

## NOTICE AND AGENDA

Notice is hereby given that the City Council of the City of Santaquin will hold a City Council Meeting on Wednesday, January 21, 2009, in the Council Chambers, 45 West 100 South, at approximately 7:00 pm.

### AGENDA

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. INVOCATION/INSPIRATIONAL THOUGHT
4. CONSENT AGENDA
  - a. Minutes
    1. January 7, 2009
  - b. Bills
    1. \$552,795.43
5. FORUM, BID OPENINGS, AWARDS, AND APPOINTMENTS

**Public Forum is held to a 30-minute maximum with each speaker given no more than 5 minutes each. If more than 6 Speakers, time will be adjusted accordingly to meet the 30 minute requirement**

  - a. Public Safety Employees of the Year
  - b. Recognition of Planning Commission Members
7. FORMAL PUBLIC HEARINGS
8. UNFINISHED BUSINESS
9. BUSINESS LICENSES
10. REPORTS OF OFFICERS, STAFF, BOARDS, AND COMMITTEES
  - a. Planning Commission
11. NEW BUSINESS
  - a. Acceptance of bids for surplus items
  - b. Director of Public Safety – Presentation of Public Safety Retirement Proposal
  - c. Authorization for the Mayor to sign the "Blueline Service" Agreement
12. INTRODUCTIONS AND ADOPTION OF ORDINANCES AND RESOLUTIONS (Roll Call Vote)
13. PETITIONS AND COMMUNICATIONS
14. REPORTS BY MAYOR AND COUNCIL MEMBERS
  - a. Mayor DeGraffenried
  - b. Council Members
15. EXECUTIVE SESSION (May be called to discuss the character, professional competence, or physical or mental health of an individual)
16. EXECUTIVE SESSION (May be called to discuss the pending or reasonably imminent litigation, and/or purchase, exchange, or lease of real property)
17. ADJOURNMENT

If you are planning to attend this Public Meeting and, due to a disability, need assistance in understanding or participating in the meeting, please notify the City ten or more hours in advance and we will, within reason, provide what assistance may be required.

### CERTIFICATE OF MAILING

The undersigned duly appointed City Recorder for the municipality of Santaquin City hereby certifies that a copy of the foregoing Notice and Agenda was faxed to the Payson Chronicle, Payson, UT, 84651.

BY: Susan B. Farnsworth  
Susan B. Farnsworth, City Recorder

**POSTED:**  
CITY CENTER  
POST OFFICE  
ZIONS BANK  
® Amendment to Agenda

**MINUTES OF A CITY COUNCIL MEETING  
HELD IN THE COUNCIL CHAMBERS  
JANUARY 21, 2009**

Mayor James E. DeGraffenried called the meeting to order at 7:08 pm. Council Members attending: Martin Green, Connie Hansen, James Linford, and Brent Vincent. Filip Askerlund was excused.

Others attending: City Planner Dennis Marker, Director of Public Safety Dennis Howard, Director of EMS Paul Terry, Assistant Fire Chief Jesse Smith, Sergeant Rod Hurst, Officer Jon Green, Officer Jake Stika, Officer Allen Hansen, Planning Commission Member Fred Openshaw, Annalee Gause, Keith Broadhead, Troy Kunz, Trevor Lindley, Ross Wilson, Lynn Wright, Mike Olson, and other unidentified individuals.

**PLEDGE OF ALLEGIANCE**

Council Member Vincent led the Pledge of Allegiance.

**INVOCATION/INSPIRATIONAL THOUGHT**

Council Member Linford offered an Invocation.

**CONSENT AGENDA**

***Minutes***

**January 7, 2009**

***Bills***

**\$552,795.43**

Council Member Green moved to approve the Consent Agenda. Council Member Linford seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in the affirmative.

**FORUM, BID OPENINGS, AWARDS, AND APPOINTMENTS**

***Public Safety Employees of the Year***

Council Member Green as well as Director of Public Safety Howard presented the Public Safety Employee of the Year 2008 awards. Annalee Gause was named the EMT of the Year from the Ambulance Department, Jon Green was named Police Officer of the Year, and Andy Hinds was named Fire Fighter of the Year. Congratulations to all the recipients.

***Recognition of Planning Commission Members***

Mayor DeGraffenried reported that Kirk Greenhalgh, and Linn Wright had resigned from the Planning Commission. He indicated each of those individuals would be presented with a plaque thanking them for their dedication and service to the residents of the Community by serving on the Commission.

**Move to item 10a**

**REPORTS OF OFFICERS, STAFF, BOARDS, AND COMMITTEES**

***Planning Commission***

Commission Member Openshaw reported the Planning Commission will hold a Public Hearing on Thursday with regard to the Openshaw Single Lot split as well as reviewing an Major Home Occupation application for Openshaw and Multi Family Standards.

