

TOWN OF ST. JOHN, LAKE COUNTY, INDIANA

ORDINANCE NO. 939

AN ORDINANCE ESTABLISHING A DEFERRED
COMPENSATION PROGRAM FOR THE BENEFIT
OF THE EMPLOYEES OF THE TOWN OF ST. JOHN

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has reviewed the circumstances of compensation to its Employees, all of which is provided pursuant to the provisions of the Salary Ordinance of the Town, as amended from time to time; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has further reviewed the funding sources from which the salaries of the Employees of the Town is paid pursuant to the Salary Ordinance, as amended from time to time, and finds that such available funds are limited in order to provide an increase in compensation to the Employees; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has investigated the alternative methods available under applicable law to permit Employees of the Town to supplement retirement savings as well as utilize a portion of salary benefits before Federal Taxes to contribute to an established supplemental retirement savings program for such Employees; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has considered the establishment of a Deferred Compensation Plan to be made available to all eligible Employees of the Town pursuant to applicable Federal legislation permitting such Deferred Compensation Plans; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has been advised that certain substantial tax benefits could accrue to eligible Employees of the Town electing to participate in an established Deferred Compensation Plan; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined that the establishment of a Deferred Compensation Plan providing certain substantial tax benefits to eligible participating Employees of the Town would act as an incentive to participating Town Employees to voluntarily set aside and invest portions of their current income to meet future financial requirements and supplement their current and existing retirement plans provided as a result of their employment as Public Municipal Employees, all at no cost to the Town; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has been advised that the U.S. Conference of Mayors has established a master prototype deferred compensation program for cities and units of local government/political subdivisions, permitting its member cities and units of local

government/political subdivisions, as well as eligible Employees, to enjoy deferred compensation benefit advantages of the established program; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined that the U.S. Conference of Mayors, as Plan Administrator, agrees to hold harmless and indemnify the Town of St. John, as well as its appointed and elected Officers, Officials, and participating Employees from any loss resulting from the failure of the U.S. Conference of Mayors, or its Agents, to perform its duties and services pursuant to the U.S. Conference of Mayors program; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined that it is advisable and in the best interests of the residents of the Town of St. John to provide an incentive to Employees of the Town to voluntarily set aside and invest portions of their current income to meet their future financial requirements and supplement their Municipal retirement at no cost to the Town, and in order to provide incentive to such Employees to provide improved, enhanced public servants, all of which is anticipated to occur as a result of the establishment of a Deferred Compensation Plan with the U.S. Conference of Mayors, as Plan Administrator.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA:

SECTION ONE: The Town Council hereby adopts the U.S. Conference of Mayors Deferred Compensation Program, and its attendant investment options, and hereby establishes the Town of St. John, Lake County, Indiana, Deferred Compensation Plan for the voluntary participation of all eligible Employees of the Town.

SECTION TWO: The Clerk-Treasurer of the Town is hereby authorized to execute for the Town, individual participation agreements with each Employee requesting the same, and to act as the "Administrator" of the Plan representing the Town. The Town Council President is hereby authorized to execute such agreements and contracts as are necessary to implement the program, and the Clerk-Treasurer of the Town shall attest to the execution of the same by the Town Council President.

SECTION THREE: The Town of St. John, Lake County, Indiana, Deferred Compensation Plan is hereby established, provided that there is no cost to the Town for the program except for incidental expenses of collecting and disbursing the deferrals of the eligible participating Employees, and other minor administrative matters regarding the same.

SECTION FOUR: That all existing Ordinances, Guidelines, Regulations or parts thereof, in conflict with the provisions of this Ordinance, are hereby deemed null, void, and of no legal effect, and are specifically repealed.

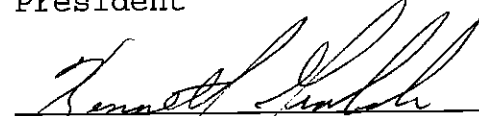
SECTION FIVE: If any section, clause, provision, or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision, or portion of this Ordinance.

SECTION SIX: That this Ordinance shall take effect, and be in full force and effect, from and after its passage by the Town Council of the Town of St. John.

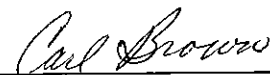
PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA, THIS 15 DAY OF November, 1993.

TOWN OF ST. JOHN, LAKE COUNTY,
INDIANA, TOWN COUNCIL

Douglas E. Patterson,
President



Kenneth D. Gembala,
Vice-President



Carl Brown,
Member

ATTEST:



JUDITH L. COMPANIK,
Clerk-Treasurer