

TOOELE CITY CORPORATION

RESOLUTION 2026-35

A RESOLUTION OF THE TOOELE CITY COUNCIL DECLARING THAT TOOELE CITY, AFTER JULY 1, 2026, WILL PICK UP AND PAY AN AMOUNT OF THE REQUIRED EMPLOYEE CONTRIBUTIONS FOR ALL TOOELE CITY EMPLOYEES WHO ARE MEMBERS OF THE UTAH STATE RETIREMENT TIER II PUBLIC SAFETY & FIREFIGHTER CONTRIBUTORY RETIREMENT PLAN AND INCLUDES PROVISIONS RELATING TO THE EMPLOYER PICK-UP.

WHEREAS, on April 1, 2020, the Tooele City Council approved Resolution 2020-25 declaring that Tooele City, after July 1, 2020, will pick up and pay a portion of the required employee contribution for all Tooele City employees who are members of the Tier II Public Safety & Firefighter Contributory Retirement System, up to 2.00%, including provisions relating to the employer pick-up; and,

WHEREAS, on May 18, 2022, the Tooele City Council approved Resolution 2022-33 declaring that Tooele City, after July 1, 2022, would pick up and pay the increase to the required employee contribution for all Tooele City employees who are members of the new Tier II Public Safety & Firefighter Contributory Retirement System, up to 2.60%, including provisions relating to the employer pick-up; and,

WHEREAS, on June 19, 2024, the Tooele City Council approved Resolution 2024-27 later renumbered 2024-37, declaring that Tooele City, after July 1, 2024, would pick up and pay a portion of the increase to the required employee contribution for all Tooele City employees who are members of the new Tier II Public Safety & Firefighter Contributory Retirement System, up to 4.03%, including provisions relating to the employer pick-up; and,

WHEREAS, on June 18, 2025, the Tooele City Council approved Resolution 2025-38, declaring that Tooele City, after July 1, 2025, would pick up and pay a portion of the increase to the required employee contribution for all Tooele City employees who are members of the new Tier II Public Safety & Firefighter Contributory Retirement System, up to 4.73%, including provisions relating to the employer pick-up; and,

WHEREAS, Tooele City desires to increase the amount Tooele City will pick up and pay for the required employee contributions for all Tooele City employees who are members of the Tier II Public Safety & Firefighter Contributory Retirement System, up to 5.98%, including provisions relating to the employer pick-up under UCA Section 49-23-301(2)(c), as enacted in Senate Bill 56, Tier II Public Safety & Firefighter Retirement Enhancements (2020 General Session); and,

WHEREAS, in accordance with federal and state law, including Section 414(h)(2) of the Internal Revenue Code, Tooele City took formal action to pick up required employee contributions, which will be paid by the employer in lieu of employee contributions; and,

WHEREAS, Senate Bill 56 (2020 General Session), codified as UCA 49-23-302, requires that if an entity elects to pick up the cost to the employee in the Tier II Public Safety & Firefighter Contributory Retirement System, the agency must also make an equivalent employer 401(k) contribution to employees participating in the Public Safety Tier II Defined Contribution Only Plan (i.e. 401k only):

NOW, THEREFORE, BE IT RESOLVED BY THE TOOEELE CITY COUNCIL that: Tooele City declares that beginning July 1, 2026, the City, determines that it is in the best interest of Tooele City to prospectively increase the pick-up election and pay the required employee contributions, up to 5.98%, for all City employees who are members of the Tier II Public Safety & Firefighter Contributory Retirement System.

BE IT FUTHER RESOLVED that the picked-up contributions paid by the employer, even though designated as employee contributions for Utah state law purposes, are being paid by the City on behalf of employees in lieu of the required employee contributions.

BE IT FURTHER RESOLVED that the picked-up contributions will not be included in the gross income of the employees for tax reporting purposes, that is, for federal or state income tax withholding, until distributed from the Utah Retirement System, so that the contributions are treated as employer contributions pursuant to Section 414(h)(2) of the Internal Revenue Code.

BE IT FURTHER RESOLVED that the picked-up contributions are supplemental to, and not a salary reduction to, the City employees who are eligible for and participating members in the Tier II Public Safety & Firefighter Contributory Retirement System.