**Move to item 14a**

**REPORTS BY MAYOR AND COUNCIL MEMBERS**

***Mayor DeGraffenried***

Mr. Wilson reported on the current status of the Pressurized Irrigation Project (see attachment "A" for completion cost graph). Mr. Wilson indicated option 5 of the proposals would "bring the project in" under budget by approximately \$30,000. Mayor DeGraffenried indicated there is a need to replace some of the valves on the upper Eastside that have been damaged throughout infrastructure installation. A discussion was held as to the need to raise the user rate for services to keep inline with inflation rates.

**FORMAL PUBLIC HEARINGS**

Nothing

**UNFINISHED BUSINESS**

Nothing

**BUSINESS LICENSES**

Council Member Green reviewed the submitted applications for new Business Licenses. He indicated that each application had been reviewed by the required individuals as well as received the required inspection.

- Barbara Riding Lowe D.B.A. Hometown Video
- David Askelson D.B.A. Ad-Bench of Salem
- Joseph M. Grettenberger D.B.A. Compliance Collaborators, Inc
- Casey Roberts D.B.A. White Blossom Design, LLC

Council Member Green moved to approve the new Business Licenses for Barbara Lowe, David Askelson, Joseph M. Grettenberger and Casey Roberts. Council Member Vincent seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in the affirmative.

**NEW BUSINESS**

***Acceptance of bids for surplus items***

Council Member Green moved to accept the bids for the surplus items as submitted (see attachment "B"). Council Member Hansen seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in the affirmative.

***Director of Public Safety – Presentation of Public Safety Retirement Proposal***

Director of Public Safety Howard addressed the Mayor and Council Members with regard to Senate Bill 19. The "Bill" was signed by Governor Huntsman in March 2008 and took effect on July 1, 2008. The "Bill" modifies the Utah State Retirement and Insurance Benefit Act by allowing participating employers to provide an enhanced maximum annual cost-of-living adjustment for certain public safety retirees. The enhanced benefit provides a maximum COLA of 4% in lieu of the current 2.5%. It would provide this enhanced benefit to all retirees that have retired from our employment prior to your election and future retirees that have at least 72 months of employment with an employer electing the enhanced benefit.

Currently the employer is contributing 22.61% of the officer's wage to retirement (approximately \$2962.00 per pay period). If the proposal were to be adopted, the contribution percentage would increase to 24.91% (approximately \$3030.00 per pay period).

***Authorization for the Mayor to sign the "Blueline Service" Agreement***

Council Member Linford moved to authorize Mayor DeGraffenried to sign the Blueline Service Agreement. Council Member Vincent seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in the affirmative.

**INTRODUCTIONS AND ADOPTION OF ORDINANCES AND RESOLUTIONS (Roll Call Vote)**

Nothing

**PETITIONS AND COMMUNICATIONS**

Nothing

**REPORTS BY MAYOR AND COUNCIL MEMBERS**

***Council Members***

Council Member Green reported there has been some interest in helping with the Miss Santaquin Pageant. Heidi Hallett has agreed to act as chairperson of this event. There will be an information meeting held this next week to begin the Miss Santaquin Pageant process.

Council Member Vincent thanked Mr. Marker for handling the safety issues pertaining to the Pressurized Irrigation installation with in the Phase 3. Mayor DeGraffenried indicated he had toured the complete project with the Project Manager.

Council Member Hansen reported Chamber of Commerce will hold their banquet on February 12<sup>th</sup> here in the Seniors Center.

**EXECUTIVE SESSION** (May be called to discuss the character, professional competence, or physical or mental health of an individual)

Council Member Vincent moved to enter into an Executive Session at 8:37 pm to discuss the Character, professional competence, or physical or mental health of an individual. Council Member Hansen seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in favor of the motion.

Those attending the Executive Session were Mayor DeGraffenried, and Council Members Green, Hansen, Linford, and Vincent.

At 8:47 pm those attending the Executive Session returned to the Regular Council Meeting.

**EXECUTIVE SESSION** (May be called to discuss the pending or reasonably imminent litigation, and/or purchase, exchange, or lease of real property)

Nothing

**ADJOURNMENT**

At 8:48 pm Council Member Linford moved to adjourn. Council Member Vincent seconded the motion. Council Members Green, Hansen, Linford and Vincent voted in the affirmative.

Approve on February 4, 2009

  
James E. DeGraffenried, Mayor

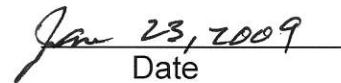
  
Susan B. Farnsworth, City Recorder



## **CLOSED EXECUTIVE SESSION AFFIDAVIT**

I, James E. DeGraffenried, Mayor of Santaquin City, do hereby certify that the Executive Session held on January 21, 2009 was called to discuss the character, professional competence, or physical or mental health of an individual.

