

**TOWN OF MT. CRESTED BUTTE
RESOLUTION NO. 4
SERIES 2023**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MT. CRESTED BUTTE
REQUESTING COVERAGE UNDER THE FPPA STATEWIDE RETIREMENT PLAN
ADMINISTERED BY THE FIRE AND POLICE PENSION ASSOCIATION FOR NEW
AND EXISTING POLICE OFFICERS FOR THE TOWN OF MT. CRESTED BUTTE**

WHEREAS, pursuant to FPPA Rules and Regulations section 702, **TOWN OF MT. CRESTED BUTTE** may elect to cover all newly hired **Police Officers** under the FPPA Statewide Retirement Plan in lieu of coverage under the **Colorado Retirement Association**; and

WHEREAS, after consideration of this matter **TOWN OF MT. CRESTED BUTTE** has determined to have all newly hired **Police Officers** meeting the definition of Member under Rule 101 participate in the **Defined Benefit Component** beginning on the Effective Date for New Hires, as defined herein; and

WHEREAS, pursuant to Rule 702, all current members of the **Colorado Retirement Association** may individually elect to participate in the Statewide Retirement Plan or may remain in the **Colorado Retirement Association**;

WHEREAS, at a hearing held on this date, **TOWN OF MT. CRESTED BUTTE – Town Council (known herein as The Employer)** determined to take the following action;

NOW, THEREFORE, BE IT RESOLVED BY THE **TOWN COUNCIL OF TOWN OF MT. CRESTED BUTTE AS FOLLOWS.**

1. **TOWN OF MT. CRESTED BUTTE** hereby requests that the effective date of coverage be **April 5, 2023**.
2. The Employer elects to offer the Members who are active prior to the Effective Date of coverage (or an earlier date as agreed upon after filing the Certification of Compliance), the option of continuing to participate in the Local Money Purchase Plan or to participate in one of the following components of the Statewide Retirement Plan:
 Defined Benefit Component
 Hybrid Component
 Money Purchase Component
3. The Member and Employer contribution rates to the Components selected in number two (2) above and the Local Money Purchase Plan on the effective date of entry, for Members who are active prior to the Effective Date for New Hires, shall be as indicated on Exhibit A of this resolution.

4. The **TOWN OF MT. CRESTED BUTTE** elects to cover all Members hired on or after **April 5, 2023** or such earlier date after the filing of the Certification of Compliance designated by the Employer (known herein as the Effective Date for New Hires), under the **Defined Benefit Component** at the contribution rates set forth in Exhibit B.
5. The Employer shall transfer all of the current active Members' account balances to the Statewide Retirement Plan Money Purchase Component for all Members moving to FPPA.
6. The Members' employer accounts shall be 100% vested upon transfer to the FPPA Statewide Retirement Plan.
7. The Local Money Purchase Plan **does** provide for loans to plan members. Loans to plan members shall be transferred to the Money Purchase Component as part of the transfer of assets of the Local Money Purchase Plan, subject to approval and acceptance by FPPA.
8. The Employer acknowledges that the election for coverage under the FPPA Statewide Retirement Plan is irrevocable once the final Certification of Compliance is filed by the Employer and approved by FPPA.
9. Part-time **Police Officers**, hired by the **TOWN OF MT. CRESTED BUTTE** after the effective date of entry **shall** participate in the Statewide Money Purchase Plan administered by FPPA.
10. Part-time Police Officers employed by the **TOWN OF MT. CRESTED BUTTE** on the effective date **will** participate in the Statewide Money Purchase Plan.
11. In addition to this Resolution, **TOWN OF MT. CRESTED BUTTE** understands that it must make the certifications contained in the "Form of Certification of Compliance" attached hereto as Exhibit C and which must be completed as the final Certification of Compliance by the employer. Entry into the Statewide Retirement Plan is not complete and final until the Certification is made and filed with FPPA.
12. The **TOWN OF MT. CRESTED BUTTE**, in conjunction with the FPPA, will prepare a disclosure statement which compare the main provisions of the Local Money Purchase Plan and the Component or Components offered under the FPPA Statewide Retirement Plan, as applicable. Said disclosure statement will be submitted to FPPA for approval. The Employer will submit the approved disclosure statement to all eligible members at least 10 days prior to the deadline for making individual elections.

MEMBER SELECTION

13. In conjunction with FPPA, the **TOWN OF MT. CRESTED BUTTE** shall implement a procedure for making individual selections of plan options for all eligible members pursuant to the rules and procedures established by FPPA.

