

JACKSON COUNTY FIRE DISTRICT 3



RESOLUTION NO. 24-04

IN THE MATTER OF AUTHORIZING CHANGING THE TYPE OF PERS EMPLOYEE CONTRIBUTIONS FOR JACKSON COUNTY FIRE DISTRICT 3 FROM MEMBER PAID PRE-TAX (MMPT) CONTRIBUTIONS TO EMPLOYER PAID PRE-TAX (EPPT) CONTRIBUTIONS AND TO BE DEEMED "PICKED UP" FOR PURPOSES OF INTERNAL REVENUE CODE SECTION 414(h)(2)

WHEREAS, Section 414(h) of the Internal Revenue Code (IRC) provides an employer may treat the 6% PERS contribution by the employee as a pick up on a pretax basis and the governing body of Jackson County Fire District 3 has the authority to implement the provisions of section 414 (h)(2) of the IRC; and

WHEREAS, Jackson County Fire District 3 has determined that even though the implementation of the provisions of IRC section 414(h)(2) is not required by law, the tax benefit offered by IRC section 414(h)(2) should be provided to All Employees who are members of Oregon PERS (OPERS); and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of Jackson County Fire District 3 that:

Section 1. Effective July 1, 2024, Jackson County Fire District 3 will implement the provisions of IRC section 414(h)(2) by assuming and paying the employee contributions pursuant to Oregon Revised Statute 238A.335(2)(b) and Oregon Administrative Rule 459-009-0200(2) to OPERS on behalf of all its employees, who are members of OPERS, which shall be known as "employer paid pre-tax contributions (EPPT)".

Section 2. Section 414(h)(2) provides a special rule that allows for contributions made by Jackson County Fire District 3 to OPERS, although designated as employee contributions, are nevertheless treated as employer contributions if the contributions are picked up by Jackson County Fire District 3.

Section 3. The required PERS employee contribution is deemed to be picked up for purposes of IRC Section 414(h)(2) and is assumed and paid for purposes of ORS 238A.335(2)(b);

Section 4. The employees do not have the option of receiving the assumed amount directly;

Section 5. Employee compensation may not be reduced, and the District shall provide the additional amounts necessary to make the employee contributions.

Section 6. The District's employment policy(s) or agreement(s) is not retroactive in its application.

Section 7. The District shall pay to OPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.

Section 8. The amount of the contributions designated as employee contributions and paid by the District to OPERS on behalf of an employee shall be the entire contribution required of the employee by OPERS.

Section 9. The contributions designated as employee contributions made by the District to OPERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the OPERS.

Section 10. This resolution is effective upon adoption.

Date adopted: June 20, 2024


BOARD OF DIRECTORS


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