

RESOLUTION NO. 2021-088

RESOLUTION OF THE CITY COUNCIL, OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, APPROVING THE ADOPTION OF THE CALISTOGA 401(a) MONEY PURCHASE PLAN, APPROVING SIDE LETTERS TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF CALISTOGA AND THE CALISTOGA PROFESSIONAL FIREFIGHTER'S ASSOCIATION AND THE MEMORANDUM OF UNDERSTANDING BETWEEN CITY OF CALISTOGA AND THE CALISTOGA POLICE OFFICERS ASSOCIATION

WHEREAS, there is a need for City Council to provide a new retirement benefit for regular full-time and regular part-time PEPRAs and for regular full-time and regular part-time Classic Tier II sworn safety employees in the Fire Department, including both sworn safety employees represented by the Calistoga Professional Firefighter's Association and sworn safety employees in the unrepresented group other than the Fire Chief; and to provide a new retirement benefit for regular full-time PEPRAs and for regular full-time Classic Tier 2 sworn safety employees in the Police Department, including both sworn safety employees represented by the California Police Officers Association and sworn safety employees in the unrepresented group other than the Police Chief, to make their retirement benefits more competitive with other agencies for retention and recruitment purposes; and

WHEREAS, the City desires to adopt the Calistoga 401(a) Money Purchase Plan to provide a pre-tax city contribution to said PEPRAs and Classic Tier II sworn safety employees' Calistoga 401(a) Money Purchase Plan accounts to address these retention and recruitment issues; and

WHEREAS, certain employees in specified positions are recognized as the Calistoga Professional Firefighter's Association; and other employees in specified positions are recognized as the Calistoga Police Officers Association; and

WHEREAS, the City has an existing Memorandum of Understanding with the Calistoga Professional Firefighter's Association and a Memorandum of Understanding with the Calistoga Professional Firefighter's Association;

WHEREAS, a side letter to the Memorandum of Understanding between the City of Calistoga and the California Professional Firefighter's Association to provide a pre-tax city contribution to regular full-time and regular part-time PEPRAs and to regular full-time and regular part-time Classic Tier II sworn safety employees' Calistoga 401(a) Money Purchase Plan accounts and a side letter to the Memorandum of Understanding between the City of Calistoga and the Calistoga Police Officers Association to provide a pre-tax city contribution to regular full-time PEPRAs and to regular full-time Classic Tier II sworn safety employees' Calistoga 401(a) Money Purchase Plan accounts have been negotiated by the Associations and the City of Calistoga and have been reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Calistoga hereby approves the adoption of and authorizes the Interim City Manager to execute the City of Calistoga's Calistoga 401(a) Money Purchase Plan that is attached hereto as **Exhibit "A"**;

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City Council of the City of Calistoga hereby approves the side letter to the Memorandum of Understanding between the City of Calistoga and the Calistoga Professional Firefighter's Association and the side letter to the Memorandum of Understanding between the City of Calistoga and the Calistoga Police Officers Association and authorizes the Interim City Manager to execute the side letters, attached hereto as **Exhibit "B"** and **Exhibit "C"**, respectively.

PASSED, APPROVED AND ADOPTED this 7th day of **December 2021**. I, **MARNI RITTBURG, CITY CLERK OF THE CITY OF CALISTOGA, HEREBY CERTIFY** the foregoing resolution was introduced and passed at a regular meeting of the Calistoga City Council by the following roll call vote:

AYES: Councilmembers Gift, Kraus, and Williams, Vice Mayor Lopez-Ortega, and Mayor Canning

NOES: None

ABSENT: None

ABSTAIN: None

ATTEST:


Marni Rittburg, CMC, City Clerk

APPROVED:


Chris Canning, Mayor

ICMA RETIREMENT CORPORATION

**GOVERNMENTAL MONEY PURCHASE PLAN
ADOPTION AGREEMENT**



**ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE
PLAN ADOPTION AGREEMENT**

Plan Number 10-_____

The Employer hereby establishes a Money Purchase Plan to be known as Calistoga 401A Money Market Plan
_____ (the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan.