The **TOWN OF MT. CRESTED BUTTE** understands that if the certification of compliance for coverage under the FPPA Statewide Retirement Plan is accepted, all future members of the **Police Department** who would have been covered under the Local Money Purchase Plan, will be covered under the **Defined Benefit Component** of the FPPA Statewide Retirement Plan.

The **TOWN OF MT. CRESTED BUTTE** understands that affiliation for the Statewide Death & Disability Plan is also available. This plan will only apply to those hired on or after the effective date (or an earlier date after filing the Certification of Compliance). The **Police Department** elects **not to affiliate** for the Statewide Death & Disability Plan at this time. If the department does not elect to affiliate for the Statewide Death & Disability Plan at this time, they acknowledge that they can do so in the future, however the plan will only cover future hires and benefits will not be provided to existing active Members at the time of affiliation.

That this resolution of intent shall be certified and transmitted to FPPA for processing in accordance with all applicable law and regulations as part of the application process.

INTRODUCED, READ, PASSED AND ADOPTED by the Town Council of the Town of Mt. Crested Butte, Colorado, this 7th day of February 2023.



Nicholas Kempin, Mayor

Attest:



Tiffany O'Connell, Town Clerk

Exhibit A
Contribution Rate Schedules for Members hired prior to the effective date of entry

Defined Benefit Component – Contribution Rate Schedule - Reentry Members

	1.	2.	3.	4.	5.	6.	7.
<i>Effective January 1 of Year</i>	<i>Minimum Mandatory Member Contribution Rate</i>	<i>Minimum Mandatory Employer Contribution Rate</i>	<i>Total Combined Member and Employer Contribution Rate</i>	<i>Additional required rate for Reentry Members *</i>	<i>Additional required rate for Reentry Employers*</i>	<i>Total Required Rate for Reentry Members</i>	<i>Portion of the Member contribution to be paid "after-tax"</i>
2023	12.0%	9.5%	21.5%	0%	3.5%	25%	3%
2024	12.0%	10.0%	22.0%	0%	3.5%	25.5%	3%
2025	12.0%	10.5%	22.5%	0%	3.5%	26%	3%
2026	12.0%	11.0%	23.0%	0%	3.5%	26.5%	3%
2027	12.0%	11.5%	23.5%	0%	3.5%	27%	3%
2028	12.0%	12.0%	24.0%	0%	3.5%	27.5%	3%
2029	12.0%	12.5%	24.5%	0%	3.5%	28%	3%
2030 and thereafter	12.0%	13.0%	25.0%	0%	3.5%	28.5%	3%

- **Additional required rate of contribution for this Component is 3.5%. This additional required contribution can be paid by the Member, Employer, or split 50%/50%.**

Hybrid Component - Contribution Rate Schedule - Reentry Members

1.	2.	3.	4.	5.	4.
<i>Member Contribution Rate</i>	<i>Employer Contribution Rate</i>	<i>Additional required rate for Reentry Members *</i>	<i>Additional required rate for Reentry Employers *</i>	<i>Total Combined Member and Employer Contribution Rate for Reentry Members</i>	<i>Portion of the Member Contribution Rate noted in column 1 to be paid "after-tax"</i>
9%	10%	0%	3.5%	22.5 %	0%

- ***Additional required rate of contribution for this Component is 3.5%. This additional required contribution can be paid by the Member, Employer, or split 50%/50%.**

Note: The minimum mandatory rate for the Hybrid Component is a rate of 9% Member and 9% Employer.

All contribution rates for the FPPA Components are calculated on the Member's base salary as defined in FPPA Rule 101(8).

All additional required contributions will be re-evaluated after the second anniversary of the effective date. At that time the additional required contribution may be lowered or stay the same.

Money Purchase Component - Contribution Rate Schedule - Reentry Members

1.	2.	3.	4.
<i>Member Contribution Rate</i>	<i>Employer Contribution Rate</i>	<i>Total Combined Member and Employer Contribution Rate for Reentry Members</i>	Portion of the Member Contribution Rate noted in column 1 to be paid "after-tax".
9%	10%	19%	0%

Note: The minimum contribution rate to this component is 9% Member and 9% Employer.