  
James DeGraffenried, Mayor

  
Date

City Council Meeting  
1-21-09 Attachment "A"

## Santaquin City PI System Projected Completion Costs

Available Funds \$ 11,600,000.00  
Interest (as of 7/31/08) \$ 615,629.54

Total Available \$ 12,215,629.54

	ORIGINAL	OPTION 1	OPTION 2	OPTION 3	OPTION 4	OPTION 5
System built as per original design		East Side VFD	Ahlin Pond Feed line using existing pipe W/(1150' New pipe)	Culinary tie in at East Side well W/backflow preventer	No Upper Pond for now VFD for Upper & East Side Zones	Culinary tie in for Upper Zone W/backflow preventer
Final Payment/Estimated Amount	291,764.83					
Other Costs (Legal & Supplies) (From Sant City)						
Schedule 2 (FINAL)	2,017,442.22					
Schedule 3 (FINAL)	3,149,671.22					
Plan "B" (FINAL)	543,992.46					
Ahlin Pond	906,380.41					
Change Order # 1 & # 2	110,677.81					
Sch IV	2,899,093.70					
Summit Creek Booster (Est)	358,842.00					
(Estimates)						
East Side Tank (Est)	600,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
East Side VFD (Est)		\$ 476,045.00	\$ 476,045.00	\$ -	\$ -	\$ -
Backflow Preventer				\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
Supply Line to Ahlin Pond (Est)	223,272.50	\$ 223,272.50	\$ -	\$ -	\$ 108,609.60	\$ 223,272.50
Shorter Supply Line to Ahlin Pond (Est)			\$ 108,609.60	\$ 108,609.60	\$ -	\$ -
Upper Zone to East Side Zone Booster (Est)	350,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
Upper Pond (Est)	834,103.52	\$ 834,103.52	\$ 834,103.52	\$ 834,103.52	\$ 476,045.00	\$ -
Upper Zone VFD (Est)						
Main Zone to Upper Zone Pump (Est)	388,359.00	\$ 388,359.00	\$ 388,359.00	\$ 388,359.00	\$ -	\$ -
Backflow Preventer						\$ 60,000.00
Purchase Property for Upper Pond 3.05 acres						\$ 61,000.00
Engineering Costs (JUB total as of 12/1/08)	1,302,517.33					
Future Engineering Costs	413,513.11					
Total System Cost	\$ 14,389,630.11	\$ 13,915,675.11	\$ 13,801,012.21	\$ 13,384,967.21	\$ 12,638,549.69	\$ 12,185,654.48
Balance Available	\$ (2,174,000.57)	\$ (1,700,045.57)	\$ (1,585,382.67)	\$ (1,169,337.67)	\$ (422,920.15)	\$ 29,975.06



**SANTAQUIN CITY CORPORATION**

45 West 100 South  
Santaquin, UT 84655  
(801) 754-3211  
(801) 754-3526 fax  
[www.santaquin.org](http://www.santaquin.org)

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**MEMO**

**TO: Mayor & City Council**

**FROM:** Shannon - Administration Office

**DATE:** 1/13/2009

**RE: Acceptance of Bids for Surplus Property**

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Below is a list of Surplus Property that was recently advertised and the high bid that was received for each item. This item is on the agenda on January 21, 2009 for your approval.

<u>ITEM</u>	<u>HIGH BID RECIEVED</u>
1998 Ford Ranger XLT	\$200.00
1979 GMC Van	\$400.00
(12) 40"Wheeled Sprinkler Lines	\$537.00

If you have any questions regarding this issue or the information provided, please don't hesitate to contact me prior to the meeting on the 21<sup>st</sup>.

Thanks



**SANTAQUIN CITY CORPORATION**

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**MEMO**

**TO: Mayor & City Council**

**FROM:** Shannon - Administration Office

**DATE:** 1/16/09

**RE: Utah State Retirement and Insurance Benefit Act**

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Attached is some information regarding the enhanced benefit for public safety employees proposal item that is on the agenda for discussion on January 21, 2009.

The attachments included the following:

- a letter from URS regarding the optional election of the enhanced benefit and the time frame to do so.
- Senate Bill 19 explaining the enhanced benefit.
- A survey done in 2008 showing which cities are and are not going to implement the enhanced benefit.
- The current year's retirement rates. I have underlined our current public safety rates and circled the rate that we would be paying if we had already implemented the enhanced benefit. These rates change every year, but this will give you an idea of the increase.

If you have any questions regarding the information provided, please contact me prior to the meeting on the 21<sup>st</sup>.

Thanks.



## UTAH RETIREMENT SYSTEMS

P.O. Box 1590

Salt Lake City, UT 84110-1590

ROBERT V. NEWMAN—EXECUTIVE DIRECTOR

Tele (801)366-7700 (800)365-8772

Fax (801)366-7734

June 6, 2008

STEFAN T CHATWIN  
CITY MANAGER  
SANTAQUIN CITY  
45 W 100 S  
SANTAQUIN UT 84655-8009

RE: SB 19 - 2008

On March 17, 2008 Governor Huntsman signed Senate Bill 19. This bill takes effect on July 1, 2008 and modifies the Utah State Retirement and Insurance Benefit Act by allowing participating employers to provide an enhanced maximum annual cost-of-living adjustment for certain public safety retirees.

