

## RESOLUTION NO. 578

### A RESOLUTION PROVIDING THAT THE REQUIRED PERS CONTRIBUTION OF SIX PERCENT (6%) OF SALARY IS DEEMED TO BE "PICKED UP" FOR PURPOSES OF INTERNAL REVENUE CODE (26 USC), SECTION 414(h)(2)

**WHEREAS**, Ballot Measure 8 was adopted by the voters at the November 8, 1994 general election; and

**WHEREAS**, the Measure requires the City of Canby employees to pay an amount equal to six percent (6%) of their salaries or gross wages to the Public Employers' Retirement System (PERS) since that is the retirement system offered by the City; and

**WHEREAS**, the Canby City Council desire that the six percent (6%) contribution that is deducted from the employees' salary be treated as pre-tax dollars, now therefore


#### IT IS HEREBY RESOLVED:

1. That for the limited purpose of Section 414(h)(2) of the Internal Revenue Code (26 USC) and any related federal or state tax policies, the affected employees PERS contribution shall be considered "picked up" by the City as the term "picked up" is used in the Internal Revenue Code. For other purposes, the contribution shall be considered to have been made by the employee.
2. Be it further resolved that the City Administrator is directed to notify the Internal Revenue Service and PERS of this election.
3. Be it further resolved that the salary portion of the W-2 form for affected employees shall be reduced by the amount of the employees contribution to the PERS account.
4. Be it further resolved that employees do not have the option of receiving their salary payment and paying the PERS employee contribution directly.

**ADOPTED** by the Canby City Council at a regular meeting on December 21, 1994.

  
Scott Taylor, Mayor

ATTEST:

  
Marilyn K. Perkett, City Recorder