

**TOWN OF DE BEQUE BOARD OF TRUSTEES**

**RESOLUTION NO. 2026-05**

A RESOLUTION APPROVING AND AUTHORIZING THE TOWN'S APPROVAL AND ADOPTION OF AN UPDATED RETIREMENT PLAN PROGRAM.

The following describes the intent and purpose of this Resolution.

- a. Management for the Town of De Beque (the Town) has the authority to make decisions regarding what employment benefits, including retirement plans, are utilized for town employees, subject to annual appropriations and budgetary approval.
- b. Management has determined that, based on new Colorado state mandatory updates and new retirement benefits provided for by the Town's current retirement benefits carrier, the Town must update the current retirement plan. The new plan does not impact the Town's budget nor require additional funding from the Town.
- c. The Board of Trustees has reviewed the proposed retirement plan and finds that it is in the best interest of the Town to update the retirement plan.

NOW THEREFORE, the Board of Trustees, upon an affirmative vote of a majority of the Board, hereby approves and confirms the new retirement plan, attached hereto as **Exhibit 1** and authorizes the Town Administrator to execute all incidental agreements as necessary to participate in the new retirement plan.

Town of De Beque:

By: Shanelle Hansen Jan. 27<sup>th</sup> 2026

Shanelle Hansen, Mayor

Date

ATTEST:

By: Lisa M. Rogers 01/27/2026

Lisa Rogers, Town Clerk

Date

Attachment: **Exhibit 1**, retirement plan

-End of Document-



# SECURE 2.0 Questions & Answers

Last Updated May 2025

MissionSquare Retirement has compiled a list of questions public sector employers are asking about the SECURE 2.0 Act provisions, along with answers to these questions. For additional insights and to learn more, please visit the [MissionSquare SECURE 2.0 webpage](#). For questions specific to the Roth mandate and age-based catch-up contributions, please read the [Roth Contributions Adoption](#) guide.

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### I Overview

#### 1. What is SECURE 2.0?

The Setting Every Community Up for Retirement Enhancement 2.0 Act (SECURE 2.0) was signed into law Dec. 29, 2022. It is over 90 provisions updated or added new laws to the Internal Revenue Code and the Employee Retirement Income Security Act of 1974 and were designed to improve retirement savings options. Approximately 20 of these provisions directly affect governmental plans and their participants.

#### 2. What SECURE 2.0 resources are available?

For all you need to know about SECURE 2.0, visit our dedicated [website](#), where you can find many resources on the topic, including how to amend your plan for SECURE 2.0 provisions. We will continue adding to this site and providing updates as needed.

You will find:

- An overview of the act and the provisions' effective dates.
- An Employer's Guide to SECURE 2.0.
- A Roth Considerations Adoption Guide for 457(b) Deferred Compensation Plans.
- Webinar recordings.
- Washington Perspective articles.

#### 3. What should local government agencies be doing now regarding SECURE 2.0?

MissionSquare has posted [An Employer's Guide to SECURE 2.0](#). This details mandatory and optional provisions for employers. For now, plan sponsors should focus on the provisions that are already effective and the Roth mandate that goes into effect Jan. 1, 2026. There is also a [Roth Considerations Adoption Guide for 457\(b\) Deferred Compensation Plans](#). This provides a summary to implement the Roth catch-up mandate.

#### 4. How do I add one of the new SECURE 2.0 optional provisions to my plan? Can we make elections now for provisions that don't come into play until 2026?

To add a SECURE 2.0 optional provision or make any other plan change, please see the [Changing Plan Provisions](#) guide. You may elect to add Roth as a contribution option to your 457(b) or 401(k) plans at any time. Because SECURE 2.0 allows the Roth mandate, you also may add the Roth mandate now to your 457(b) or 401(k) plans even though the IRS will not enforce the Roth mandate until 2026. MissionSquare will update the Request for SECURE 2.0 and Other Plan Changes Checklist as additional optional provisions become available.

