



RESOLUTION 06-01-2024

A RESOLUTION AUTHORIZING SANTAQUIN CITY PICKUP OF TIER II PUBLIC SAFETY AND FIREFIGHTER EMPLOYEE RETIREMENT CONTRIBUTIONS UNDER THE UTAH STATE RETIREMENT SYSTEM (URS)

WHEREAS, URS requires the participating entities to determine if their organization elects to pick-up the “Employee” contribution and the amount of the pickup, for their Tier II Public Safety and Firefighter employees participating in the Defined Benefit (DB) Hybrid; and

WHEREAS, the City is required under Subsection 49-23-401(1)(b) to make an equal nonelective contribution to Public Safety and Firefighter employees who participates in the Tier II Defined Contribution (DC) Plan, and

WHEREAS, URS Contribution Rates have been published for Fiscal Year 2024-2025 showing increases to Public Safety and Firefighter Tier II Defined Benefit “Employee” Contributions from 2.59% (FY 2023-2024) to 4.73% (FY 2024-2025); and

WHEREAS, in 2020 Santaquin City elected to pick up the “Employee” Contribution in the Tier II DB Hybrid System for Public Safety employees and make an equal 401K Employer Contribution to Tier II Public Safety in the Defined Contribution (DC) as required by law; and

WHEREAS, in 2021 Santaquin City elected to pick up of the “Employee” Contribution in the Tier II DB Hybrid System for Firefighter employees and make an equal 401K Employer Contribution to Tier II Public Safety in the Defined Contribution (DC) as required by law; and

WHEREAS, Santaquin City desires to pick-up the “Employee” Contributions for employees participating in the Public Safety and Firefighter Tier II Defined Benefit (DB) Hybrid Plan and make a 401K Employer contribution for employees participating in the Public Safety Defined Contribution (DC) Plan (as required); and

WHEREAS, In 2018, with a desire to create a strategic enticement to retain and recruit police officers, the Santaquin City Council elected to create a new program for its full time public safety personnel known as “Tier II Parity”, in which Santaquin City would pay an equivalent retirement contribution for all of its full time police officers regardless of whether the officer was considered a “Tier I” employee or a “Tier II” employee as defined by URS;

the only unique aspect being that the Tier II employees would have the difference in their retirement contributions (from Tier II to Tier I) placed into a 401K retirement account; and

WHEREAS, Santaquin City desires to use a portion of the funds from its “Tier II Parity” program to pay for its public safety officer’s “Employee” contributions, while continuing to place the remainder of the difference between Tier II and Tier I employees into a 401K Retirement account as was done previously; and

WHEREAS, Santaquin City understands that these “Employee” Contribution rates are re-calculated each year by URS and may increase or decrease in the future, and can be increased if desired and approved by City Council, or decreased to the “Employee” contribution rate in coming years;

NOW THEREFORE, be it resolved by the Santaquin City Council to:

- Approve and submit the attached “Employer Election to Pick-Up Member: Tier II Public Safety and Firefighter Form”,
- Pick-Up “Employee” Contributions for Tier II Public Safety and Firefighter employees (as applicable in the future) participating in the Defined Benefit (DB) System in a maximum amount of 4.73% or the “Employee” contribution rate each year as determined by URS up to a maximum of 4.73%; and
- Make an Employer 401K Contribution for Tier II Public Safety Officers and Firefighter employees (as applicable in the future) participating in the Defined Contribution (DC) Plan in a maximum amount of 4.73% or the “Employee” contribution rate each year as determined by URS up to a maximum of 4.73%, as required; and
- To continue the Santaquin City “Tier II Parity” program by an amount reduced by the employer contributions through the aforementioned employer election to Pick-Up “Employee” Contributions: and
- Establish an Effective Date for the aforementioned “Employee” Contribution pick up and equal Employer 401K Contribution to be the pay period beginning June 30, 2024.

PASSED AND APPROVED this 4th day of June, 2024.

Daniel M. Olson, Mayor

Councilmember Art Adcock	Voted	___
Councilmember Brian Del Rosario	Voted	___
Councilmember Travis Keel	Voted	___
Councilmember Lynn Mecham	Voted	___
Councilmember Jeff Siddoway	Voted	___

Attest

Amalie R. Ottley, City Recorder