

RESOLUTION NO. 8485-R25

A RESOLUTION
PICKING UP EMPLOYEE CONTRIBUTIONS
TO THE FIRE PENSION FUND

WHEREAS, paragraph 4-124.1 of the Illinois Pension Code (Ill.Rev.Stats., Ch. 108 1/2, § 4-124.1) permits employers to make payment of (pick up) employee contributions to the Fire Pension Fund, which such contributions shall be paid by the employer from the same source of funds which is used in paying earnings to such employees; and

WHEREAS, the said paragraph 4-124.1 further provides that the employer shall continue to withhold Federal and State taxes based upon employer contributions until the Internal Revenue Service or the Federal Courts rule that pursuant to 414(h) of the United States Internal Revenue Code, these contributions shall not be included as gross income of the firefighter until such time as they are distributed or made available;

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That employee contributions to the Fire Pension Fund of the City of Urbana, Illinois, shall be paid by the City of Urbana, Illinois, on behalf of all employees enrolled in such Fund, from the same source of funds which is used in paying earnings to such employees.

Section 2. That pursuant to paragraph 4-124.1 of the Illinois Pension Code, contingent upon receipt of a ruling from the Internal Revenue Service that pursuant to 414(h) of the United States Internal Revenue Code, the aforementioned contributions shall not be includable gross income of the members of the aforementioned Fund, the City shall reduce the amount of gross earnings payable to employees by the amount of said contributions making payment of this amount directly to the Fund.

Section 3. That such ruling, upon receipt, shall be forwarded to the City Clerk and the City Comptroller by the Board of Trustees of the Fire Pension Fund of the City of Urbana.

Section 4. That this Resolution shall be effective beginning with the first pay period in calendar year 1985, following receipt by the City Clerk and the City Comptroller of the favorable ruling from the Internal Revenue Service as referenced in Section 2.

Section 5. That the City Clerk is hereby directed to send a copy of this Resolution to the President of the Board of Trustees of the Fire Pension Fund of the City of Urbana and the Comptroller of the City of Urbana.

PASSED by the City Council this 17th day of December
1984.



Ruth S. Brookens
Ruth S. Brookens, City Clerk

APPROVED by the Mayor, this 27th day of December,
1984.

Jeffrey T. Markland
Jeffrey T. Markland, Mayor