#### 5. If we choose to do nothing and make no changes to our plan documents because of SECURE 2.0, is "this allowed" in all cases? What would change or not change?

There is no requirement to add optional provisions, and mandatory provisions will be automatically implemented. For example, the MissionSquare plan document references the RMD age previously determined by the IRS. The age in the document will be automatically updated to reflect the new RMD age. The expansion of the 10% penalty exception for public safety officers with 25 years under the plan is not a provision within the plan document – it is a tax provision that is elected when a person files Form 1040. SECURE 2.0 also increased the cash out limit, which is referenced by code in the MissionSquare 457(b) plan document. This will automatically be increased by amendment. The plan document updates will be provided before SECURE 2.0's deadline to update plan documents. Please note, however, that Roth catch-ups for participants earning over \$145,000 will be mandatory if your plan offers age-based catch-up and you wish to continue offering it after 2025 for your participants over age 50.

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**6. What is a letter of instruction to make plan document changes? Do you have a template?**

A letter of instruction is simply a correspondence to MissionSquare to take certain action. This could be an email or a signed letter on letterhead. As an alternative to a letter of instruction, the Request for SECURE 2.0 and Other Plan Provisions Checklist can be completed and sent in. The checklist is available in the [Changing Plan Provisions Guide](#) or by logging into the plan sponsor website and clicking the "Amend Your Plan" button.

**7. Will MissionSquare need plan sponsors to sign modifications to agreements in order to implement mandated provisions, or will they just "go into effect" for all clients?**

Mandatory provisions will be implemented automatically.

## II Required Minimum Distributions (RMDs)

**1. What primary impact did SECURE 2.0 have on RMDs?**

SECURE 2.0 raised to 73 the age participants must start taking an RMD until 2033, when the age will increase to 75. As a reminder, an RMD is the amount the IRS requires participants to remove annually from each of their retirement plan accounts once the participants meet the required age for RMDs and are no longer working for the plan's sponsor.

**2. Will MissionSquare automatically update plans for the RMD age change or do we need to prompt MissionSquare to change it?**

MissionSquare automatically updated its systems in 2023 to apply the new RMD provisions.

**3. Do RMD requirements apply only to pre-tax assets or do they also apply to Roth assets in 457(b), 401(k), and 403(b) plans?**

Starting with the 2024 RMDs, Roth balances are excluded from the RMD calculations for participants. The Roth balance was included in the RMD calculation for any RMD that was due prior to 2024.

**4. Does SECURE 2.0's elimination of Roth balances from the RMD calculation apply only to the Roth account inside the plan or does it apply to individual Roth accounts?**

SECURE 2.0's elimination of Roth balances from the RMD calculation apply only to Roth accounts within a plan. RMDs are not required from Roth IRA accounts during the account owner's lifetime. SECURE 2.0 intentionally aligned the RMD rules for Roth accounts held by participants in employer plans with the RMD rules for Roth IRA owners.

**5. If a participant has started taking RMDs from a Roth account, can the participant now stop taking those RMDs?**

Beginning with RMDs due for 2024, any Roth portion of a participant's account can be disregarded for RMD purposes when the participant takes a distribution after reaching RMD age.

**6. Does MissionSquare contact the participants when they reach the age required for RMD from a 457(b) plan?**

MissionSquare helps plan sponsors meet their obligation to disburse RMDs by making every effort to notify participants who are required to take RMDs. It is also MissionSquare's policy to distribute to each participant all RMDs not affirmatively requested by the participant by the end of the applicable year.

### III Domestic Abuse Victim Distributions

1. **Is the provision allowing for a distribution because of domestic abuse an optional provision? Does the participant have to provide proof?**

The provision allowing for domestic abuse distributions is an optional provision *- Board Decision*. SECURE 2.0 allows the participant to receive the distribution by self-certifying the need for the distribution, but the IRS should be providing more details regarding the elements required for the certification.