The enhanced benefit provides a maximum COLA of 4% in lieu of the current 2.5%. It would provide this enhanced benefit to all retirees that have retired from your employment prior to your election and future retirees that have at least 72 months of employment with an employer electing the enhanced benefit.

The cost associated with this benefit, if the election is made prior to December 31, 2008, is indicated on the attached rate schedule. The increased rate will begin January 1, 2009. Exact costs for elections made after 2008 are not available at this time. Preliminary estimates should be available later this fall as the 2009-2010 preliminary contribution rates are released.

As a participating employer in the Public Safety Retirement System your governing body has until December 1, 2009 to indicate whether or not it elects to participate in this enhanced benefit by enacting a resolution or ordinance to that effect and completing the enclosed declaration form. Contribution rate changes are effective January 1 of the year following your election.

If you have any questions regarding this matter please contact me at 801-366-7386 or Cindy Bon at 801-366-7736.

Sincerely,

Matthew K. Judd  
Director  
Records & Information Services Department

cc: DENNIS HOWARD

Enclosures a/s

**ENHANCED PUBLIC SAFETY RETIREMENT  
SYSTEMS COLA OPTION**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Carlene M. Walker**

House Sponsor: John Dougall

Cosponsors:  
Curtis S. Bramble

D. Chris Buttars  
Gene Davis

Brent H. Goodfellow

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**LONG TITLE**

**General Description:**

This bill modifies the Utah State Retirement and Insurance Benefit Act by allowing participating employers to provide an enhanced maximum annual cost-of-living adjustment for certain public safety retirees.

**Highlighted Provisions:**

This bill:

- ▶ repeals the Public Safety Retirees' Cost-of-Living Increase Restricted Account and deposits its balance and future revenue into the public safety trust funds to fund a portion of the increase in the maximum annual cost-of-living adjustment for public safety retirees;
- ▶ for purposes of determining contribution rates, provides for additional subdivisions of the Public Safety Contributory Retirement System and the Public Safety Noncontributory Retirement System to allow for different maximum annual cost-of-living adjustments;
- ▶ provides a maximum annual cost-of-living adjustment of 4% for state agency public safety members and retirees in lieu of the current 2.5%;
- ▶ allows other participating employers the option to offer a maximum annual cost-of-living adjustment of 4% for public safety members and retirees in lieu of the current 2.5%;

- 30           ▶ allows a participating employer to make a one-time election to offer the enhanced
- 31 cost-of-living adjustment, if made within a certain period of time;
- 32           ▶ provides certain eligibility requirements for covered employees and retirees to
- 33 receive the increased benefit;
- 34           ▶ provides for procedures and rules to make the election and have the enhanced
- 35 cost-of-living adjustment to become effective;
- 36           ▶ provides that the enhanced cost-of-living adjustment may not be applied to a
- 37 retirement allowance already received; and
- 38           ▶ makes technical changes.

**39 Monies Appropriated in this Bill:**

40           None

**41 Other Special Clauses:**

42           This bill takes effect on July 1, 2008.

**43 Utah Code Sections Affected:****44 AMENDS:**

45           **49-11-902**, as enacted by Laws of Utah 2004, Chapter 262

46           **49-14-301**, as last amended by Laws of Utah 2004, Chapter 118

47           **49-14-403**, as renumbered and amended by Laws of Utah 2002, Chapter 250

48           **49-15-301**, as last amended by Laws of Utah 2004, Chapter 118

49           **49-15-403**, as renumbered and amended by Laws of Utah 2002, Chapter 250

**50 REPEALS:**

51           **49-11-901**, as enacted by Laws of Utah 2004, Chapter 262

**52 Uncodified Material Affected:****53 ENACTS UNCODIFIED MATERIAL**

54 

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55 *Be it enacted by the Legislature of the state of Utah:*

56           Section 1. Section **49-11-902** is amended to read:

57           **49-11-902. Premium tax revenues -- Formula -- Deposits.**

(1) (a) If the premium tax revenue received by the office under Subsection 49-16-301(6), when calculated as a percentage of the certified contribution rate for members in Division A and B, as defined under Section 49-16-301, exceeds the percentage of the certified contribution rate paid to the Firefighters' Retirement Trust Fund in accordance with Subsection 49-16-301(6) on July 1, 2004, the office shall deposit the difference in the [Public Safety Retirees' Cost-of-Living Increase Restricted Account created under Section 49-11-901] Public Safety Contributory Trust Fund created under Section 49-14-104 and the Public Safety Noncontributory Retirement Trust Fund created under Section 49-15-104.

