

INTEROFFICE MEMO

TO: Matt Busby
Assistant City Manager

DATE: February 17, 2016

FROM: Elizabeth H. Riley
Human Resources Director

SUBJECT: ICMA 401(A) RETIREMENT PLAN

In late 2015, the city was notified by the International City Manager Association ("ICMA") that the current 401(A) retirement plan needs to be amended to maintain qualified status as an employee investment plan as determined by the Internal Revenue Service ("IRS"). The amendment must go to council for action by resolution no later than April 1, 2016.

The plan includes the IRS additions and the resolution.

While this benefit is open to all city employees, supporting the plan was a term of the former City Manager's employment agreement and is still an obligation under the City Magistrate and City Attorney's employment agreements.