New Plan or Amendment and Restatement (Check One):

Amendment and Restatement

This Plan is an amendment and restatement of an existing defined contribution money purchase plan. Please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

Effective Date of Restatement. The effective date of the Plan shall be:

(Note: The effective date can be no earlier than the first day of the Plan Year in which this restatement is adopted. If no date is provided, by default, the effective date will be the first day of the Plan Year in which the restatement is adopted.)

New Plan

Effective Date of New Plan. The effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate effective date is hereby specified: July 1 2021

(Note: An alternate effective date can be no earlier than the first day of the Plan Year in which the Plan is adopted.)

I. EMPLOYER: City of Calistoga

(The Employer must be a governmental entity under Internal Revenue Code § 414(d))

II. SPECIAL EFFECTIVE DATES

Please note here any elections in the Adoption Agreement with an effective date that is different from that noted above.

(Note provision and effective date.)

III. PLAN YEAR:

The Plan Year will be:

January 1 – December 31 (*Default*)

The 12 month period ending _____
Month Day

IV. Normal Retirement Age shall be age 57 (not less than 55 nor in excess of 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

In 2016, the Internal Revenue Service proposed regulations that would provide rules for determining whether a governmental pension plan's normal retirement age satisfies the Internal Revenue Code's qualification requirements. A normal retirement age that is age 62 or later is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. Whether an age below 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, says that a normal retirement age that is age 50 or later is deemed to be not earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed if the participants to which this normal retirement age applies are qualified public safety employees (within the meaning of section 72(t)(10)(B)). These regulations are proposed to be effective for employees hired during plan years beginning on or after the later of: (1) January 1, 2017; or (2) the close of the first regular legislative session of the legislative body with the authority to amend the plan that begins on or after the date that is 3 months after the final regulations are published in the Federal Register. In the meantime, however, governmental plan sponsors may rely on these proposed regulations.

In lieu of age-based Normal Retirement Age, the Plan shall use the following age and service-based Normal Retirement Age _____.

Important Note to Employers: Before using a Normal Retirement Age based on age and service, a plan sponsor should review the proposed regulations (81 Fed. Reg. 4599 (Jan. 27, 2016)) and consult counsel.

V. COVERED EMPLOYMENT CLASSIFICATIONS

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees (Specify the group(s) of eligible Employees below. Do not specify Employees by name. Specific positions are acceptable.) See Exhibit 1

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.08 and 4.09, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. Period of Service required for participation

N/A – The Employer hereby waives the requirement of a Period of Service for participation. Employees are eligible to participate upon employment. (*“N/A” is the default provision under the Plan if no selection is made.*)

Yes. The required Period of Service shall be _____ months (not to exceed 12 months).

The Period of Service selected by the Employer shall apply to all Employees within the Covered Employment Classification.

3. Minimum Age (Select One) – A minimum age requirement is hereby specified for eligibility to participate.

Yes. Age _____ (*not to exceed age 21*).

N/A – No minimum age applies (*“N/A” is the default provision under the Plan if no selection is made.*)

VI. CONTRIBUTION PROVISIONS

1. **The Employer shall contribute as follows:** (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Mandatory Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

A. Fixed Employer Contributions. The Employer shall contribute on behalf of each Participant five (5) % of Earnings or \$_____ for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions

are required are not required

to be eligible for this Employer Contribution.

B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

Yes No

Employee Opt-In Mandatory Contributions. To the extent that Mandatory Participant Contributions are not required by the Plan, each Employee eligible to participate in the Plan shall be given the opportunity when first eligible to participate in the Plan or any other plan or arrangement of the Employer described in Code section 219(g)(5)(A), to irrevocably elect to contribute Mandatory Participant Contributions by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

Yes No

Contribution Schedule. (Any percentage or dollar amount entered below must be greater than 0% or \$0.)

i. _____% of Earnings,

ii. \$_____, or

iii. a whole percentage of Earnings between the range of _____ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

C. **Election Window** (Complete if Option B is selected):

Newly eligible Employees shall be provided an election window of ___ days (no more than 60 calendar-days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to make Employer Matching Contributions as follows:

Fixed Employer Match of After-Tax Voluntary Participant Contributions. (Do not complete this section unless the Plan permits after-tax Voluntary Participant Contributions under Section VI.3 of the Adoption Agreement.)

