

## **RESOLUTION NO. 914**

### **A RESOLUTION ESTABLISHING THE AIG VALIC 457 RETIREMENT PLAN AS AN ADDITIONAL DEFERRED COMPENSATION PLAN FOR THE CITY OF CANBY EMPLOYEES.**

**WHEREAS**, the City of Canby has considered the establishment of an additional Deferred Compensation Plan to be made available to all eligible employees (elected officials, and independent contractors) participating in said Deferred Compensation Plan; and

**WHEREAS**, certain substantial tax benefits could accrue to employees, (elected officials, and independent contractors) participating in said Deferred Compensation Plan; and

**WHEREAS**, AIG VALIC has established a master prototype deferred compensation program for cities, political subdivisions, and special districts, permitting its/their employees to enjoy advantages of this program; and

**WHEREAS**, AIG VALIC agrees to hold harmless and indemnify the City, its appointed and elected officers and participating employees from any loss resulting from the failure of AIG VALIC or of its Agent's failure to perform its duties and services pursuant to the AIG VALIC Program;

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the City Council of the City of Canby, as follows:

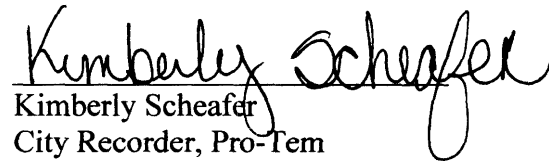
The City of Canby hereby adopts the AIG VALIC 457 Retirement Plan and its attendant investment options and hereby establishes the AIG VALIC 457 Retirement Plan for the voluntary participation of all eligible employees (elected officials and independent contractors).

The City Treasurer is hereby authorized to execute for the City of Canby individual participation agreements with each said employee requesting same, and to act as "Administrator" of agreements and contracts as are necessary to implement the Program. It is implicitly understood that, other than incidental expenses of collecting and disbursing the employee's deferrals and other minor administrative matters, there is to be no other cost to the City of Canby for the program.

ADOPTED this 18th day of January, 2006, by the Canby City Council.

  
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Melody Thompson  
Mayor

ATTEST:

  
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Kimberly Scheafer  
City Recorder, Pro-Tem