(b) If the premium tax revenue does not exceed the percentage of the certified contribution rate paid to the Firefighters' Retirement Trust Fund in accordance with Subsection 49-16-301(6) on July 1, 2004 as calculated under Subsection (1)(a), the board may not make a deposit under Subsection (1)(a).

(2) The monies deposited under this section shall be used to fund an increase for retirees in the public safety retirement systems from a 2.5% maximum annual cost-of-living adjustment to a 4% maximum annual cost-of-living adjustment under Sections 49-14-403 and 49-15-403 in the public safety retirement systems.

~~[(2) The]~~ (3) As required to implement this section, the office shall make the calculations~~;~~ and deposits for the equitable apportionment of monies between:

(a) Division ~~[A and B,]~~ A1 and B1; and ~~[deposits required to implement this section.]~~

(b) the contributory and noncontributory trust funds.

Section 2. Section **49-14-301** is amended to read:

**49-14-301. Contributions -- Two divisions -- Election by employer to pay employee contributions -- Accounting for and vesting of member contributions -- Deductions.**

(1) Participating employers and members shall jointly pay the certified contribution rates to the office to maintain this system on a financially and actuarially sound basis.

(2) For purposes of determining contribution rates, this system is divided into two divisions according to Social Security coverage as follows:

86 (a) members of this system with on-the-job Social Security coverage are in Division A;  
87 and

88 (b) members of this system without on-the-job Social Security coverage are in Division  
89 B.

90 (3) In addition to the divisions under Subsection (2) and for the purpose of determining  
91 contribution rates, each division under Subsection (2) is further divided as follows:

92 (a) members of this system with a maximum annual cost-of-living adjustment under  
93 Subsection 49-14-403(2)(b) are in Divisions A1 and B1; and

94 (b) members of this system with a maximum annual cost-of-living adjustment under  
95 Subsection 49-14-403(2)(a) are in Divisions A2 and B2.

96 [~~(3)~~] (4) (a) A participating employer may elect to pay all or part of the required  
97 member contributions, in addition to the required participating employer contributions.

98 (b) Any amount contributed by a participating employer under this section shall vest to  
99 the member's benefit as though the member had made the contribution.

100 (c) The required member contributions shall be reduced by the amount that is paid by  
101 the participating employer.

102 [~~(4)~~] (5) (a) All member contributions are credited by the office to the account of the  
103 individual member.

104 (b) This amount, plus refund interest, is held in trust for the payment of benefits to the  
105 member or the member's beneficiaries.

106 (c) All member contributions are vested and nonforfeitable.

107 [~~(5)~~] (6) (a) Each member is considered to consent to payroll deductions of member  
108 contributions.

109 (b) The payment of compensation less these payroll deductions is considered full  
110 payment for services rendered by the member.

111 [~~(6)~~] (7) Contribution rates for a participating employer may be different than for other  
112 participating employers based on the participating employer's current funding status and  
113 actuarial experience.

Section 3. Section **49-14-403** is amended to read:

**49-14-403. Annual cost-of-living adjustment.**

(1) The office shall make an annual cost-of-living adjustment to:

(a) an original allowance paid under Section 49-14-402 and Part 5, Death Benefit, of this chapter if the allowance has been paid for at least one year; and

(b) an original payment made to an alternate payee under a domestic relations order, if the payment is to be paid as a percentage of the allowance rather than a specific dollar amount.

(2) (a) ~~[The]~~ Unless Subsection (2)(b) applies, the original allowance shall be increased by the annual increase in the Consumer Price Index up to a maximum of 2.5%.

(b) If the participating employer has made an election under Subsection (5), and in lieu of the annual increase under Subsection (2)(a), the original allowance shall be increased by the annual increase in the Consumer Price Index up to a maximum of 4%.

~~[(b)]~~ (c) Annual increases in the Consumer Price Index in excess of [2.5%] the applicable maximum annual increase under this Subsection (2), shall be accumulated and used in subsequent adjustments when the annual increase in the Consumer Price Index is less than [2.5%] the applicable maximum annual increase under this Subsection (2).

(3) The Consumer Price Index used in calculating adjustments shall be a United States Bureau of Labor Statistics Consumer Price Index average as determined by the board.

(4) The cost-of-living adjustment made under this section may not decrease the allowance.

(5) (a) A participating employer may make a one-time election to provide the annual cost-of-living adjustment under Subsection (2)(b), in lieu of the annual cost-of-living adjustment under Subsection (2)(a), for the participating employer's current and future retirees.

(b) A participating employer shall make the election under this Subsection (5) prior to December 1, 2009.

(c) The participating employer shall indicate whether or not it elects to participate in this benefit by enacting a resolution or ordinance to that effect and making an application to the office.

142        (d) The effective date for the annual cost-of-living adjustment under Subsection (2)(b)  
143 is January 1 of the year following an election under Subsection (5)(a).