2. **Can the repayment of the domestic abuse distribution be made through payroll deductions?**

Depending on payroll capabilities, any eligible repayment of a distribution could be made through payroll deductions. Typically, payroll deductions for repayments should be similar to payroll deductions for loan repayments.

3. **What documentation would be required for victims of domestic abuse?**

SECURE 2.0 allows for the plan sponsor to rely on a self-certification from the participant. Additional guidance has been requested as to the detail needed in the self-certification.

### IV Student Loan Repayment Matches

1. **Do you see many of your public sector clients interested in the "matching contributions on student loan repayments" optional provision given public employees are eligible for the Public Service Loan Forgiveness program? Does the provision apply to parent PLUS loans?**

MissionSquare has some clients interested in making matching contributions for student loan repayments. The new provision does not, however, apply to parent PLUS loans.

2. **Are student loan repayment matches available for 401(a) plans? *- Not De Beque.***

Unless the 401(a) plan is a grandfathered 401(k) plan, the plan cannot offer a match for student loan repayments. Only plans that allow for elective deferrals may offer matches for student loan repayments.

3. **Can student loan repayment matching contributions be in excess of the annual elective deferral limits?**

No. Employer student loan repayment matching contributions count toward the elective deferral limits.

4. **When did the ability to make an employer match based on an employee's student loan repayment become available?**

SECURE 2.0 made the student loan match available as of 2024. Under this provision, student loan repayments are treated as elective deferrals, and the deferral matching formula is up to the plan sponsor to determine. Note the ability to match against student loan repayment is only available to 457(b), 403(b), and 401(k) plans, which permit elective deferrals. Plan sponsors interested in this feature would need to amend their 457(b), 403(b), or 401(k) plan.

5. **Do I need to only submit a letter of instruction to add the student loan match?**

A letter of instruction or the Request for SECURE 2.0 and Other Plan Changes Checklist can be submitted. To allow for a match on student loan repayments, a letter of instruction is all that you need, assuming the 457(b), 403(b), or 401(k) plan already has a match provision. If the plan does not have a match provision, it should also be requested in the letter of instruction.

6. **Must a match already be in place?**

Yes. To allow for a match based on student loan repayments, the plan must allow for a match on the deferrals. If the plan does not already have a match feature, it must be added to the plan.

V

## Financial Incentives To Encourage Employees To Make Deferrals

*Town already matches 5% in 401(a)  
- Budget Impact - Additional*

1. Could an employer contribute the financial incentive directly to the participant's 457(b) account for a new or increased contribution?

No. The financial incentive cannot be made in the form of a contribution to the 457(b) plan. It is taxable income. Additionally, the financial incentive isn't available for contribution increases. It is only available if the employee does not have any contributions in effect at the time of the incentive.

2. Is the incentive only available once or will employees be able to stop and start 457(b) deferrals to receive the incentive repeatedly?

We are still awaiting additional guidance regarding this aspect of the provision. But SECURE 2.0 does not prevent an employer from limiting the financial incentive opportunity to once only.

3. Do the financial incentives to contribute apply to memorandums of understanding between the employer and a union where the employer agrees to provide employer contributions to all 457(b) plan participants even if the employee contributes \$0?

We are awaiting IRS guidance regarding this aspect of the provision.

VI

## Employees Can Elect Roth for Employer Contributions and Matches

*Adopt Roth w/out additional Town Contribution.  
- Budget Impact.*

1. Can an employee choose to contribute pre-tax but have the employer match designated as Roth? Or does the employer contribution have to be Roth for the employer match to be Roth?

The participant can choose to defer on a pre-tax basis while choosing to have the employer match contributed as Roth.

2. Can the employer require that the match "matches" how the employee contributes. For example, if the employee contributes pre-tax, does the employer match it pre-tax? Does the employer have the right to require that the participant contribute in the form that the participant wants the match?

We will need guidance from the IRS regarding whether a plan sponsor can limit employer matches made on a Roth basis to only matches on a participant's Roth contributions.

