

RESOLUTION NO. 1680

**A RESOLUTION OF THE GOLDEN CITY COUNCIL  
APPROVING A VOLUNTEER FIREFIGHTER LENGTH OF  
SERVICE AWARD PLAN**

WHEREAS, the City's Volunteer Firefighter Department is dependant upon the dedication and commitment of its volunteer firefighters to provide its high standard of services; and


WHEREAS, the City seeks to reward the volunteer firefighters through the adoption of a plan based upon a firefighter's commitment and length of service; and

WHEREAS, upon recommendation of staff, City Council finds such goals can be accomplished through adoption of a Length of Service Award Plan under Section 457(e)(11)(A)(ii) of the Internal Revenue Code.

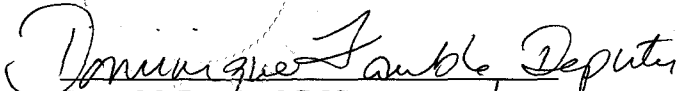
THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLDEN, COLORADO:

The City of Golden's Volunteer Firefighter's Length of Service Award Plan is approved in substantially the same form as the copy attached hereto and made a part of this resolution.


Adopted on the 11<sup>th</sup> day of May, 2006.

  
\_\_\_\_\_  
Charles J. Baroch  
Mayor

ATTEST:


  
\_\_\_\_\_  
Susan M. Brooks, MMC  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
James A. Windholz  
City Attorney

I, Susan M. Brooks, City Clerk of the City of Golden, Colorado, do hereby certify that the foregoing is a true copy of a certain Resolution adopted by the City Council of the City of Golden, Colorado at a regular meeting thereof held on the 11<sup>th</sup> day of May, A.D., 2006.

(SEAL)

ATTEST   
\_\_\_\_\_  
Susan M. Brooks, City Clerk of the City of  
Golden, Colorado

**CITY OF GOLDEN**  
**VOLUNTEER FIREFIGHTER**  
**LENGTH OF SERVICE AWARD PLAN**

ARTICLE 1

NAME AND PURPOSE

The City of Golden hereby adopts the City of Golden Volunteer Firefighter Length of Service Award Plan, effective January 1, 2006. The Plan is established and maintained for the purpose of providing length of service awards for certain volunteer firefighters. This Plan is intended to be a length of service award plan under Code Section 457(e)(11)(A)(ii).

ARTICLE 2

DEFINITIONS:

When used herein, the following words shall have the following meanings, unless the context clearly indicates otherwise:

- 2.1 "Beneficiary" means the person designated by the Participant to receive his or her Benefit on his or her death, the Participant's estate, or any other person whose interest in the Plan is derived from the Participant.
- 2.2 "Benefit" means a Participant's entire interest in this Plan consisting of his or her accrued Service Awards and the deemed earnings on investments made with such Service Awards.
- 2.3 "Bylaws" means the Golden Fire Department Volunteer Bylaws as set out in Section 300 of the Golden Fire Department Standard Operating Guideline and Procedure Manual, as it presently is constituted, as it may be amended, or any successor policy, procedure or manual of similar purpose adopted by the Golden Fire Department.
- 2.4 "City" means the City of Golden, Colorado.
- 2.5 "Code" means the Internal Revenue Code of 1986, as it presently is constituted, as it may be amended, or any successor statute of similar purpose.
- 2.6 "Effective Date" of this Plan means January 1, 2006.
- 2.7 "Entry Date" means the first day of each calendar month.

- 2.8 “Good Standing” means the Participant is in good standing as defined under the Bylaws and as determined in the sole and exclusive discretion of the City.
- 2.9 “Participant” means a Volunteer Firefighter who has satisfied the eligibility requirements described in Article III and participates in the Plan.
- 2.10 “Plan” means the City of Golden Volunteer Firefighter Length of Service Award Plan set forth in and by this document and all subsequent amendments to it.
- 2.11 “Plan Administrator” means the City.
- 2.12 “Plan Year” means the calendar year beginning each January 1 and ending each December 31.
- 2.13 “Qualified Services” means fire fighting and prevention services and emergency medical services.
- 2.14 “Service Award” means a length of service award credited to the Plan account of a Participant on account of Qualified Services performed by the Participant, as determined each year by the City pursuant to Section 4.1.
- 2.15 “Severance from Service” or “Severs from Service” occurs when a Volunteer Firefighter no longer provides Qualified Services to the City (including as a result of death or disability). The determination of whether a Severance from Service occurs shall be made in the sole and exclusive discretion of the City.
- 2.16 “Volunteer” means a bona fide volunteer whose only compensation received for performing Qualified Services is in the form of:
- 2.16.1 reimbursement for (or a reasonable allowance for) reasonable expenses incurred in the performance of such services, or
  - 2.16.2 reasonable benefits (including length of service awards), and nominal fees for such services, customarily paid by the City in connection with the performance of such services by volunteers.
- 2.17 “Volunteer Firefighter” for purposes of this Plan means any person now or hereafter provides Qualified Services as a Volunteer for the City, as determined in the sole and exclusive discretion of the City.
- 2.18 “Year of Service” means the Volunteer Firefighter has completed twelve consecutive months of Qualified Services. In general, only whole years of service will be counted for purposes of determining a Participant’s Service Award. Any fractional years of service will not count for purposes of determining the Service Award. Notwithstanding the prior sentence, a Participant in his or her first year Plan Year of participation shall be eligible to receive a prorated Service Award if such Participant

