



RESOLUTION 20-07-21-01  
CITY OF THORNE BAY

A RESOLUTION BY OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA,  
AUTHORIZING THE PARTICIPATION OF ITS EMPLOYEES IN THE PUBLIC  
EMPLOYEES' DEFERRED COMPENSATION PLAN OF ALASKA AND THE PAYMENT  
OF THE REQUIRED CONTRIBUTIONS, PURSUANT TO AS 39.45 ET SEQ

**WHEREAS**, The City Council is the governing body for the City of Thorne Bay, and

**WHEREAS**, the City of Thorne Bay, located in Thorne Bay, Alaska, wishes to increase the fringe benefits of its employees by adoption of a deferred compensation program.


**NOW THEREFORE BE IT RESOLVED** by the City Council for the City of Thorne Bay, that

1. Pursuant to AS 39.45.010 et. seq., the City of Thorne Bay of Thorne Bay, Alaska, requests permission to become a participating employer of the Public Employee's Deferred Compensation Program of Alaska.
2. All regular full-time employees of the City of Thorne Bay shall be participating members of the Public Employees' Deferred Compensation Program of Alaska.
3. All regular part-time employees of the City of Thorne Bay shall be participating members of the Public Employees' Deferred Compensation Program of Alaska.
4. The following employee groups are excluded from participation:
  - a) **Temporary Employees**. Temporary employees are employees hired on an interim replacement basis, or for temporary work, on a predetermined work schedule with a termination date established upon hire. A temporary employee may be separated from city service demoted or suspended without cause in the full discretion of the mayor or the city administrator. If employees hired on a temporary basis become permanent employees, they are entitled to sick leave and annual leave accruals retroactive to their date of hire.


- b) **Probationary Employees**. A probationary employee is an employee that is considered a part of the complement needed for performing city services but without permanent status. All appointments and promotions to positions in the city, as well as former employees who are rehired, shall be on a probationary basis of six months. During the probationary period, an employee may be terminated, and a promoted employee returned to the previously held position from which he was promoted, or an equivalent one, at the discretion of the mayor. The employee may be dismissed or demoted during this period of probation at any time without right of appeal or hearing. Probationary employees shall not be entitled to benefits, including but not limited to annual leave, health insurance, life insurance, or the city's retirement program. Upon successful completion of probationary period (six months) full benefits will be available.
  
  - c) **Project Employees**. Project employees are employees hired, appointed or who volunteer for a specific project or position which is not considered to be part of the regular complement work force needed to perform municipal services. Project employees shall be hired and operate pursuant to terms and conditions approved by the mayor. Project employees may be separated from city service, demoted or suspended without cause in the full discretion of the mayor or the city administrator without right of appeal or hearing. The provisions of Section 2.24.080 do not apply to project employees. Project employees shall not be entitled to benefits, including but not limited to annual leave, sick leave, holidays, health insurance, life insurance, or the city's retirement program. Project employees shall be entitled to benefits required by State or Federal law including Worker's Compensation, Unemployment Insurance, Medicaid and Social Security withholding. Project employees shall not be considered for hire, appointment or volunteer until the person's accounts with the city are made current. The City Council will consider financial or other hardships.
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- 5. The City of Thorne Bay acknowledges the Public Employees' Deferred Compensation Program of Alaska is a voluntary plan which accepts employee contributions on either a pre-tax or post-tax basis through payroll deduction. No employer contributions may be made to the program.
  
  - 6. The City of Thorne Bay further requests that participation in the Public Employee's Deferred Compensation Program of Alaska be made effective as of July 19<sup>th</sup>, 2020.

7. The City Council for the City of Thorne Bay, authorizes and directs the City Clerk/Treasurer to:
  - a. take any and all steps necessary to enroll the City of Thorne Bay and its employees in the Public Employee's Deferred Compensation Program;
  - b. initiate a Participation Agreement between the City of Thorne Bay and the State of Alaska; Department of Administration

**PASSED, APPROVED AND ADOPTED BY** the City Council for the City of Thorne Bay, Alaska, this 21<sup>st</sup> day of July 2020.