Local Money Purchase Plan - Contribution Rate Schedule - Reentry Members

1.	2.	3.	4.
<i>Member Contribution Rate</i>	<i>Employer Contribution Rate</i>	<i>Total Combined Member and Employer Contribution Rate for Reentry Members</i>	Portion of the Member Contribution Rate noted in column 1 to be paid "after-tax".
9%	10%	19%	0%

Exhibit B
Contribution Rate Schedule for Members Hired After the Effective Date of Reentry

Defined Benefit Component- Contribution Rate Schedule

	1.	2.	3.
<i>Effective January 1 of Year</i>	<i>Minimum Mandatory Member Contribution Rate</i>	<i>Minimum Mandatory Employer Contribution Rate</i>	<i>Total Combined Member and Employer Contribution Rate</i>
2023	12.0%	9.5%	21.5%
2024	12.0%	10.0%	22.0%
2025	12.0%	10.5%	22.5%
2026	12.0%	11.0%	23.0%
2027	12.0%	11.5%	23.5%
2028	12.0%	12.0%	24.0%
2029	12.0%	12.5%	24.5%
2030 and thereafter	12.0%	13.0%	25.0%

****If the Employer affiliates for the SWD&D Plan for these Members there will not be a Continuing Rate of Contribution. If the Employer does not affiliate for the SWD&D Plan, then the Continuing Rate of Contribution will be 3.5% for these Members. This can be paid by the Member, the Employer, or split 50%/50%.***

Exhibit C
Form of Certification of Compliance

In order to comply with FPPA Rules and Regulations, Rule 702 it is necessary for **[name of Town, City or District]** to certify the following to the FPPA Board of Directors:

- a) the **[name of Town, City, District, or Authority] [Police or Fire]** Department's Local Money Purchase Plan meets the qualification requirements of the Federal "Internal Revenue Code of 1986" that are applicable to governmental plans;
- b) by separate action **[name of Town, City, District, or Authority]** has adopted a Resolution to partially terminate participation in the Local Money Purchase Plan in accordance with the terms of that plan;
- c) the Resolution partially terminating participation does not adversely affect the qualified status of the Local Money Purchase Plan;
- d) the rights of the members in the Local Money Purchase Plan who were affected by the partial termination of the Local Money Purchase Plan to benefits accrued to the date of termination are non-forfeitable;
- e) active Members in the Local Money Purchase Plan who have so elected (the Transferred Members), as of the Effective Date shall become Members in the FPPA Statewide Retirement Plan;
- f) the Employer will transfer or cause to be transferred to the FPPA Statewide Retirement Plan all assets of the Local Money Purchase Plan that are attributable to the accrued benefits of the Transferred Members, pursuant to the procedure established by the Board;
- g) all Employer and Member contributions required to be made to the Local Money Purchase Plan as of the date of the partial termination have been made;
- h) Transferred Members in the Local Money Purchase Plan shall not incur a reduction in their account balances in their Local Money Purchase Plan, determined as of the Effective Date, as a result of their transfer to the FPPA Statewide Retirement Plan. For vesting purposes with regard to the Local Money Purchase Plan account balances and with regard to the Money Purchase Component of the FPPA Statewide Retirement Plan, years of service in the Local Money Purchase Plan shall be combined with Years of Service in the Money Purchase Component of the FPPA Statewide Retirement Plan. For vesting purposes with regard to the Defined Benefit Component, Years of Service Credit shall be based upon service credit either earned or purchased while in the FPPA Statewide Retirement Plan; and
- i) The Employer agrees to participate in the FPPA Statewide Retirement Plan and to be bound by the terms of the FPPA Statewide Retirement Plan and the decisions and actions of the Board with respect to the FPPA Statewide Retirement Plan;
- j) All Members hired on or after **[date: either the Effective Date or an earlier date after this filing of the Certification of Compliance, designated by the Employer and agreed upon by FPPA]**, the Effective Date for New Hires, shall participate in the FPPA Statewide Retirement Plan Component, as previously determined by the Employer;

k) There are no outstanding loans, liens, assignments, court orders including domestic relations orders, or other types of encumbrances of any nature against any funds transferred to the Statewide Retirement Plan by the Trustee of the local money purchase plan. The employer will notify FPPA at the time of transfer of any pending domestic relations orders.

OR ALTERNATIVELY:

k) There are outstanding loans, liens, assignments, court order including domestic relations orders, or other types of encumbrances of any nature against any funds transferred to the Statewide Retirement Plan by the Trustee of the local money purchase plan. The employer will notify FPPA at the time of transfer of any pending domestic relations orders.