

**AN ORDINANCE  
ADOPTING THE AMENDED AND RESTATED OHIO  
MUNICIPAL LEAGUE 457(b) DEFERRED COMPENSATION  
PLAN OFFERED BY ING FINANCIAL PARTNERS;  
AMENDING CHAPTER 149 OF THE CODIFIED  
ORDINANCES OF THE VILLAGE OF CHAGRIN FALLS BY  
ENACTING NEW SECTION 149.26 RELATING TO  
DEFERRED COMPENSATION PLANS; AND DECLARING AN  
EMERGENCY.**

WHEREAS, Village employees may elect to participate in deferred compensation plans offered by the Village; and

WHEREAS, one option available to employees is the Ohio Municipal League 457(b) Deferred Compensation Plan offered by ING Financial Partners ("ING"); and

WHEREAS, ING has advised the Village that it is necessary to amend the plan in order to comply with changes in federal law; and

WHEREAS, ING has advised that such amendments must be approved by December 31, 2011; and

WHEREAS, this Council desires to adopt the amended and restated Ohio Municipal League 457(b) Deferred Compensation Plan offered by ING Financial Partners; and

WHEREAS, this Council also desires to authorize the Mayor to adopt any future amendments to deferred compensation plans provided that such amendments do not materially change the plan.

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE VILLAGE OF CHAGRIN FALLS, CUYAHOGA COUNTY, STATE OF OHIO:**

SECTION 1. That this Council hereby adopts the amended and restated Ohio Municipal League 457(b) Deferred Compensation Plan offered by ING Financial Partners. The amended and restated plan is attached hereto as "Exhibit A" and incorporated herein. The Mayor and the Finance Director are authorized to take any other action that may be necessary to adopt such plan to comply with federal regulations.

SECTION 2. That Chapter 149, Employment Provisions, of the Codified Ordinances of the Village of Chagrin Falls be, and the same is amended by the addition of new Section 149.26, Deferred Compensation Plans, which shall read and provide, in its entirety, as follows:

**"149.26 DEFERRED COMPENSATION PLANS.**

**Employees may elect to participate in deferred compensation plans (457(b)) offered by the Village. These plans are subject to the rules of the Internal Revenue Service and the rules of the plan administrator. Plan administrators are selected from time to time by the Village Council. The Mayor and the Finance Director are authorized to take any action that may be**

**ORDINANCE NO.: 2011- 68**  
**INTRODUCED BY: MR. SUBEL**

necessary to provide for participation in the plans, and the Mayor is authorized to consent to the adoption of any restatements and/or amendments to the Plans provided that such restatements and amendments do not materially change the plans. A current copy of each plan is maintained on file by the Finance Director.”

SECTION 3. That actions of this Council concerning and relating to the passage of this legislation were adopted in lawful meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in compliance with all legal requirements, including Chapter 114 of the Codified Ordinances of the Village of Chagrin Falls.

SECTION 4. That in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls, public notice of this Ordinance shall be given by posting a copy thereof for not less than fifteen (15) days in the Village Hall.


SECTION 5. That this Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health and safety of this Village and for the further reason that this Ordinance must be immediately effective to provide for the timely adoption of the amended and restated Ohio Municipal League 457(b) Deferred Compensation Plan offered by ING Financial Partners and the continuation of such plan for Village employees; wherefore, provided it receives the requisite number of affirmative votes of all members elected to Council, this Ordinance shall be in full force and effect from and immediately upon its passage by this Council and approval by the Mayor; otherwise, it shall take effect and be in force after the earliest period allowed by law.

PASSED: November 28, 2011

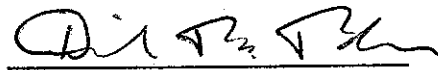
  
\_\_\_\_\_  
Council President

Submitted to the Mayor for  
his approval on this  
29 day of November, 2011

Approved by the Mayor  
November 29, 2011

  
\_\_\_\_\_  
Mayor

I hereby certify that Ordinance No. 2011-68 was duly enacted on the 28 day of November, 2011, by the Council of the Village of Chagrin Falls and posted in accordance with Section 113.01 of the Codified Ordinances of the Village of Chagrin Falls.

  
\_\_\_\_\_  
Clerk of Council



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ING FINANCIAL PARTNERS  
RETIREMENT SERVICES

VILLAGE OF  
CHAGRIN FALLS

Teresa E. Vondrak  
Regional Director

November 1, 2011

TO: Ohio Cities and Municipalities Participating in the OML 457 Deferred Compensation Plan

The Pension Protection Act of 2006 (PPA) requires that 457 deferred compensation plans offered by governmental entities be amended by the end of the 2011 plan year. Since OML's plan year is the calendar year, the OML 457 Plan Document must be amended by December 31, 2011. To keep your OML plan document in compliance the attached restated plan document includes the required provisions.

In addition to the PPA language, this document also includes certain provisions of recent federal tax legislation under the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART) and the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA).

Specifically, the new provisions in the plan document are as follows:

- Amending the definition of Compensation to include differential wage payments. Differential pay is the amount an employer voluntarily pays an individual who has been called to active military service as a way of replacing some or all of the difference between the individual's military pay and the compensation the individual would have received from the employer had he remained in active employment.
- Permitting a terminated employee to defer certain amounts after termination of employment if the amounts would otherwise be paid or made available by the later of (1) 2- 1/2 months following severance from employment or (2) the end of the year in which the termination of employment occurred.
- Permitting a plan participant to take an unforeseeable emergency withdrawal for certain events impacting his primary beneficiary under the plan.
- Providing beneficiaries of participants on military leave with the same benefits as the plan provides to beneficiaries of other participants whose employment is terminated by death.
- Enabling a nonspousal beneficiary to directly roll over eligible amounts to an inherited IRA.
- Enabling participants and spousal beneficiaries to directly roll over amounts to a Roth IRA.
- Incorporating by reference the waiver of the 2009 minimum distribution requirement pursuant to WRERA.

In addition, 2 plan design enhancements have been included:

- Allowing for in-service withdrawals of Small Account Balances if the balance of the account is \$5000 or less and no contributions have been made for at least 2 years prior to distribution.

It is important that this be taken to your city council or approving board and that it be adopted via resolution prior to the end of 2011.

Please call me if you have any questions.

Sincerely,

Teresa Vondrak

Enclosure: Ohio Municipal League Plan Document

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MEMBER SIPC