3. If a plan does not currently have a Roth component, does the plan sponsor need to adjust the plan documents to allow participants to elect to have employer contributions made on a Roth basis?

Yes. If a plan wants to permit employer contributions to be made as Roth contributions, then the plan must allow Roth contributions. Sponsors of 457(b), 403(b), and 401(k) plans are encouraged to review the materials we have on this topic at <https://www.missionsq.org/products-and-services.html>.

Adopting the Roth provision as part of your plan document is a straightforward process. You should also work with your payroll provider to ensure you're able to capture and transmit Roth contributions.

4. Is an employer allowed to contribute to a "Roth 457(b)" if employees are already maxing out their Roth? Is there still a maximum salary limit?

Unlike Roth IRAs, Roth contributions into a 457(b) plan have no income limitations regarding Roth contributions. The 457(b) contribution limit is distinct from the IRA contribution limit, and there is no maximum salary limit for 457(b) participants, whether their contributions are made on a Roth or pre-tax basis. Further, Roth and pre-tax contributions within a 457(b) plan are combined when determining the IRS limit, regardless of who is making the contribution to the 457(b) plan. So, employer contributions made as Roth cannot exceed the 457(b) contribution limit.

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**5. Are 457(b) assets, including employer matches made as Roth, subject to a penalty when eligible for distribution?**

Only non-457(b) assets rolled in to the 457(b) plans could potentially be subject to the 10% early distribution penalty upon an eligible distribution.

**6. If the employer withholds FICA taxes for employer contributions made on a Roth basis to the 457(b) plan but doesn't withhold the applicable federal and state taxes, would Form 1099-R provide the participant with tax return information regarding the employer contributions made as Roth into the 457(b) plan?**

Yes.

**7. If the employer's contribution goes into a "non-Roth" 457(b) and the employee's money goes into the "Roth 457(b)," are the employer's contributions still subject to FICA?**

Typically, there is only one 457(b) plan that allows both Roth contributions and pre-tax deferrals. If the participant is subject to FICA, then the contributions and deferrals made to the 457(b) plan would be subject to FICA regardless of who makes the contribution.

**8. Is contributing to Social Security optional if the employer makes 457(b) contributions pursuant to the employee's request that employer contributions to the 457(b) plan be made on a Roth basis?**

Social Security coverage of government employees varies greatly from state to state and can also vary widely within a state or even a local area. Accordingly, public sector employers should contact their state's Social Security Administrator ([www.NCSSSA.org](http://www.NCSSSA.org)) for answers to coverage questions.

## VII Miscellaneous

**1. Is the long-term care (LTC) premium information in the Employer Guide?**

Yes, the Long-Term Care Contracts Purchased with Retirement Plan Distributions provision is in the Employer Guide.

**2. We offer participation in our 457(b) plan for part-time employees. Is there a minimum number of hours to participate.**

The original SECURE Act part-time rules that were amended by SECURE 2.0 do not affect 457(b) plans. But if you utilize the MissionSquare plan document, your plan does not have a minimum-hours requirement for part-time employees. If your plan uses a custom plan document, please consult that document.

**3. What are the qualified birth or adoption distribution changes?**

SECURE 2.0 shortened the repayment period to three years from the distribution.

**4. What is the new terminally ill provision?**

The terminally ill provision provides an exception to the 10% early withdrawal penalty if the participant is already eligible to take a distribution. It only provides relief from the penalty and is not a new withdrawal option. SECURE 2.0 asks the U.S. Department of the Treasury to provide guidance regarding the documentation the participant needs to provide to obtain the distributions. Treasury has not yet provided final guidance, but initial guidance indicates that the participant's doctor must certify to the plan administrator that the participant suffers from a terminal illness.

**5. Is a pension-linked emergency savings account (PLESA) available for governmental plans?**

No. Under SECURE 2.0, a PLESA is specifically defined in terms of ERISA. Governmental plans are not subject to ERISA. If guidance or a technical correction comes out that indicates that a PLESA is available to governmental plans, MissionSquare will evaluate the PLESA at that time.

