

Notification of Election of Contribution Type Change

#4824

Curry County

Curry County, per attached collective bargaining agreements and employer policy, hereby gives notification of intent to change the type of employee contributions for all of eligible Curry County employees and elected officials from Employer Paid Pre-Tax (EPPT) contributions to Member Paid Pre-Tax (MPPT) contributions, rescinding the prior contrary language in Article 20 of the Teamsters Local 223 CBA for July 1, 2013 to June 30, 2014, and replacing contrary language in Article 20 of the SEIU Local 503 CBA for the period July 1, 2013 to June 30, 2015, and the County Master Payroll Order for 2013-2014, which provided for 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 employee as a pick up on a pretax basis and the governing body of Curry County has the authority to implement the provisions of section 414(h)(2) of the IRC; and

WHEREAS, Curry County 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, or All Employees In A Recognized Group or Class of Employment) who are members of OPERS:

Curry County GIVES NOTIFICATION:

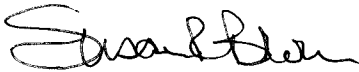
- I. That, effective July 1, 2014, Curry County will implement the provisions of IRC section 414(h)(2) by making employee contributions pursuant to Oregon Revised Statute 238A.335(2)(a) and Oregon Administrative Rule 459-009-0200(3) to OPERS on behalf of (all its employees, or all its employees in a recognized group or class of employment) who are members of the OPERS. "Employee contributions" shall mean those contributions to OPERS which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to ORS 238A.330(2).
- II. That Section 414(h)(2) provides a special rule that allows for contributions made by the (Name of Agency) to OPERS, although designated as employee contributions, are nevertheless treated as employer contributions if the contributions are picked up by the (Name of Agency).
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by Curry County to OPERS.
- IV. That Curry County shall pay to OPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.

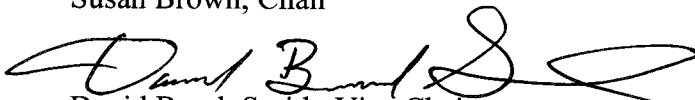
- V. That the amount of the contributions designated as employee contributions and paid by Curry County to OPERS on behalf of an employee shall be the entire contribution required of the employee by OPERS.
- VI. That the contributions designated as employee contributions made by Curry County to OPERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the OPERS.

DATED AND SIGNED this 30th day of June, 2014.

CURRY COUNTY:

BOARD OF CURRY COUNTY COMMISSIONERS


Susan Brown, Chair


David Brock Smith, Vice Chair


David G. Itzen, Commissioner