

RESOLUTION R2026 – 23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, INCREASING THE AMOUNT OF CITY PORTION OF EMPLOYER “PICK-UP” OF PUBLIC SAFETY EMPLOYEE RETIREMENT CONTRIBUTIONS.

WHEREAS, Utah Code Ann. §49-23-301(2)(c) and Internal Revenue Code § 414(h)(2) allow the City of South Jordan as the employer to “pick-up” part of employee’s contribution to qualifying retirement plan; and

WHEREAS, pursuant to Resolution R2024-37 (attached hereto), the South Jordan City Council elected to exercise the “pick-up” option at the then allowed rate of 4.73% of compensation for each employee for only the Police Department Employees and maintain the 2.59% rate for Fire Department Employees; and

WHEREAS, the allowed rate of 4.73% was increased by Utah Retirement Systems to 5.98% which would not go into effect for City employees unless the City Council elects to increase the City’s contribution; and

WHEREAS, the increase from 4.73% to 5.98% shall be for Police and increase from 2.59% to 5.98% for Fire Department employees; and

WHEREAS, the South Jordan City Council finds it in the best interest of the City to increase the City’s contribution of the allowed “pick-up” to 5.98% of compensation for each eligible employee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Approval of Contribution Increase. Beginning July 1, 2026, the City of South Jordan shall prospectively “pick-up” and pay required employee contributions for all eligible City employees who are participating members in the Tier II Hybrid and Defined Contribution Plan, under the New Public Safety Tier II Contributory Retirement Act, Subject to a maximum of 5.98% of compensation for each employee.

SECTION 2. Acknowledgment of City of South Jordan Resolution R2024-37. All other provisions of Resolution R2024-25 remain unchanged.

SECTION 3. Effective Date. This Resolution shall become effective immediately upon passage.

<< SIGNATURES ON FOLLOWING PAGE >>

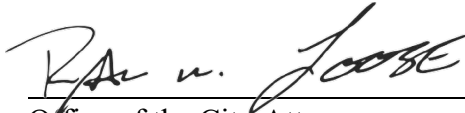
**APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH,
ON THIS 16th DAY OF JUNE, 2026 BY THE FOLLOWING VOTE:**

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Kathy Johnson	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: _____
Dawn R. Ramsey

Attest: _____
City Recorder

Approved as to form:



Office of the City Attorney

RESOLUTION R2024 – 37

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, INCREASING THE AMOUNT OF CITY PORTION OF EMPLOYER “PICK-UP” OF PUBLIC SAFETY EMPLOYEE RETIREMENT CONTRIBUTIONS.

WHEREAS, Utah Code Ann. §49-23-301 and Internal Revenue Code § 414(h)(2) allow the City of South Jordan as the employer to “pick-up” part of employee’s contribution to qualifying retirement plan; and

WHEREAS, pursuant to Resolution R2022-30 (attached hereto), the South Jordan City Council elected to exercise the “pick-up” option at the then allowed rate of 2.59% of compensation for each employee; and

WHEREAS, the allowed rate of 2.59% was increased by Utah Retirement Systems to 4.73%, which would not go into effect for City employees unless the City Council elects to increase the City’s contribution; and

WHEREAS, the increase from 2.59% to 4.73% shall be for Police Department employees only; and

WHEREAS, the South Jordan City Council finds it in the best interest of the City to increase the City’s contribution of the allowed “pick-up” to 4.73% of compensation for each eligible employee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Approval of Contribution Increase. Beginning July 1, 2024, the City of South Jordan shall prospectively “pick-up” and pay required employee contributions for all eligible City employees who are participating members in the Tier II Hybrid and Defined Contribution Plan, under the New Public Safety Tier II Contributory Retirement Act, Subject to a maximum of 4.73% of compensation for each employee.

SECTION 2. Acknowledgment of City of South Jordan Resolution R2024-37. All other provisions of Resolution R2022-30 remain unchanged.

SECTION 3. Effective Date. This Resolution shall become effective immediately upon passage.