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**6. What is the new emergency withdrawal provision? Is it different from the domestic violence and terminal illness provisions?**

The new emergency withdrawal provision is an optional provision giving participants the ability to withdraw up to a maximum of \$1,000 from their plan account without having to provide any proof of emergency. It can be made available in addition to the domestic violence withdrawal option.

**7. Regarding the increase in threshold to \$7,000 for de minimis accounts, will MissionSquare automatically amend the documents for plan sponsors that have elected \$5,000, or seek authorization from the plan sponsor?**

For plans that are using the MissionSquare model plan documents, the increase in the threshold was updated automatically. If the plan utilizes a custom provision or an individually drafted/designed document, then MissionSquare will require authorization from the plan sponsor. Note, however, that force-outs distributed to participants will continue to occur only if the participant's account is less than \$1,000.

**8. For the "25 years in the plan" exemption from the 10% early withdrawal penalty available to qualified public safety officers, does SECURE 2.0 mean 25 years of service with the employer? For example, is the exemption available to a participant who terminated employment after being a firefighter who only participated in the plan for 20 years although the participant was a firefighter for the employer for 27 years?**

We have requested additional guidance from the IRS because the statute says, "25 years under the plan"; it does not say "25 years with the employer" or "25 years as a public safety officer." But a conservative approach would be to require the public safety officer to retire with 25 years of participation in the employer's plan if the participant was not yet 50 years old when the participant retired.

**9. Are all 457 plans 457(b) plans?**

There are other 457 plan types, but the overwhelming majority of 457 plans that MissionSquare administers are 457(b) plans.

**10. If we add the option to make Roth contributions to our existing 457(b) plan, do the Roth contributions show on employees' W-2s as code EE?**

While MissionSquare is not a Form W-2 expert and would recommend you confirm the correct coding with your payroll provider, we believe you would use code EE based on the [information provided by the IRS](#).

**11. What is the "First Day of the Month" rule for 457(b) plans?**

Prior to SECURE 2.0, a participant in a 457(b) plan could only make a deferral rate change in the month before the month in which the participant would receive the compensation. So, for current participants, a deferral change made on June 2, for example, could not go into effect until the first payroll in July. SECURE 2.0 allows deferral rate changes at any time prior to the date the compensation is available, thus aligning the timing of deferral changes in 457(b) plans with 401(k) and 403(b) plans. This is an optional provision, so the old rule will continue to apply unless the plan sponsor makes the change.

- Retirement Age.
- Loans
- Long Term.

**12. What dollar amount is the definition of “lower income” under the Saver’s Credit opportunity?**

While the Saver’s Credit currently exists, SECURE 2.0 provides that beginning in 2027, the Saver’s Credit can be deposited into a taxpayer’s retirement account rather than paid to the taxpayer. There are many technical issues to resolve before the SECURE 2.0 provision can be effective, but the amount of the credit (50%, 20%, or 10%) depends on the adjusted gross income reported in the IRS Form 1040. For 2024, the credit and income limits are as follows:

**2024 Savers Credit**

Credit Rate	Married Filing Jointly	Head of Household	All Other Filers*
50% of your contribution	AGI not more than \$46,000	AGI \$34,500	AGI not more than \$23,000
20% of your contribution	\$46,001 - \$50,000	\$34,501 - \$37,500	\$23,001 - \$25,000
10% of your contribution	\$50,000 - \$76,500	\$35,50 - \$57,375	\$25,001 - \$38,250
0% of your contribution	more than \$76,500	more than \$57,375	more than \$38,250

\*Single, married filing separately, or qualifying widow(er)

**13. Will MissionSquare establish a rule to allow only one hardship at a time?**

The number hardship or unforeseeable emergency withdrawals a plan allows per participant would be up to the plan sponsor. Further, plan sponsors are not required to offer participants the ability to self-certify for these types of withdrawals.

