



## Legislation Text

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**File #:** 15-289, **Version:** 1

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Resolution No. 15-15, Establishing City Paid Executive Deferred Compensation Benefit

**RECOMMENDED ACTION (Motion):**

Staff is unable to provide a recommendation due to a potential conflict of interest.

**BACKGROUND:**

The City of Oregon City maintains a deferred compensation plan authorized by Section 457 of the Internal Revenue Code of 1986, as amended ("IRC"). The plan was originally adopted by the Oregon City Commission in August 1978 and amended to add additional plans in December 1981 and May 1982.

It is recognized that there is great value to the City Commission and Oregon City citizens that, the City is an employer of choice in attracting job applicants and retaining its high quality employees. Competitive salary and benefit programs are an instrumental part of an employee retention program.

Outside the City Manager employment agreement, Oregon City does not currently offer the benefit of City funded deferred compensation to employees. Comparable cities provide employer funded deferred compensation to executive level employees. Those cities include: Albany, Milwaukie, Tigard, West Linn and Wilsonville. Although not a direct comparable to Oregon City, Clackamas County competes with Oregon City to attract job applicants and public sector professionals in a number of job categories.

At the May 6, 2015 Executive Session, there was consensus within the City Commission that the Commission wishes to maintain the City's competitive advantage with Clackamas County and peer cities by authorizing a new benefit, City funded Executive Level Deferred Compensation. The amount of the benefit is to mirror Clackamas County's benefit, which is currently 6.27% of employee base salary.

**BUDGET IMPACT:**

Amount: Approximately \$75,000/yr

FY(s): 2015-16

Funding Source: Various funds