144        (e) Notwithstanding the election provided under this section, the state, as a participating  
145 employer, shall provide the annual cost-of-living adjustment under Subsection (2)(b) to its  
146 eligible employees and retirees effective on January 1, 2009.

147        (6) (a) To be eligible for the annual cost-of-living adjustment under Subsection (2)(b), a  
148 retiring employee shall earn the final 72 months of service credit prior to initial retirement:

149        (i) as an employee of a participating employer who:

150        (A) has made the election under Subsection (5)(a); or

151        (B) is included under Subsection (5)(e); and

152        (ii) in a covered position under Title 49, Chapter 14, Public Safety Contributory  
153 Retirement System Act or under Title 49, Chapter 15, Public Safety Noncontributory  
154 Retirement System Act.

155        (b) The eligibility requirements under Subsection (6)(a)(i) do not apply to a person who  
156 retires prior to July 1, 2008.

157        (c) The annual cost-of-living adjustment under Subsection (2)(b) may not be paid to a  
158 retiree who is not eligible under this Subsection (6).

159        (7) An allowance adjustment made under Subsections (2)(b) and (5) may not be paid  
160 prior to the effective date of the enhanced cost-of-living adjustment for the participating  
161 employer.

162        (8) The board may adopt rules for:

163        (a) the administration of the election provided under Subsection (5); and

164        (b) the effective date of the enhanced cost-of-living adjustment for participating  
165 employers.

166        Section 4. Section **49-15-301** is amended to read:

167        **49-15-301. Contributions -- Two divisions.**

168        (1) Participating employers shall pay the certified contribution rates to the office to  
169 maintain this system on a financially and actuarially sound basis.

(2) For purposes of determining contribution rates, this system is divided into two divisions according to Social Security coverage[-]:

(a) members of this system with on-the-job Social Security coverage are Division A[-];  
and

(b) members of this system without on-the-job Social Security coverage are in Division B.

(3) In addition to the divisions under Subsection (2) and for the purposes of determining contribution rates, each division under Subsection (2) is further divided as follows:

(a) members of this system with an annual cost-of-living adjustment under Subsection 49-15-403(2)(b) are in Divisions A1 and B1; and

(b) members of this system with an annual cost-of-living adjustment under Subsection 49-15-403(2)(a) are in Divisions A2 and B2.

~~[(3)]~~ (4) Contribution rates for a participating employer may be different than for other participating employers based on the participating employer's current funding status and actuarial experience.

Section 5. Section **49-15-403** is amended to read:

**49-15-403. Annual cost-of-living adjustment.**

(1) The office shall make an annual cost-of-living adjustment to:

(a) an original allowance paid under Section 49-15-402 and Part 5, Death Benefit, of this chapter if the allowance has been paid for at least one year; and

(b) an original payment made to an alternate payee under a domestic relations order if the payment is to be paid as a percentage of the allowance rather than a specific dollar amount.

(2) (a) ~~[The]~~ Unless Subsection (2)(b) applies, the original allowance shall be increased by the annual increase in the Consumer Price Index up to a maximum of 2.5%.

(b) If the participating employer has made an election under Subsection (5), and in lieu of the annual increase under Subsection (2)(a), the original allowance shall be increased by the annual increase in the Consumer Price Index up to a maximum of 4%.

~~[(b)]~~ (c) Annual increases in the Consumer Price Index in excess of ~~[2.5%]~~ the

198 applicable maximum annual increase under this Subsection (2), shall be accumulated and used in  
199 subsequent adjustments when the annual increase in the Consumer Price Index is less than  
200 [2.5%] the applicable maximum annual increase under this Subsection (2).

201 (3) The Consumer Price Index used in calculating adjustments shall be a United States  
202 Bureau of Labor Statistics Consumer Price Index average as determined by the board.

203 (4) The cost-of-living adjustment made under this section may not decrease the  
204 allowance.

205 (5) (a) A participating employer may make a one-time election to provide the annual  
206 cost-of-living adjustment under Subsection (2)(b), in lieu of the annual cost-of-living adjustment  
207 under Subsection (2)(a), for the participating employer's current and future retirees.

208 (b) A participating employer shall make the election under this Subsection (5) prior to  
209 December 1, 2009.

210 (c) The participating employer shall indicate whether or not it elects to participate in  
211 this benefit by enacting a resolution or ordinance to that effect and making an application to the  
212 office.

213 (d) The effective date for the annual cost-of-living adjustment under Subsection (2)(b)  
214 is January 1 of the year following an election under Subsection (5)(a).

215 (e) Notwithstanding the election provided under this section, the state, as a participating  
216 employer, shall provide the annual cost-of-living adjustment under Subsection (2)(b) to its  
217 eligible employees and retirees effective on January 1, 2009.

