

RESOLUTION NO. R-3281

A RESOLUTION OF THE CITY OF KIRKLAND ENABLING THE CITY MANAGER TO WITHDRAW FROM THE PUBLIC EMPLOYEES RETIREMENT SYSTEM AND ESTABLISHING A MONEY PURCHASE RETIREMENT PLAN FOR THE CITY MANAGER WITH THE ICMA RETIREMENT CORPORATION.

Whereas, Senate Bill No. 3182 permits city managers and chief administrative officers of cities and towns in the State of Washington to withdraw from the Public Employees Retirement System; and

Whereas, the establishment of an ICMA Retirement Corporation Money Purchase Plan for the City Manager as an alternate retirement program will provide funds for retirement and funds for his beneficiary in the event of death; and

Whereas, the City desires that its Money Purchase Plan be administered by the ICMA Retirement Corporation in accordance with the attached adoption agreement; and

Whereas, establishment of this new program will be accomplished at no additional cost to the City over-and-above that dollar amount currently contributed by the City to the existing system on behalf of the City Manager.

Now, therefore, be it resolved by the City Council of the City of Kirkland that the City of Kirkland establish a Money Purchase Plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust, pursuant to the specific provisions of the executed Adoption Agreement. The Plan and the Trust forming a part hereof are established and shall be maintained for the exclusive benefit of the City Manager and his beneficiaries.

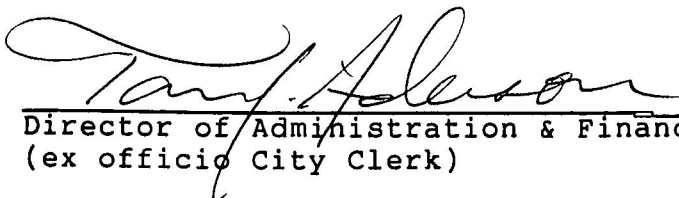
Passed by majority vote of the Kirkland City Council in regular, open meeting this 19th day of May, 1986.

Signed in authentication thereof this 19th day of May, 1986.



Mayor

ATTEST:



Director of Administration & Finance
(ex officio City Clerk)

ICMA RETIREMENT CORPORATION

PROTOTYPE MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT

The Employer hereby establishes a Money Purchase Plan & Trust to be known as

The Plan

(name of plan)

(The "Plan") in the form of the ICMA Retirement

Corporation Prototype Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution pension plan. Yes No

If yes, please specify the name of the defined contribution pension plan which this Plan hereby amends and restates: N/A

A. EMPLOYER: City of Kirkland

B. 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, 1986

C. THE PLAN YEAR shall be the calendar year, unless an alternate Plan Year is hereby specified: July 1 - June 30

D. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible for participation in the Plan:

- All Employees
 All Full-time Employees
 Salaried Employees
 Non-union Employees
 Management Employees
 Public Safety Employees
 General Employees
 Other (specify below)

City Manager

2. The Employer hereby waives the requirement of a six-month period of service for participants. Yes No

If this waiver is elected, it shall apply to all employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is 21 (not to exceed age 24½). Write N/A if no minimum age is declared.

4. Normal Retirement Age shall be 60

If a different Normal Retirement Age is established for one or more groups of employees, please specify:

Age

Group

N/A

E. CONTRIBUTION PROVISIONS

1. The Employer shall contribute on behalf of each Participant 7.92 % of Earnings for the Plan Year (subject to the limitations of Section 4.09 of the Plan).

2. a) Each Participant is required to contribute 4.83 % of Earnings for the Plan Year as a condition of participation. (Write "O" if no contribution is required.)

b) The Employer hereby elects to "pick up" the Mandatory/Required Participant Contribution.

Yes No

3. Each Participant may make a Voluntary Participant Contribution as defined in Section 2.34 of the Plan, subject to the limitations of Section 4.04 and 4.09 of the Plan. Yes No

4. Each Participant may make a Deductible Employee Contribution as defined in Section 2.08 of the Plan, subject to the limitations of Section 4.05 of the Plan.

Yes No

5. Employer contributions and Employee contributions, if any, shall be contributed to the Trust in accordance with the following payment schedule:

monthly

F. EARNINGS

Earnings, which form the basis for computing Employer contributions and Employee contributions, if required, are defined as the Participant's base salary or wages, before applying any salary reduction agreed to by the Participant pursuant to a plan described in Sections 457 or 403(b) of the Code, plus the following (check whichever is applicable, if any):

- Overtime
 Bonuses
 Employer contributions (other than salary reduction amounts) under Section 457 of the Code
 Other extraordinary remuneration

G. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to 1) the minimum vesting requirements as noted and 2) the concurrence of the Plan Administrator.

Years of Service Completed	Specified Percent Vesting	Minimum Vesting Requirements**
Zero	<u>50</u> %	No minimum
One	<u>100</u> %	No minimum
Two	<u>100</u> %	No minimum
Three	<u>100</u> %	No minimum
Four	<u>100</u> %	Not less than 40%
Five	<u>100</u> %	Not less than 45%
Six	<u>100</u> %	Not less than 50%
Seven	<u>100</u> %	Not less than 60%
Eight	<u>100</u> %	Not less than 70%
Nine	<u>100</u> %	Not less than 80%
Ten	<u>100</u> %	Not less than 90%
Eleven or more	<u>100</u> %	Must equal 100%

(* *These minimum vesting requirements conform to the IRS's Four-Forty Schedule, which is the most restrictive schedule for which an advance determination ruling for qualification will be issued by the IRS without a pre-test for nondiscrimination.)

H. INVESTMENT OPTION (check one)

The following applies to Employer Contributions and Mandatory Employee Contributions. All Voluntary Employee Contributions and Deductible Employee Contributions (DECs) are not subject to investment restrictions.

- A Participant may direct his/her investment only in an investment option which provides a guarantee of principal.
 A Participant may direct his/her investment of not more than _____ % in an investment option which does not provide any guarantee of principal.
 A Participant may direct his/her investment, without restriction, among various investment options available under the Trust.
 Specify any other investment restrictions:

I. WITHDRAWAL UPON SEPARATION

1. Upon separation from service for reason other than death, Disability or attainment of Normal Retirement Age, the Participant may elect to commence receiving benefits from the following accounts, without regard to age:

- a) Employer Contribution Account (Nonforfeitable Interest) Yes No
b) Participant Contribution Account (if applicable) Yes No
c) Portable Benefits Account Yes No

2. If "no" to any of the above, the earliest age is N/A, at which the Employer will allow a distribution from the Employer Contribution Account, the Portable Benefits Account, and/or the Participant Contribution Account, if applicable.

3. Notwithstanding Section I(2) above, a distribution shall be made pursuant to Section 8.05 of the Plan, De Minimis Accounts. Further, the Participant shall be entitled to make a rollover contribution pursuant to Section 8.03 of the Plan.

J. Loans are permitted under the Plan as provided in Article XI. Yes No

K. 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 and that it has the authority under state and local laws to adopt a Money Purchase Plan.

L. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA PROTOTYPE MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this

_____ day of _____, 19_____.

EMPLOYER

Accepted: ICMA RETIREMENT CORPORATION

By: _____

By: _____

Title: _____

Title: _____

Attest: _____

Attest: _____

4/84