is a Volunteer Firefighter in Good Standing on December 31 of the respective Plan Year. Such pro-ration shall be based on the Volunteer Firefighter's months of service for the year by applying the ratio of the respective Participant's months of service over twelve months of service to the Service Award that the respective Participant would have been entitled to had he or she performed a full Year of Service. Also, to the extent permitted by Code Section 457(e)(11)(A)(ii), a Participant who is on an approved leave of absence, as determined by the City, will be eligible to receive a Service Award and shall be considered in Good Standing.

### ARTICLE 3

#### PARTICIPATION:

- 3.1 Eligibility to Participate: Every Volunteer Firefighter shall be eligible to participate in this Plan and shall first become a Participant in the Plan on the Entry Date coinciding with or next following the date the Volunteer Firefighter first performs service as a Volunteer Firefighter.
- 3.2 Military Service: Notwithstanding any provision of this Plan to the contrary, contributions, benefit and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

### ARTICLE 4

#### SERVICE AWARDS, ALLOCATIONS, AND VESTING:

- 4.1 Service Awards: In any Plan Year, the City, in its sole and exclusive discretion, may credit any Participant with a Service Award. Such Service Award shall be in an amount determined in the sole and exclusive discretion of the City each Plan Year, within the limitations contained in this Plan. For Plan Year 2006, the Service Awards shall be credited pursuant to Appendix A.
- 4.2 Eligibility to Receive a Service Award: In order to be eligible to receive a Service Award for any Plan Year, a Participant must have performed a Year of Service and remain a Volunteer Firefighter in Good Standing on December 31 of the respective Plan Year. A Participant who Severs from Service during any Plan Year and who otherwise satisfies the requirements of this Section 4.2 only will be eligible to receive a Service Award if such Participant remains in Good Standing on December 31 of the respective Plan Year.

- 4.3 Maximum Service Award: Excluding deemed earnings credited pursuant to Article 5, no Service Award may be credited in any Plan Year for a Participant in an amount in excess of \$3,000 (or as such amount is adjusted under Code Section 457(e)(11)(B)(ii)).
- 4.4 Benefit:
- 4.4.1 Separate Accounts: For bookkeeping purposes, the Plan Administrator shall maintain a separate account of the Benefit of each Participant that shall show the dollar value of his or her current accrued Benefit as of the end of the last Plan Year, including deemed earnings.
- 4.4.2 Valuation and Computation: As of the last day of each Plan Year, the Plan Administrator shall determine the value of each Participant's accrued Benefit in the Plan. In addition, when a Participant's Benefit becomes distributable to him or her, the Plan Administrator shall make a special computation by which he or she shall adjust the dollar value of the Participant's Benefit to reflect the values determined as of the date the Benefit becomes payable.
- 4.5 Vesting and General Assets: A Participant will be fully vested in his accrued Benefit at all times. The accrued Benefits under this Plan will be paid from the general assets of the City. If the City elects to set aside funds to pay the Benefits under the Plan, including if such funds are placed in any trust or special account, such funds will remain subject to the City's general creditors and will not inure to the benefit of any Participant or Beneficiary until such funds are distributed to the respective Participant or Beneficiary.

## ARTICLE 5

### EARNINGS:

- 5.1 Earnings. On the last day of each Plan Year, and on such other valuation dates as specified in Section 4.4.2, the Plan Administrator will credit the Benefit of each Participant in the Plan with earnings. The earnings will be the amount necessary to increase or decrease the Participant's Benefit to what it would have been had the Account actually been invested in the investments selected by the Plan Administrator under Section 5.2. The earnings also will be adjusted to reflect surrender or other charges that would have been incurred if the Benefit had been invested in the investment options. Except for the addition of earnings to an Participant's Benefit under this Section, a Participant's Benefit will not be credited with any earnings, losses, or changes in value in any Plan Year.
- 5.2 Investment Options. The Plan Administrator will determine the available investment options in which the Participant's Benefit may be invested. The available investment options, and the rules for allocating the Benefit among such options, will be

determined by the Plan Administrator in its discretion. The Plan Administrator may, in its sole discretion, amend the Plan's investment options from time to time on a prospective basis. The Participant's Benefit will be treated as if invested in those investments selected by the Plan Administrator.