BE IT FURTHER RESOLVED that from and after the date of this pick-up, a City employee shall not have a cash or deferred election right with respect to the designated employee contributions, including that the employees shall not be permitted to opt out of the pick-up and shall not be entitled to any option of choosing to receive the contributed amounts directly instead of having them paid by the City on behalf of its employees to the Utah Retirement Systems.

BE IT FURTHER RESOLVED that beginning July 1, 2026, the City, in compliance with Senate Bill 56 (2020 General Session) will also prospectively contribute an amount equivalent to that of the annual pick-up to the Utah State Retirement System 401(k) plan, for any member of the Tier II Public Safety & Firefighter Defined Contribution Only plan, as an employer 401(k) contribution.


This Resolution is necessary for the immediate preservation of the peace, health, safety, or welfare of Tooele City and shall become effective upon passage, without further publication, by authority of the Tooele City Charter.

IN WITNESS WHEREOF, this Resolution is passed by the Tooele City Council this 17th day of June, 2026.

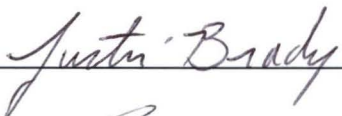
TOOELE CITY COUNCIL

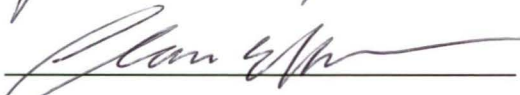
(For)

(Against)



Melodi Hoch








ABSTAINING: _____

TOOELE CITY MAYOR

(Approved)

(Disapproved)



ATTEST:



Shilo Baker, City Recorder

SEAL



Approved as to Form:
Andrew Stagg, Asst. City Attorney for



Matthew C. Johnson, Tooele City Attorney

Exhibit A

URS Form



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

- 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 separate Election must be indicated and submitted for each URS system for which the Employer is electing to pick-up Employee contributions, whether on a single form or multiple submitted forms.
 4. For information regarding employer pick-up contributions, please refer to Internal Revenue Code Section 414, and IRS Revenue Ruling 2006-43. If you would like to update the *Employer Election to Pick-Up Member Contributions* form on file for your employees, please input the total amount you are electing to pick-up. By submitting this information, it will amend your previous election, and it cannot be less than the previous pick-up amount.
 5. 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 <u>Tooele City</u>	Employer Number <u>#491</u>	Date
Desired Effective Date: <u>7-1-2026</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 » PICKUP 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 affected system below).

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.)

- Tier 1 Firefighters' Retirement System, with a pick-up election of _____ % of salary that will be paid by the Employer in lieu of employee contributions. *This election only available to employers initially entering participation with URS in the Firefighters' Retirement System. (No change to Tier 1)*
- Tier 2 Public Safety and Firefighter Contributory Retirement System, with a pick-up election of 60 % of salary that will be paid by the Employer in lieu of employee contributions for members serving as a **Public Safety Officer**.
- Tier 2 Public Safety and Firefighter Contributory Retirement System, with a pick-up election of 60 % of salary that will be paid by the Employer in lieu of employee contributions for members serving as a **Firefighter**.

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;
- The Employer has taken all appropriate and necessary actions to make a formal Employer pick-up of 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(h);
- From and after the date of the pick-up election, an Employer may not: 1) have a cash or deferred election right with respect to the 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.
- I agree that the Employer will indemnify URS from and against any claims or other liability including attorney fees based upon the Employer's failure to comply with pick-up election requirements.

Printed Name of Employer Representative (Binding Official)	Signature of Binding Official	Title
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Exhibit B

