compensation providers, ICMA and PEBSCO;

WHEREAS, the Borough Assembly has determined that the continuance of the deferred compensation plan will serve these objectives; and

WHEREAS, amendments to the Internal Revenue Code have been enacted that require changes to the structure of and allow enhancement of the benefits of the deferred compensation plan;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Borough hereby amends and restates the deferred compensation plan (the "Plan") in the form of the ICMA Retirement Corporation Deferred Compensation Plan and Trust and the PEBSCO custodial account.


SECTION 2. That the assets of the ICMA Plan shall be held in trust, with the Borough serving as trustee, for the exclusive benefit of the Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in the ICMA Retirement Trust shall be held for the further exclusive benefit of the Plan participants and their beneficiaries.

SECTION 3. That the assets of the PEBSCO custodial account shall be held by Bankone Trust Company as custodian for the exclusive benefit of the Plan's participants and beneficiaries.

SECTION 4. That the Administration is authorized to make necessary decisions regarding future changes and administration of the Plan.

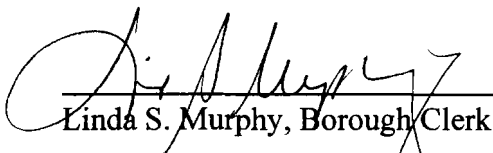
SECTION 5. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF MARCH, 1998.



Jack E. Brown, Assembly President

ATTEST:



Linda S. Murphy, Borough Clerk