218 (6) (a) To be eligible for the annual cost-of-living adjustment under Subsection (2)(b), a  
219 retiring employee shall earn the final 72 months of service credit prior to initial retirement  
220 effective on January 1, 2009:

221 (i) as an employee of a participating employer who:

222 (A) has made the election under Subsection (5)(a); or

223 (B) is included under Subsection (5)(e); and

224 (ii) in a covered position under Title 49, Chapter 14, Public Safety Contributory  
225 Retirement System Act or under Title 49, Chapter 15, Public Safety Noncontributory

226 Retirement System Act.

227 (b) The eligibility requirements under Subsection (6)(a)(i) do not apply to a person who  
228 retires prior to July 1, 2008.

229 (c) The annual cost-of-living adjustment under Subsection (2)(b) may not be paid to a  
230 retiree who is not eligible under this Subsection (6).

231 (7) An allowance adjustment made under Subsections (2)(b) and (5) may not be paid  
232 prior to the effective date of the enhanced cost-of-living adjustment for the participating  
233 employer.

234 (8) The board may adopt rules for:

235 (a) the administration of the election provided under Subsection (5); and

236 (b) the effective date of the enhanced cost-of-living adjustment for participating  
237 employers.

238 **Section 6. Deposit of remaining account balance.**

239 Any balance remaining in the Public Safety Retirees' Cost-of-Living Increase Restricted  
240 Account created under the former Section 49-11-901 on June 30, 2008, shall be deposited as  
241 provided under Section 49-11-902 on July 1, 2008.

242 **Section 7. Repealer.**

243 This bill repeals:

244 **Section 49-11-901, Public Safety Retirees' Cost-of-Living Increase Restricted**  
245 **Account.**

246 **Section 8. Effective date.**

247 This bill takes effect on July 1, 2008.

UTAH RETIREMENT SURVEY			
PLANNING TO FUND/HAS FUNDED	PLANNING TO DO SO NEXT YEAR	UNKNOWN/HOPEFUL	DOUBTFUL IT WILL BE FUNDED
Roy City P.D.	West Bountiful P.D.	Davis County S.O.	Draper P.D.
Salt Lake County S.O.	Spanish Fork P.D.	Salt Lake City P.D.	Alta P.D.
Sanpete County S.O.	Willard P.D.	Park City P.D.	Cottonwood Heights P.D.
East Carbon P.D.	Bountiful P.D.	Smithfield P.D.	Syracuse P.D.
Carbon County S.O.	Wasatch County S.O.	Layton P.D.	Washington County S.O.
Cedar City P.D.	Vernal P.D.	Brian Head P.D.	Logan City P.D.
Gunnison P.D.	Uintah County S.O.	North Ogden P.D.	Enoch P.D.
Richfield P.D.	Hurricane P.D.	Washington City P.D.	West Jordan P.D.
North Logan P.D.	Lehi P.D.	Provo P.D.	Spring City P.D.
Riverdale City P.D.	Centerville P.D.	Helper City P.D.	Springdale/Zion's Canyon P.D.
South Salt Lake P.D.	Saratoga Springs P.D.	SLC Airport P.D.	Stockton P.D.
Price City P.D.	Farmington City P.D.	Garland City P.D.	Payson P.D.
Orem City P.D.	North Salt Lake P.D.	Clinton City P.D.	Sunset City P.D.
Alpine City P.D.	Pleasant View City P.D.	Harrisville P.D.	Ivins City P.D.
Toole County S.O.	Woods Cross P.D.	Blanding P.D.	Heber City P.D.
Juab County S.O.	Ogden City P.D.	Morgon County S.O.	
Monticello P.D.	Roosevelt P.D.	Midvale P.D.	
Grantsville P.D.	Pleasant Grove P.D.	Dagget County S.O.	
Mantua P.D.	Wellington P.D.	Summit County S.O.	
Salem P.D.		Clearfield P.D.	
Emery County S.O.		South Jordan P.D.	
Kaysville P.D.		Ephraim P.D.	
Tremonton City P.D.		Cache County S.O.	
Weber County S.O.		Iron County S.O.	
Sandy P.D.		Kanab P.D.	
		Kane County S.O.	
		Millard County S.O.	
		Mapleton P.D.	
		Santaquin P.D.	
		Salina P.D.	
		Beaver County S.O.	
		Springville P.D.	
		Utah County S.O.	
		Nephi P.D.	
		Box Elder County S.O.	
No information obtained from the following departments:		Duchesne County S.O.	
Centerfield P.D.		Toole City P.D.	
Fairview P.D.		Kamas P.D.	
Fountain Green P.D.		American Fork P.D.	
Wayne County S.O.		St. George P.D.	
LaVerkin P.D.		Naples P.D.	
Leeds P.D.		Santa Clara P.D.	
Rich County S.O.		San Juan County S.O.	
Moroni P.D.		Garfield County S.O.	
Mt Pleasant P.D.		Escalante P.D.	
Parowan P.D.		Murray P.D.	
Piute County S.O.		Sevier County S.O.	
		West Valley P.D.	
		Moab P.D.	
		Grand County S.O.	