## ARTICLE 6

### DISTRIBUTIONS:

- 6.1 Distribution Upon Severance From Service: A Participant's accrued Benefit will be paid in a lump-sum cash distribution to the Participant within an administratively reasonable period of time following the Participant's Severance from Service.
- 6.2 Distributions After Death: If a Participant's Severance from Service is a result of his or her death, the Participant's accrued Benefit will be distributed to the Participant's designated Beneficiary in a lump-sum cash distribution within an administratively reasonable period of time.
- 6.3 Transfer: A transfer of an accrued Benefit to an individual retirement plan or other plan subject to Code Section 457 is not permitted.
- 6.4 Beneficiary Designation: When a Volunteer Firefighter becomes a Participant, he or she may designate a Beneficiary and contingent Beneficiary to receive his or her accrued Benefit upon his or her death, using the form provided by the Plan Administrator. If a Benefit under this Plan becomes payable on the death of a Participant, payments shall be made to his or her designated principal Beneficiary. If such Beneficiary dies before receiving the Benefits due to him or her under this Plan, the Benefit shall be paid to the contingent Beneficiary, if any. If the Participant has not designated a Beneficiary, or if the designated principal Beneficiary dies and the Participant has not designated a contingent Beneficiary, the undistributed portion of the Participant's Benefit shall be paid in a lump-sum distribution to his or her surviving spouse, if any, or if none, then to the personal representative of his or her estate.

## ARTICLE 7

### ADMINISTRATION:

- 7.1 General: The Plan Administrator shall be responsible for the day-to-day operation of the Plan. The Plan Administrator shall operate and administer the Plan in a manner consistent with the terms of the Plan.
- 7.2 Administrative Powers of the Plan Administrator: The Plan Administrator shall have the exclusive right and discretionary authority, to the fullest extent provided by law, to construe and interpret the Plan, including the supplying of omissions in accordance with the intent of the Plan, deciding all questions of eligibility, determining the amount, manner and time of payment of any benefits hereunder, and to authorize the payment of benefits. The Plan Administrator shall keep all records and accounts that may be necessary in the administration and conduct of this Plan.

## ARTICLE 8

### CITY'S OBLIGATIONS:

The adoption and continuance of the Plan shall not be deemed to constitute a contract between the City and any Volunteer Firefighter or Participant, nor to be a consideration for, or inducement or condition of, the employment of any person. Nothing in this Plan shall be construed to mean that any Volunteer Firefighter or Participant is an employee of the City under relevant federal, state, or local law.

## ARTICLE 9

### AMENDMENT AND TERMINATION:

At any time the City may amend or terminate this Plan. In the event of termination, no additional Service Awards shall be accrued and the accrued Benefits of the Participants either may be paid pursuant to the Plan or may be distributed in lump-sum payments upon termination as determined by the City.

ARTICLE 10

MISCELLANEOUS:

- 10.1 Text To Control: The headings of articles and sections are included solely for convenience of reference. If any conflict between any heading and the text of this Plan exists, the text shall control.
- 10.2 Notices: Whenever provision is made in the Plan that a Participant may exercise any option or election or designate any Beneficiary, the action of such Participant will be evidenced by a written notice signed by the Participant and delivered to the Plan Administrator in person or by certified mail. If a form is furnished by the Plan Administrator for such purpose, a Participant will give written notice of his exercise of any option or election or of his designation of any Beneficiary on the form provided for such purpose. Written notice will not be deemed filed and will not be effective until received by the Plan Administrator.
- 10.3 Gender and Number: The masculine gender shall include the feminine, and the singular shall include the plural.
- 10.4 Severability: If any provision of this Plan is illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining provisions. On the contrary, such remaining provisions shall be fully severable, and this Plan shall be construed and enforced as if such illegal or invalid provisions never had been inserted in this Plan.
- 10.5 Jurisdiction: This Plan shall be construed and administered under the laws of the State of Colorado to the extent that the laws of that jurisdiction are not in conflict with federal substantive law.

CITY OF GOLDEN

By: \_\_\_\_\_



APPENDIX A

Plan Year 2006 Service Award Schedule

Pursuant to Section 4.1 of the City of Golden Volunteer Firefighter Length of Service Award Plan (the "Plan"), the City hereby designates the Plan Year 2006 Service Awards to be accrued for the benefit of the Plan Participants in accordance with the Plan.

Years of Service as of December 31, 2006	December 31, 2006, Award Amount
1	\$800
2-5	\$1,200
6-10	\$1,600
11-15	\$2,000
16-20	\$2,400
21-25	\$2,800
26+	\$3,000

If an individual serves as a Captain during the Plan Year, an additional \$600 is awarded.

If an individual serves as an Assistant Chief during the Plan Year, an additional \$1,200 is awarded.

If an individual serves as the Secretary/ Treasurer during the Plan Year, an additional \$1,200 is awarded.

No Participant may receive a Service Award for the Plan Year in excess of \$3,000.