The Employer shall contribute on behalf of each Participant _____% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed _____% of Earnings or \$_____. Under this option, there is a single, fixed rate of Employer Contributions, but a Participant may decline to make the Voluntary Participant Contributions in any Plan Year, in which case no Employer Contribution will be made on the Participant's behalf in that Plan Year.

¹ Neither an IRS opinion letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting Employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).

- Variable Employer Match of After-Tax Voluntary Participant Contributions.** (Do not complete this section unless the Plan permits after-tax Voluntary Participant Contributions under section VI.3 of the Adoption Agreement.)

The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Voluntary Participant Contributions exceeding _____ % of Earnings or \$_____);

PLUS _____ % of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____ % of Earnings or \$_____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$_____ or _____ % of Earnings, whichever is more or less.

- Fixed Employer Match of Participant 457(b) Plan Deferrals.** The Employer shall contribute on behalf of each Participant _____ % of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has deferred _____ % of Earnings or \$_____ to the Employer's 457(b) deferred compensation plan. Under this option, there is a single, fixed rate of Employer Contributions, but a Participant may decline to make the required 457(b) deferrals in any Plan Year, in which case no Employer Contribution will be made on the Participant's behalf in that Plan Year.

- Variable Employer Match of Participant 457(b) Plan Deferrals.**

The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

_____ % of the elective deferrals made by the Participant to the Employer's 457(b) plan for the Plan Year (not including Participant contributions exceeding _____ % of Earnings or \$_____);

PLUS _____ % of the elective deferrals made by the Participant to the Employer's 457(b) plan for the Plan Year in excess of those included in the above paragraph (but not including elective deferrals made by a Participant to the Employer's 457(b) plan exceeding in the aggregate _____ % of Earnings or \$_____).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed \$_____ or _____ % of Earnings, whichever is more or less.

3. Each Participant may make a Voluntary Participant Contribution, subject to the limitations of Section 4.06 and Article V of the Plan:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends, or in accordance with applicable law):

Weekly Biweekly Monthly Annually in _____ (*specify month*)

SEE EXHIBIT 2

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends, or in accordance with applicable law):

Weekly Biweekly Monthly Annually in _____ (specify month)

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

A. Plan contributions will be made based on differential wage payments:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

B. Participants who die or become disabled will receive Plan contributions with respect to such service:

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

2. Bonuses

Yes No (*"No" is the default provision under the Plan if no selection is made.*)

3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit Rollover Contributions in accordance with Section 4.13 of the Plan:

Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.

Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any Excess Amounts, in a manner that precludes Employer discretion.)

2. The Limitation Year is the following 12 consecutive month period: _____

X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the Code's vesting requirements in effect on September 1, 1974 and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percentage – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

The following vesting schedule may apply to a Participant's interest in his/her Employer Contribution Account. The vesting schedule does not apply to Mandatory Participant Contributions, Rollover Contributions, Voluntary Participant Contributions, Deductible Employee Contributions, Employee Designated Final Pay Contributions, and Employee Designated Accrued Leave Contributions, and the earnings thereon.

Period of Service Completed	Percent Vested
Zero	100 _____ %
One	_____ %
Two	_____ %
Three	_____ %
Four	_____ %
Five	_____ %
Six	_____ %
Seven	_____ %
Eight	_____ %
Nine	_____ %
Ten	_____ %

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a Participant attains (select one of the below options):
- Normal Retirement Age
 - Age 70½ ("70½" is the default provision under the Plan if no selection is made.)
 - Alternate age (after Normal Retirement Age): _____
 - Not permitted at any age
2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.
- Yes No (*"Yes" is the default provision under the Plan if no selection is made.*)
3. Tax-free distributions of up to \$3,000 for the direct payment of Qualified Health Insurance Premiums for Eligible Retired Public Safety Officers are available under the Plan.
- Yes No (*"No" is the default provision under the Plan if no selection is made.*)
4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.
- Yes No (*"No" is the default provision under the Plan if no selection is made.*)
5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:
- Yes No (*"No" is the default provision under the Plan if no selection is made.*)

XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

- 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.
- 2. Beneficiary Spousal Consent Election (Article XII of the Plan will apply if option 2 is selected). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. (*"Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.*)
- 3. QJSA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If option 3 is selected, the spousal consent requirements in Article XII of the Plan also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

(Under the Plan's definitions, Earnings automatically include leave cashouts paid by the later of 2 ½ months after severance from employment or the end of the calendar year. If the Plan will provide additional contributions based on the Participant's final paycheck attributable to Accrued Leave, please provide instructions in this section. Otherwise, leave this section blank.)

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected. The following group of Employees shall be eligible for Final Pay Contributions:

- 1. Employees within the Covered Employment Classification identified in section V of the Adoption Agreement.
- 2. Other: _____
(This must be a subset of the Covered Employment Classification identified in section V of the Adoption Agreement.)

Final Pay shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave):

1. Employer Final Pay Contribution. The Employer shall contribute on behalf of each Participant _____% of their Final Pay to the Plan (subject to the limitations of Article V of the Plan).

2. Employee Designated Final Pay Contribution. Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of Final Pay to be contributed) or up to _____% (insert maximum percentage of Final Pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for unpaid Accrued Leave Contributions annually if either 1 or 2 is selected below. The following group of Employees shall be eligible for Accrued Leave Contributions:

- 1. Employees within the Covered Employment Classification identified in section V of the Adoption Agreement.
- 2. Other: _____
(This must be a subset of the Covered Employment Classification identified in section V of the Adoption Agreement.)

Accrued Leave shall be defined as (select one):

- A. Accrued unpaid vacation
- B. Accrued unpaid sick leave
- C. Accrued unpaid vacation and sick leave
- D. Other (insert definition of Accrued Leave that is bona fide vacation and/or sick leave):

1. Employer Accrued Leave Contribution. The Employer shall contribute as follows (choose one of the following options):

For each Plan Year, the Employer shall contribute on behalf of each eligible Participant the unused Accrued Leave in excess of _____ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

For each Plan Year, the Employer shall contribute on behalf of each eligible Participant _____% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

2. Employee Designated Accrued Leave Contribution.

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to annually contribute _____% (insert fixed percentage of unpaid Accrued Leave to be contributed) or up to _____% (insert maximum percentage of unpaid Accrued Leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan. This ICMA Retirement Corporation Governmental Money Purchase Plan is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on December 31, 2018, and received approval on June 30, 2020.

The Plan Administrator will inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN.

The Employer hereby agrees to the provisions of the Plan.

XVIII. The Employer understands that it must complete a new Adoption Agreement upon first adoption of the Plan. Additionally, upon any modifications to a prior election, making of new elections, or restatements of the Plan, a new Adoption Agreement must be completed. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an Opinion Letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code only to the extent provided in Rev. Proc. 2017-41. The Employer may not rely on the Opinion Letter in certain other circumstances or with respect to certain qualification requirements, which are specified in the Opinion Letter issued with respect to the Plan and in Rev. Proc. 2017-41.

In Witness Whereof, the Employer hereby causes this Money Purchase Plan Adoption Agreement to be executed.

EMPLOYER SIGNATURE & DATE

Signature of Authorized Plan Representative: _____

Brad Kilger

Print Name: _____

Interim City Manager

Title: _____

Attest: _____

Date: ____ / ____ / ____
Month Day Year

For inquiries regarding adoption of the plan, the meaning of plan provisions, or the effect of the Opinion Letter, contact:

ICMA-RC
777 N. Capitol St. NE
Suite 600
Washington, DC 20002
800-326-7272 ICMA RETIREMENT CORPORATION



777 NORTH CAPITOL STREET, NE
WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-214-46187-0220-W1303



City Of Calistoga

Exhibit 1 Addendum 1 to 401A Plan

REGULAR FULL-TIME AND REGULAR PART-TIME PEPRA AND REGULAR FULL-TIME AND REGULAR PART-TIME CLASSIC TIER II SWORN SAFETY EMPLOYEES IN THE FIRE DEPARTMENT EXCLUDING THE FIRE CHIEF AND REGULAR FULL-TIME PEPRA AND REGULAR FULL-TIME CLASSIC TIER II SWORN SAFETY EMPLOYEES IN THE POLICE DEPARTMENT EXCLUDING THE POLICE CHIEF

This Addendum has been executed this ____ day of _____, 2021.

