Request for City Council Committee Action from the Department of Human Resources

Date: April 4, 2008

To: Ways and Means/Budget Committee

Referral to: City Council

Subject: Amendment to the City of Minneapolis Deferred Compensation Plan

Recommendation:
Authorize the proper City officials to execute the First Amendment to the City of Minneapolis Deferred Compensation Plan. The amendment is required to comply with IRS regulations relating to plan payments to non-spouse beneficiaries of deceased participants.

Previous Directives: None

Prepared by:	Joyce Traver, Benefits Manager	
Approved by:	_____ Pamela French, Director HR	_____ Steven Bosacker, City Coordinator
Presenters in Committee:	Joyce Traver	

Financial Impact: None

Supporting Information

The Pension Protection Act of 2006 provides that benefits received from a 457 deferred compensation plan by non-spouse beneficiaries are eligible for direct IRA rollovers. Previously, only benefits received by the spouse of a deceased participant were eligible for rollover. The proposed amendment will bring the City's 457 deferred compensation plan into compliance with the change in federal law.