



RESOLUTION NO. 2013-02

A RESOLUTION MAKING A SUPPLEMENTARY AMENDMENT TO THE CITY OF REXBURG SALARY REDUCTION PLAN (401K PLAN).

SUPPLEMENTARY AMENDMENTS

City of Rexburg is the employer maintaining the City of Rexburg Salary Reduction Plan (“the Plan”) at this time. The Plan’s principal documentation consists of (a) the Rudd & Company Prototype Defined Contribution Plan Basic Plan 01 (the Lead Document), and (b) an Adoption Agreement dated January 1, 2009, whereby the Lead Document was adopted for the Plan, per the parameters specified in that Adoption Agreement.

City of Rexburg resolves to amend and hereby amends the Plan pursuant to the authority reserved to the employer to do so in section 3.8.1(a) of the Lead Document, in the following ways:

1. Notwithstanding any provisions included in the Lead Document or the Adoption Agreement, this Plan is not intended to be subject to the provisions of ERISA, and any language in the documents referring to ERISA provisions are to be ignored. This has been the intent since the plan was established.
2. Effective for the payroll check issued July 31, 2012, and all paychecks thereafter, in addition to the Matching Contribution provisions elected in Part II.D. of the Adoption Agreement, the Plan will include a special matching provision for firemen and other employees of the City not covered by Social Security. These employees may elect salary deferrals at a rate up to 5.86% and will receive a matching contribution of 100% of such deferrals. If these employees elect salary deferrals in excess 5.86%, such deferrals would be subject to the regular matching provisions in Part II.D. of the Adoption Agreement (currently a match of 50% of deferrals up to 4% of compensation, for a maximum regular match of 2% of compensation). Under this provision, affected employees who defer at least 9.86% of compensation would receive the maximum match of 7.86% (100% of the first 5.86%, plus 50% of the next 4%).
3. The Plan may receive one-time contributions from the Employer on behalf of eligible employees for refunds received by the Employer for the Employer’s share of FICA taxes paid in prior years. For each affected employee, this one-time contribution, when combined with all other employer and employee contributions made to the Plan for the plan year, may not exceed the lesser of \$50,000 or the employee’s gross compensation for the year.

City of Rexburg recognizes that these amendments render the Plan to be an individually designed plan rather than a prototype. Nevertheless, City of Rexburg hereby delegates to Rudd & Company PLLC authority to act as agent of City of Rexburg in making amendments to the Plan, but only to the extent of amending provisions of the Lead Document other than Articles 2 and 3 of Part 2 and Article 2.4.6., as to which City of Rexburg reserves to itself the exclusive right and authority to amend. Thus, it is City of Rexburg’s intent that when Rudd & Company PLLC might amend any aspect of the Lead Document (other than Articles 2 and 3 of Part 2

and Article 2.4.6.), those amendments made to the Lead Document by Rudd & Company PLLC shall effectively be made to the Plan.

Per the terms of section 3.8.2. of the Lead Document, the amendments effective hereby will be made by delivery to the Trustees of a copy of this resolution of City of Rexburg which sets forth the amendments.

NOW THEREFORE, be it resolved by the Mayor and the Council of the City of Rexburg, that such amendments as described above will become effective March 6, 2013.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR THIS 6th DAY OF MARCH, 2013.

CITY OF REXBURG
Madison County, Idaho

By _____
Richard S. Woodland, Mayor

ATTEST:

Blair D. Kay, City Clerk