City of Calistoga

By: _____
Brad Kilger, Interim City Manager for City of Calistoga



City Of Calistoga

Exhibit 2: Addendum to 401A Plan

Account # 100281

SECTION VI: CONTRIBUTION PROVISION: ITEM 4

Exhibit 2

EMPLOYER CONTRIBUTIONS FOR A PLAN YEAR SHALL BE CONTRIBUTED TO THE TRUST IN ACCORDANCE WITH THE FOLLOWING PAYMENT SCHEDULE:

SEMI-MONTHLY

This Addendum has been executed this ___ day of _____, 2021.

City of Calistoga

By: _____
Brad Kilger, Interim City Manager for City of Calistoga

**SIDE LETTER AGREEMENT
CALISTOGA PROFESSIONAL FIREFIGHTERS' ASSOCIATION
AND
THE CITY OF CALISTOGA**

The City of Calistoga (hereinafter referred to as "City") and Calistoga Professional Firefighters' Association, Inc. (hereinafter referred to as the "CPFA") entered into a Memorandum of Understanding ("MOU") with a term beginning on January 1, 2019 and terminating on December 31, 2021. The City and CPFA are collectively referred to herein as the "Parties."

The Parties mutually agree that the City will contribute five percent (5%) of each regular full-time and regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employees' pre-tax base salary to the individual employee's Calistoga 401(a) Money Purchase Plan account (a defined contribution plan) up to the contribution limits set forth in the Internal Revenue Code. This Side Letter will be effective upon City Council approval in open session and the contribution will be retroactive to July 1, 2021.

The Parties have satisfied their obligations to meet and confer in good faith in accordance with the Meyers-Milius-Brown Act ("MMBA") concerning the terms and conditions of this Agreement and its implementation.

Thus, the Parties mutually agree to amend Article 22 and create a new subsection E and to re-letter the current second subsection "D Provision" in the MOU to read as follows:

Article 22

- E. City Contribution to Regular Full-Time and Regular Part-Time PEPRA and Regular Full-time and Regular Part-time Classic Tier II Sworn Safety Employees' Calistoga 401(a) Money Purchase Plan Account.**

Effective upon City Council approval in open session, the City shall make a five percent (5%) of pre-tax base salary contribution to each regular full-time or regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employee's Calistoga 401(a) Money Purchase Plan account, up to the annual limit under IRC §415(c), which is equal to the lesser of (i) one hundred percent (100%) of each regular full-time or regular part-time PEPRA and regular full-time and regular part-time Classic Tier II safety employee's IRC §415 compensation or (ii) the dollar limit in effect for the year. The dollar limit for 2021 is \$58,000 and \$61,000 for 2022). These contribution limits may adjust annually.

1. These contribution limits are inclusive of the contributions of City, which also includes any contributions of City or employee to any other 401(a) accounts the regular full-time and regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employee holds with City or other entities related to the City that meet the controlled group rules under IRC §414(b), the common control rules under IRC §414(c), or the affiliated service group rules under IRC §414(m) as set forth in the Internal Revenue Code.

EXHIBIT B

2. The City's pre-tax contribution to each regular full-time or regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employee's Calistoga 401(a) Money Purchase Plan account will be retroactive to July 1, 2021.

3. No interest will be paid on the retroactive pre-tax contribution.

4. Because the City contribution is derived from base salary, the City's dollar contribution to each regular full-time or regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employee's Calistoga 401(a) Money Purchase Plan account shall increase with any increase to the regular full-time or regular part-time PEPRA and regular full-time and regular part-time Classic Tier II sworn safety employee's base salary, subject to the contribution limits set forth above.

5. In no event will the City contribution exceed 5% of the full-time or regular part-time PEPRA or regular full-time and regular part-time Classic Tier II sworn safety employee's pre-tax base salary.