**Utah Retirement Systems**  
**Retirement Contribution Rates as a Percentage of Salary and Wages**  
**Fiscal Year July 1, 2008 - June 30, 2009**

	2007-2008 RATES			2008-2009 RATES			Increase (Decrease)	3
	Employee	Employer	Total	Employee	Employer	Total		
<b>Public Employees</b>								
<b>Contributory Retirement System</b>								
11- Local Government	6.00	7.61	13.61	6.00	7.61	13.61	0.00	
12- State and School	6.00	9.73 1,2	15.73	6.00	9.73 1,2	15.73	0.00	
<b>Public Employees</b>								
<b>Noncontributory Retirement System</b>								
15- Local Government	--	11.62	11.62	--	11.62	11.62	0.00	
16- State and School	--	14.22 1,2	14.22	--	14.22 1,2	14.22	0.00	
<b>Public Safety</b>								
<b>Contributory Retirement System</b>								
<b>Division A</b>								
22- State With 4% COLA	12.29	15.46 1	27.75	12.29	18.25 1	30.54	2.79	
23- Other Division A With 2.5% COLA	12.29	11.22	23.51	12.29	11.22	23.51	0.00	
Other Division A With 4% COLA	--	--	--	12.29	13.49	25.78	2.27	
<b>Division B</b>								
24- Salt Lake City With 2.5% COLA	13.74	22.99	36.73	13.74	22.99	36.73	0.00	
Salt Lake City With 4% COLA	--	--	--	13.74	26.32	40.06	3.33	
27- Logan With 2.5% COLA	11.13	14.61	25.74	11.13	14.61	25.74	0.00	
Logan With 4% COLA	--	--	--	11.13	17.58	28.71	2.97	
29- Other Division B With 2.5% COLA	10.50	15.69	26.19	10.50	15.69	26.19	0.00	
Other Division B With 4% COLA	--	--	--	10.50	17.90	28.40	2.21	
<b>Public Safety</b>								
<b>Noncontributory Retirement System</b>								
<b>Division A</b>								
42- State With 4% COLA	--	26.75 1	26.75	--	29.55 1	29.55	2.80	
43- Other Division A With 2.5% COLA	--	22.61	22.61	--	22.61	22.61	0.00	
Other Division A With 4% COLA	--	--	--	--	24.91	24.91	2.30	
48- Bountiful With 2.5% COLA	--	22.47	22.47	--	22.47	22.47	0.00	
Bountiful With 4% COLA	--	--	--	--	25.85	25.85	3.38	
<b>Division B</b>								
44- Salt Lake City With 2.5% COLA	--	35.71	35.71	--	35.71	35.71	0.00	
Salt Lake City With 4% COLA	--	--	--	--	39.06	39.06	3.35	
45- Ogden With 2.5% COLA	--	31.47	31.47	--	31.47	31.47	0.00	
Ogden With 4% COLA	--	--	--	--	35.28	35.28	3.81	
46- Provo With 2.5% COLA	--	29.84	29.84	--	29.84	29.84	0.00	
Provo With 4% COLA	--	--	--	--	32.86	32.86	3.02	
47- Logan With 2.5% COLA	--	25.48	25.48	--	25.48	25.48	0.00	
Logan With 4% COLA	--	--	--	--	28.47	28.47	2.99	
49- Other Division B With 2.5% COLA	--	25.49	25.49	--	25.49	25.49	0.00	
Other Division B With 4% COLA	--	--	--	--	27.71	27.71	2.22	
<b>Firefighters' Retirement System</b>								
<b>Division A</b>								
Gross Rate	15.05	9.21	24.26	15.05	9.21	24.26	0.00	
Insurance Premium Offset	(2.29)	(9.21)	(11.50)	(1.91)	(9.21)	(11.12)	0.38	
31- Net rate	12.76	0.00	12.76	13.14	0.00	13.14	0.38	
<b>Division B</b>								
Gross Rate	16.71	4.09	20.80	16.71	4.09	20.80	0.00	
Insurance Premium Offset	(7.41)	(4.09)	(11.50)	(7.03)	(4.09)	(11.12)	0.38	
32- Net rate	9.30	0.00	9.30	9.68	0.00	9.68	0.38	
<b>Judges' Retirement System</b>								
Gross Rate	0.00	27.83 1	27.83	0.00	27.83 1	27.83	0.00	
Court Fees Offset	0.00	(15.45)	(15.45)	0.00	(14.32)	(14.32)	1.13	
37- Net rate- Noncontributory	--	12.38 1	12.38	--	13.51 1	13.51	1.13	

1 Includes funding of 3% Substantial Substitute based on salaries for all state and school employees.

Does not include 1.5% 401(k).

Public Safety rates changes reflect 4% COLA. Firefighters and Judges rate changes are due to the actuarial study.