URS Rate Sheet

Utah Retirement Systems

Final Tier 2 Retirement Contribution Rates as a Percentage of Salary and Wages

Fiscal Year July 1, 2026 - June 30, 2027

	Final Tier 2 Hybrid Retirement System							Final Tier 2 Defined Contribution Plan								
	(1) Employee Tier 2 DB Rate	(2) Employer Hybrid Plan DB Plan Rate	(3) Employer Hybrid Plan DC Plan Rate	(4) Death Benefit*	(5) Tier I Amortization %	(6) Total Employer Rate (2) + (3) + (4) + (5)	(7) Total Required Contribution (1) + (6)	Employee Increase (Decrease) From Prior Year	Employee Increase (Decrease) From Prior Year	(1) Employee Tier 2 Rate	(2) Employer Tier 2 Rate	(3) Death Benefit*	(4) Tier I Amortization %	(5) Total Required Contribution (1)+(2)+(3)+(4)	Employee Increase (Decrease) From Prior Year	Employee Increase (Decrease) From Prior Year
Public Employees																
Contributory Retirement System																
11- Local Government	1.30	10.00	0.00	0.08	4.87	14.95	16.25	0.48	[1.00]	0.00	10.00	0.08	4.87	14.95	0.00	[1.00]
Public Employees																
Noncontributory Retirement System																
15- Local Government	1.30	10.00	0.00	0.08	8.11	13.19	14.49	0.48	[1.00]	0.00	10.00	0.08	8.11	13.19	0.00	[1.00]
16- State and School	1.30	10.00	0.00	0.08	8.94	19.02	20.32	0.48	0.00	0.00	10.00	0.08	8.94	19.02	0.00	0.00
18- Higher Education	1.30	10.00	0.00	0.08	9.94	20.02	21.32	0.48	0.00	0.00	10.00	0.08	9.94	20.02	0.00	0.00
Public Safety																
Contributory Retirement System																
23- Other Division A (2.5% COLA)	5.98	14.00	0.00	0.08	10.77	24.85	30.83	1.25	[0.50]	0.00	14.00	0.08	10.77	24.85	0.00	[0.50]
Public Safety																
Noncontributory Retirement System																
42- State	5.98	14.00	0.00	0.08	16.96	31.04	37.02	1.25	[0.50]	0.00	14.00	0.08	16.96	31.04	0.00	[0.50]
43- Other Division A (2.5% COLA)	5.98	14.00	0.00	0.08	10.25	24.93	30.91	1.25	[0.50]	0.00	14.00	0.08	10.25	24.93	0.00	[0.50]
75- Other Division A (4.0% COLA)	5.98	14.00	0.00	0.08	11.41	25.49	31.47	1.25	[0.50]	0.00	14.00	0.08	11.41	25.49	0.00	[0.50]
44- Salt Lake City	5.98	14.00	0.00	0.08	24.20	38.28	44.26	1.25	0.00	0.00	14.00	0.08	24.20	38.28	0.00	0.00
45- Ogden	5.98	14.00	0.00	0.08	26.90	40.98	46.96	1.25	0.00	0.00	14.00	0.08	26.90	40.98	0.00	0.00
46- Provo	5.98	14.00	0.00	0.08	19.61	33.69	39.67	1.25	0.00	0.00	14.00	0.08	19.61	33.69	0.00	0.00
47- Logan	5.98	14.00	0.00	0.08	17.87	31.95	37.93	1.25	[0.50]	0.00	14.00	0.08	17.87	31.95	0.00	[0.50]
48- Bountiful	5.98	14.00	0.00	0.08	26.89	40.97	46.95	1.25	0.00	0.00	14.00	0.08	26.89	40.97	0.00	0.00
49- Other Division B (2.5% COLA)	5.98	14.00	0.00	0.08	9.95	24.09	30.01	1.25	0.00	0.00	14.00	0.08	9.95	24.09	0.00	0.00
76- Other Division B (4.0% COLA)	5.98	14.00	0.00	0.08	10.94	25.02	31.00	1.25	[2.00]	0.00	14.00	0.08	10.94	25.02	0.00	[2.00]
Firefighters' Retirement System																
31- Division A**	5.98	14.00	0.00	0.08	0.00	14.08	20.06	1.25	0.00	0.00	14.00	0.08	0.00	14.08	0.00	0.00
32- Division B**	5.98	14.00	0.00	0.08	0.00	14.08	20.06	1.25	0.00	0.00	14.00	0.08	0.00	14.08	0.00	0.00

* Employer paid active member death benefit (75% of salary) per Utah Code Section 49-22-501 and 49-23-501.

** For firefighters, the fire insurance premium offset was applied first to the amortization charge, leaving no amount owed to Tier I by employers for Tier 2 Firefighters