6. No employee contribution will be permitted to the employee's Calistoga 401(a) Money Purchase Plan account.

F. Provision

The retirement provisions shall be construed and enforced to the extent permitted by law.

This Agreement will remain in effect unless it is modified through further negotiations in accordance with the MMBA. This Agreement is executed by the following authorized representatives of each party:

CITY OF CALISTOGA:

Date: _____

CALISTOGA PROFESSIONAL FIREFIGHTERS' ASSOCIATION

Date: _____

CITY OF CALISTOGA

**SIDE LETTER AGREEMENT
CALISTOGA POLICE OFFICERS ASSOCIATION
AND
THE CITY OF CALISTOGA**

The City of Calistoga (hereinafter referred to as “City”) and Calistoga Police Officers Association (hereinafter referred to as the “CPOA”) entered into a Memorandum of Understanding (“MOU”) with a term beginning on January 1, 2019 and terminating on December 31, 2021. The City and CPOA are collectively referred to herein as the “Parties.”

The Parties mutually agree that the City will contribute five percent (5%) of its regular full-time PEPRAs and regular full-time Classic Tier II sworn safety employees’ pre-tax base salary to the individual employee’s Calistoga 401(a) Money Purchase Plan account (a defined contribution plan) up to the contribution limits set forth in the Internal Revenue Code. This Side Letter will be effective upon City Council approval in open session and the contribution will be retroactive to July 1, 2021.

The Parties have satisfied their obligations to meet and confer in good faith in accordance with the Meyers-Milias-Brown Act (“MMBA”) concerning the terms and conditions of this Agreement and its implementation.

Thus, the Parties mutually agree to amend Article 18 and create a new subsection E in the MOU to read as follows:

Article 18

E. City Contribution to Regular Full-Time PEPRAs and Regular Full-Time Classic Tier II Sworn Safety Employees Calistoga 401(a) Money Purchase Plan Account.

Effective upon City Council approval in open session, the City shall make a five percent (5%) of pre-tax base salary contribution to each regular full-time PEPRAs and regular full-time Classic Tier II sworn safety employee’s Calistoga 401(a) Money Purchase Plan account, up to the annual limit under IRC §415(c), which is equal to the lesser of (i) one hundred percent (100%) of each regular full-time PEPRAs and regular full-time Classic Tier II safety employee’s IRC §415 compensation or (ii) the dollar limit in effect for the year. The dollar limit for 2021 is \$58,000 and \$61,000 for 2022. These contribution limits may adjust annually.

1. These contribution limits are inclusive of the contributions of City, which also includes contributions of City and employee to any other 401(a) accounts the regular full-time PEPRAs and regular full-time Classic Tier II sworn safety employee holds with City or any other entities related to the City that meet the controlled group rules under IRC §414(b), the common control rules under IRC §414(c), or the affiliated service group rules under IRC §414(m) as set forth in the Internal Revenue Code.

EXHIBIT C

2. The City's contribution to each regular full-time PEPRA and regular full-time Classic Tier II sworn safety employee's Calistoga 401(a) Money Purchase Plan account will be retroactive to July 1, 2021.

3. No interest will be paid on the retroactive contribution.

4. Because the City contribution is derived from base salary, the City's dollar contribution to each regular full-time PEPRA and regular full-time Classic Tier II sworn safety employee's Calistoga 401(a) Money Purchase Plan account shall increase with any increase to the regular full-time PEPRA and regular full-time Classic Tier II sworn safety employee's base salary, subject to the contribution limits set forth above.

5. In no event will the City contribution exceed 5% of the full-time time PEPRA or regular full-time Classic Tier II sworn safety employee's pre-tax base salary.

6. No employee contribution will be permitted to the employee's Calistoga 401(a) Money Purchase Plan account.

This Agreement will remain in effect unless it is modified through further negotiations in accordance with the MMBA. This Agreement is executed by the following authorized representatives of each party:

CITY OF CALISTOGA:

Date: _____

CALISTOGA POLICE OFFICERS ASSOCIATION

Date: _____

CITY OF CALISTOGA