**14. What is the impact on part-time employees who are not eligible to make contributions to a plan or receive an employer match?**

The long-term part-time provision allows for part-time employees who otherwise would have been excluded from a 401(k) plan based on hours worked to be able to participate in the plan and save for retirement. This only applies to plans that exclude part-time employees based on hours worked, such as 1,000 hours. There are relatively few governmental 401(k) plans, but such governmental plans are permitted to exclude part time employees as a class. Moreover, the MissionSquare model 401(k) plan document does not exclude part-time plans based on hours – leading to very limited applicability of the long-term part-time SECURE and SECURE 2.0 provisions to MissionSquare plans.

**15. Does the self-certification remove the burden from the employer such that the burden rests solely on the participant to have proof of the need for emergency withdrawal items?**

This is generally true, except where the plan sponsor has actual knowledge to the contrary. The IRS may provide additional guidance on this provision.

**MissionSquare continues to monitor this legislation** as it unfolds and will make updates to our resources accordingly. If you have any questions, please reach out to your MissionSquare representative.

## Request for SECURE 2.0 and Other Plan Changes Checklist

To begin the process of making changes to your plan, please check the boxes next to the provisions you wish to add, and submit the completed checklist to MissionSquare Plan Services via **Secure Messaging**.

We request to add the following checked optional provisions to:

PLAN NAME: \_\_\_\_\_ PLAN NUMBER: \_\_\_\_\_ EFFECTIVE: MM/DD/YYYY \_\_\_\_\_

**Roth Contributions (457(b), 403(b), 401(k) plans only)**

The plan will allow in-plan Roth conversions:

- Yes (default)       No

Designated Roth accounts will be available as a source for loans under the plan:

- Yes       No (default)

**Note:** If your plan does not permit Roth contributions, employees earning above \$145,000 (Social Security wages) in 2025 may be ineligible to make age 50 or age 60-63 catch-up contributions starting in 2026.

**Age 60-63 Catch-Up**

**Qualified Federally Declared Disaster Relief Distribution**

**Emergency Expense Withdrawals for (up to \$1,000)\***

**Self-Certification for Unforeseeable Emergency Withdrawals (Available for 457(b) Plans)**

Is plan sponsor approval required:

- Yes       No (default)

**Self-Certification for Hardship Withdrawals (Available in 403(b) and 401(k) Plans)**

Is plan sponsor approval required:

- Yes       No (default)

**Penalty-free Withdrawals for Individuals In Case of Domestic Abuse\***

**Eliminate the "first day of the month" requirement for 457(b) plans (changes and enrollments will be effective immediately or as soon as administratively feasible)**

**Treatment of Student Loan Payments as Elective Deferrals for Purposes of Matching Contribution**

**In-Service Distribution at Age 59.5**

**Qualified Birth and Adoption Distribution**

**MissionSquare Retirement Income Advantage In-Service Portability**

**Other:** \_\_\_\_\_

(Discuss with your MissionSquare contact before completing this item).

\*Estimated availability after 3/31/2025.

**Requestor:** Provide your information in the fields below and submit the completed checklist using Secure Messaging. Please review the **Secure Messaging User Guide** for more information.

We will contact you within 3-5 business days if more information is needed; otherwise MissionSquare Plan Services will prepare and send any necessary documents to the plan sponsor contact who is authorized to execute those documents. To update your plan's contacts, please use the Plan Contact & Access Form available on the Plan Sponsor website. Documents are typically sent within 7 business days of the request unless there are unanswered questions. This timing might be greater if the volume is high. An email notification will be sent when the recordkeeping changes are complete.

FULL NAME: LAST, FIRST, MI (REQUESTOR'S INFORMATION)

TITLE:

EMAIL ADDRESS:

**Questions?** Contact MissionSquare Plan Services for employer support at (800) 326-7272 or log in to your account to use Secure Messaging.