  
\_\_\_\_\_  
Lee Burger, Mayor

ATTEST:

  
\_\_\_\_\_  
Teri Feibel, CMC, City Clerk & Treasurer

State of Alaska  
Department of Administration  
P.O. Box 110203, Juneau, AK 99811-0203

Alaska Public Employees' Deferred Compensation Plan  
PARTICIPATION AGREEMENT  
Effective Date of Participation: July 19, 2020

Agreement between the State of Alaska (hereinafter referred to as the State) and The City of Thorne Bay (hereinafter referred to as the participating employer) relating to participation by the participating employer in the Alaska Public Employees' Deferred Compensation Plan (hereinafter referred to as the DCP) and designating the Commissioner of Administration as the Plan Administrator (AS 39.45.020); witnesseth:

that

WHEREAS, the laws of the State provide for the DCP in Alaska Statute (AS) 39.45.010-.060, and

WHEREAS, the participating employer has adopted a resolution authorizing participation in the DCP, and

WHEREAS, a certified copy of the authorizing resolution has been filed with the State,

Now, therefore, in consideration of the mutual agreements, covenants, and provisions herein contained, the parties make the following agreements:

A. The participating employer agrees for its part as follows:

1. Participation in the DCP will begin with the payment of employee contributions to commence with wages paid on or after the date when an eligible employee elects to defer to the plan, some or all of the employee's salary or wages in a manner determined by the Plan Administrator.
2. The wages of participating employees will be reduced in accordance with AS 39.45.010 and the terms of the DCP plan document.
3. The participating employer shall provide for pretax or post tax payroll deductions according to the employee's election for the purposes of employee contributions to the DCP.
4. "Employees eligible to participate" means any person (and only such person), including an officer who is employed by the Employer and whom the Employer determines in the exercise of its sole discretion to be a common-law employee who is rendering personal service to the Employer as a permanent employee, including non-permanent employees who will be employed for a minimum of one year or any person elected to a term of office who receives compensation. "Eligible employee" does not include
  - short-term non-permanent employees who will be employed for less than one year;
  - temporary, casual, or emergency employees; or
  - intermittent employees.

5. All contributions will be transmitted so they are received by the DCP by the 15th day after the pay period ends. Late contributions may result in loss of earnings due to investment gains. The State of Alaska is not responsible for account actions caused by an employer's late reporting of contributions. Retroactive coverage in such cases will be considered on a case-by-case basis.
  6. The participating employer will furnish the DCP with current and accurate employee data for employees the participating employer deems eligible in accordance with the DCP requirements that are necessary for the proper and effective administration of the DCP on the forms and within the time frame prescribed by the DCP. All pertinent financial records and supporting documents for each participant enrolled in the DCP program must be available, upon reasonable notice, to the State or its representative.
  7. The participating employer shall keep and maintain current financial records that reflect all DCP transactions of the DCP program in accordance with generally accepted accounting principles.
  8. The participating employer shall comply with federal and state statutes and regulations pertaining to the DCP and to make these statutes, regulations and the plan document, including all changes thereto available to employees. Eligible employees are bound by these statutes, regulations and plan document and by the terms of this agreement.
  9. The participating employer may not terminate this agreement except by written notice accompanied by a resolution adopted by the governing body of the participating employer submitted to the DCP Administrator at least 90 days before the date on which the participating employer wishes to terminate. The participating employer shall continue to transmit contributions or coverage during this 90-day interim.
  10. The state retains the right to alter, amend, add, or delete the plan at anytime.
- B. The state agrees for its part, on behalf of the DCP, as follows:
1. Eligible employees as outlined in No. 4 above may elect to participate in the DCP and, upon participation, are entitled to all rights, benefits, and privileges guaranteed under AS 39.45.010 - .060 and are subject to all conditions, duties, and liabilities imposed on employees.
  2. The administrator will not unilaterally terminate participation in the DCP except for violation of the provisions of this agreement by the participating employer or unless authorized or directed to do so by law. If termination is for violation of the provisions of this agreement, then the participating employer will first be given reasonable time to resolve or correct the violation. Written notice of such a termination will be given to a participating employer prior to the termination date.
- C. The parties mutually agree as follows:
1. Any reference in this agreement to any provisions or to any regulations shall include any amendments, additions or deletions, both expressed and implied which may be enacted or implemented.
  2. This agreement shall continue in effect until at least one of the following events occurs:

- a. The participating employer unilaterally terminates the agreement by giving written notice 90 days prior to the effective date of termination.
- b. The parties mutually agree to terminate the agreement.
- c. The state unilaterally terminates the agreement because of violation of a provision of this agreement or because of statutory direction or authorization, whereupon written notice will be given.

Approved by participating employer:

Teri Feibel 07/27/2020  
 Signature of Authorized Representative Date

Mayor Teri Feibel 7-29-20  
 Title

All correspondence, reports, and notices to the participating employer shall be directed to:

Teri Feibel, CMC, City Clerk/Treasurer  
 Name

PO Box 19110, Thome Bay, AK 99919  
 Address

Approved by the State of Alaska, on behalf of the Alaska Public Employees' Deferred Compensation Plan:

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 Chief Pension Officer Date  
 Division of Retirement and Benefits  
 Department of Administration

All correspondence, reports, and notices to the state shall be directed to:

Alaska Public Employees' Deferred Compensation Plan  
 Alaska Division of Retirement and Benefits  
 P.O. Box 110203  
 Juneau, AK 99811-0203