

CITY OF GIG HARBOR

ORDINANCE NO. 541

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, RELATING TO CITY EMPLOYEE'S DEFERRED COMPENSATION PLAN.

The City Council of the City of Gig Harbor, Washington, ORDAINS as follows:

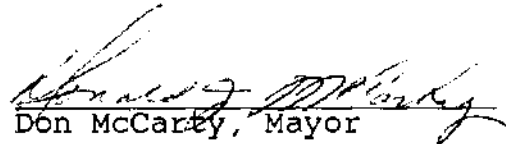
Section 1. Section 2.44.040 of the Gig Harbor Municipal Code is hereby amended to read as follows:

2.44.040 Retirement Component. A. The city shall adopt a deferred compensation money purchase retirement plan as an investment vehicle that will provide retirement income for city employees. The city shall contribute on behalf of each participant to the retirement plan, the amount the city would otherwise make to social security less the cost of survivor and disability insurance. Employees may shall contribute a match sum from portion of their base salary equal to the city's contribution to the retirement plan. This contribution shall be made in compliance with the policies and procedures of the approved plan. The city shall then contribute a matching sum equal to the employee's contribution, but never more than the contribution the city would otherwise make to Social Security less the cost of survivor and disability insurance. The employee's contribution and the city's contribution shall be that portion of an employee's total compensation that is a deferred compensation. computed based on the employee's total earnings, including overtime and bonuses.


B. The administration of the plan shall be governed by Internal Revenue Service rules and the policies of the specific plan. Although the city retains proprietary rights of the funds, the city shall authorize disability, retirement or termination, and distribution to survivor upon death of the employee. All permanent employees who work at least one thousand hours per year are eligible to participate.

Section 2. This ordinance shall take effect and be in full force five (5) days after its publication according to law.

PASSED by the City Council of the City of Gig Harbor,
Washington, and approved by its Mayor at a regular meeting of
the council held on this 10th day of October,
1988.


Don McCarty, Mayor

ATTEST:



Michael R. Wilson
City Administrator/Clerk

Filed with city clerk: 9/21/88
Passed by city council: 10/10/88
Date published: 10/26/88
Date effective: 10/31/88