<< SIGNATURES ON FOLLOWING PAGE >>

APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH,
ON THIS 18 DAY OF June, 2024 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	<u>X</u>	_____	_____	_____
Kathie Johnson	<u>X</u>	_____	_____	_____
Donald Shelton	<u>X</u>	_____	_____	_____
Tamara Zander	<u>X</u>	_____	_____	_____
Jason McGuire	<u>X</u>	_____	_____	_____

Mayor: *Dawn R. Ramsey*
Dawn R. Ramsey

Attest: *Anna Crookston*
City Recorder

Approved as to form:

Rae M. Loe
Office of the City Attorney





Utah Retirement Systems
PO Box 1590
Salt Lake City, UT 84110-1590
801-366-7318 | 800-753-7318
www.urs.org

Employer Election To Pick-Up Member Contributions

Tier 2 Public Safety and Firefighter

Instructions:

1. This form is designed to notify Utah Retirement Systems (URS) of an Employer's formal election to "pick-up" retirement contributions.
2. This form and accompanying documentation must be returned to URS for processing.
3. A pick-up election is subject to federal law, resulting in tax and legal consequences, including limitations about the ability to modify or revoke the election. For information regarding employer pick-up contributions, please refer to federal law and guidance, including Internal Revenue Code Section 414 and IRS Revenue Ruling 2006-43.
4. An Employer should consult its legal, financial, and tax advisors if it has any questions concerning the consequences of Member contribution "pick-ups" and submitting this form.

SECTION A » EMPLOYER INFORMATION

Employer Name	Employer Number	Date
City of South Jordan	476	6/18/2024
Desired Effective Date: <u>7/1/2024</u> (The effective date must be after the date that the pick-up election was formally adopted as provided in the attached documentation.)		

SECTION B » PICK-UP AMOUNT(S)

The above-named Employer certifies that it has taken formal action to provide that the contributions on behalf of its covered employees in the following URS System, although designated as employee contributions, will be paid by the employer in lieu of employee contributions. (Please check the box and fill in the portion of employee contributions picked-up for each class of employees below. For example, mark "ALL" for a pick-up of all employee contributions for that system or a percentage of salary for a pick-up of a portion of employee contributions.)

Please also attach written documentation to this form that provides evidence that the Employer formally elected to prospectively pick-up specified employee contributions. (For example, ordinance, resolution, governing body meeting minutes, etc.)

Note: If you are picking-up contributions for both public safety and firefighter employees, check both boxes

- ☒ Tier 2 Public Safety and Firefighter Contributory Retirement System, with the following pick-up election that will be paid by the Employer in lieu of employee contributions for members serving as a **Public Safety Officer**:
- ☐ ALL _____; **OR**
 - ☐ 4.73 % of salary.
- ☒ Tier 2 Public Safety and Firefighter Contributory Retirement System, with the following pick-up election that will be paid by the Employer in lieu of employee contributions for members serving as a **Firefighter**:
- ☐ ALL _____; **OR**
 - ☐ 2.59 % of salary.

SECTION C » CERTIFICATION AND SIGNATURE

I acknowledge and certify the following:

- I represent and have the authority to sign and submit this form on behalf of the participating employer;
- That Employer has taken all appropriate and necessary actions to make a formal Employer pick-up regarding employee contributions on behalf of its employees;
- The election to pay for the Employee contributions shall constitute an Employer pick-up of designated contributions pursuant to Internal Revenue Code Section 414;
- From and after the date of the pick-up election, an Employee may not: 1) have a cash or deferred election right with respect to designated Employee contributions; 2) be permitted to opt out of the pick-up; or 3) have the option of choosing to receive or receiving the contributed amounts directly instead of having them paid by the Employer to the specified system/plan;
- In order for contributions to be considered paid by the employer, and therefore not subject to Social Security and Medicare tax (FICA), the Employer contributions: 1) Must be mandatory for all Employees covered by the retirement system; and 2) Must be a salary supplement and not a salary reduction—In other words, the Employer must not reduce employee salary to offset the amount designated as employee contributions;
- Future modifications to this Employer election may be disallowed or limited;
- The election authorized to be taken by the foregoing is not contrary to any governing provisions of the Employer;
- I understand that URS is not providing the Employer legal, financial, or tax advice relating to making a "pick-up" election or submitting this form; and
- The information provided on this form and attached documentation is correct and can be relied upon by URS.

Printed Name of Employer Representative (Binding Official)	Signature of Binding Official	Title
Teresa Cook	<i>Teresa Cook</i>	Director of Human Resources