

# STATE OF UTAH



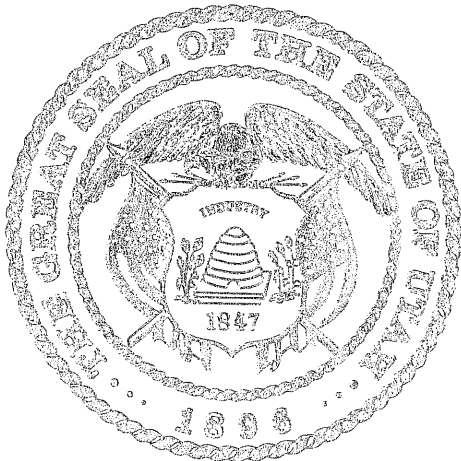
OFFICE OF THE LIEUTENANT GOVERNOR

## CERTIFICATE OF INCORPORATION

I, SPENCER J. COX, LIEUTENANT GOVERNOR OF THE STATE OF UTAH, HEREBY CERTIFY THAT there has been filed in my office a Notice of Impending Boundary Action for the incorporation of the town of CEDAR HIGHLANDS, dated November 28<sup>th</sup>, 2017, complying with Section 10-2a-306, Utah Code Annotated, 1953, as amended.

NOW, THEREFORE, notice is hereby given to all whom it may concern that the attached is a true and correct copy of the Notice of Impending Boundary Action for the incorporation, referred to above, on file with the Office of the Lieutenant Governor pertaining to the town of CEDAR HIGHLANDS, located in Iron County, State of Utah.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed the Great Seal of the State of Utah this 7<sup>th</sup> day of December, 2017 at Salt Lake City, Utah.



SPENCER J. COX  
Lieutenant Governor

**Utah Lieutenant Governor Spencer J. Cox**  
**Notice of Impending Boundary Action**  
**Incorporation of Cedar Highlands**

The undersigned as the duly elected Mayor of Cedar Highlands pursuant to Utah Code Title 10-2a-217 and 67-1a-6.5(3), hereby and submits to the Lieutenant Governor the following Notice of Impending Boundary Action for Cedar Highlands. The type of boundary action for which an applicable certificate is sought is to establish the boundary of an incorporation further described as Cedar Highlands.

**Section One**

The name of the town shall be Cedar Highlands

**Section Two**

The initial corporate boundaries of Cedar Highlands shall be as described on the attached approved final local entity plat.

**Section Three**

The powers of a government shall be vested in a council consisting of five-members, one of which is a mayor, pursuant to Utah Code Title 10-3b-401.

**Section Four**

Pursuant to Utah Code Title 10-2-301 the initial classification for Cedar Highlands, based on its current population, shall be a town.

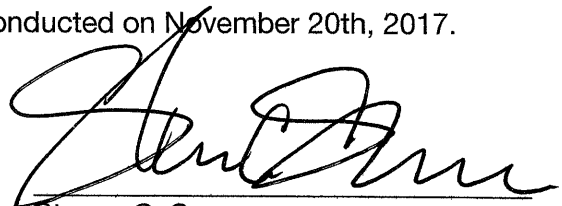
**Section Five**

Pursuant to Utah Code Title 67-1a-6.5 (3)(e), the Mayor Elect as the approving authority certifies all requirements applicable to incorporation of Cedar Highlands have been met.

**Section Six**

The canvass of the final election of city officials was conducted on November 20th, 2017.

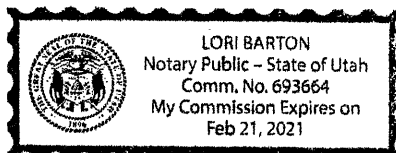
Signed and dated this 28 day of November 2017.



Steven C. Swann  
Mayor-elect

SUBSCRIBED AND SWORN to before me this 28 day of November 2017.

My Commission expires: Feb 21, 2021



## Utah Retirement Systems

### Retirement Office

560 East 200 South  
Salt Lake City, UT 84102-2021

(801) 366-7700  
(800) 365-8772 Toll Free  
(801) 366-7734 Fax  
www.urs.org

DANIEL D. ANDERSEN  
Executive Director

### Public Employees Health Program

560 East 200 South  
Salt Lake City, UT 84102-2004

(801) 366-7500  
(800) 365-8772 Toll Free  
(801) 366-7596 Fax  
www.pehp.org

R. CHET LOFTIS  
Director

November 20, 2017

Steven C. Swann  
Cedar Highlands Municipality  
P.O. Box 202  
Cedar City, UT 84721

### Re: Eligibility for Participation of a Newly Created Entity in the Utah State Retirement Systems

Dear Mr. Swann:

When a governmental entity is being incorporated or created, Utah law requires the Utah State Retirement Office ("Office") to provide a letter to that entity identifying the potential provisions under Utah Code Title 49, Utah State Retirement and Insurance Benefit Act ("Retirement Act"), with which it shall comply. *See* Utah Code Ann. § 67-1a-6.5(3)(d). This letter serves as the official notice for Cedar Highlands Municipality ("Town"), which is in the process of incorporating as a Utah town.

Based upon the information provided, the Office has determined that Cedar Highlands, upon successful incorporation, will be an "employer" under the Retirement Act as a political subdivision of the state by virtue of its status as an incorporated town created under Utah Code Title 10. Accordingly, the Town must comply with the participation requirements of the Retirement Act.

This does not mean that the Town must provide retirement benefits to its employees or elected officials. However, at the present time and throughout the future, **Cedar Highlands is required by law to participate with URS if and when it offers any type of retirement benefit to its employees or elected officials.**

The Town may not currently have employees or may have not yet elected to provide a retirement benefit to its employees. Please be aware, it is not the obligation of the Office to monitor the activities of the Town. **By law, it is Cedar Highlands' obligation to apply for membership with URS if and when it chooses to provide a retirement benefit to its employees.**

Once the Town begins participation with URS, its public employees and elected officials will be covered under either the Tier I or Tier II public employee retirement systems, as described in the Retirement Act. If the Town employs public safety or firefighter service employees, those employees will be covered under the separate Tier I or Tier II systems for public safety and/or firefighter service employees described in the Retirement Act.

In addition, participating employers of URS are required by § 49-11-606 to “cover all employees eligible for service credit under this title.” As such, once admitted as a participating employer, the Town will be required to cover all eligible employees, pursuant to the eligibility rules found in the Retirement Act.

Please note that the above-referenced laws are those used to determine eligibility for participation, and are not the only laws with which a participating employer must comply. Participating employers are required to “inform themselves of their rights and obligations” under Title 49 and should become familiar with all provisions of the Retirement Act. Once Cedar Highlands is admitted into the system, or upon request, URS will provide education about the requirements with which the Town must comply as a participating employer.

Additionally, please be aware that should Cedar Highlands fail to participate with URS while offering another retirement benefit to its employees or elected officials, the Town’s employees and elected officials may have a claim against it for service credit under the Retirement Act, which the Office is required to enforce. Under the Retirement Act, such a claim would include all past employer contributions, interest, and in some cases, penalties. *See Utah Code Ann. § 49-11-601(3).*

Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew Judd", written in a cursive style.

Matthew K. Judd  
Employer Services Director  
Utah State Retirement Office