

Sunnyslope County Water District

RESOLUTION # 501

Employer code: 0579

EMPLOYER PICKUP RESOLUTION PRE-TAX DEDUCTION PLAN FOR SERVICE CREDIT PURCHASES (CONTRIBUTION CODE 14)

WHEREAS, the Board of Administration of the California Public Employees' Retirement System (CalPERS) at the April 1996 meeting approved a pre-tax payroll deduction plan for service credit purchases under Internal Revenue Code (IRC) section 414(h)(2); and

WHEREAS, the Sunnyslope County Water District has the authority to implement the provisions of IRC section 414(h)(2) and has determined that even though implementation is not required by law, the tax benefit offered by this section should be provided to those employees who are members of CalPERS; and

WHEREAS, the Sunnyslope County Water District elects to participate in the pre-tax payroll deduction plan for all employees in the following CalPERS employee groups or classifications (i.e., miscellaneous, safety, police, fire, etc.):

All miscellaneous coverage groups

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Sunnyslope County Water District will implement the provisions of IRC section 414(h)(2) by making employee contributions for service credit purchases pursuant to the California State Government Code on behalf of its employees who are members of CalPERS and who have made a binding irrevocable election to participate in the pre-tax payroll deduction plan. "Employee contributions" shall mean those contributions reported to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts for service credit purchases, thereby resulting in tax deferral of employee contributions.
- II. That the contributions made by the Sunnyslope County Water District to CalPERS, although designated as employee contributions, are being paid by the Sunnyslope County Water District in lieu of contributions by the employees who are members of CalPERS.
- III. That the employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Sunnyslope County Water District to CalPERS.
- IV. That the Sunnyslope County Water District shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary, thereby resulting in tax deferral of employee contributions.
- V. That the effective date for commencement of the pre-tax payroll deduction plan cannot be any earlier than the date the completed resolution is received and approved by CalPERS.
- VI. That the governing body of the Sunnyslope County Water District shall participate in and adhere to requirements and restrictions of the pre-tax payroll deduction plan by reporting pre-tax payroll deductions when authorized by CalPERS for those employees of the above stated employee groups or classifications who have elected to participate in this plan.

On motion of Director Nelson, Seconded by Director Meraz, the foregoing Resolution is enacted on April 10, 2008 and shall take effect on April 11, 2008 (or on such date immediately thereafter as approved by CalPERS) by the following roll call of the Board:

AYES: Directors: Anderson, Hailstone, Nelson, Keck, and Meraz

NAYS: None.

ABSENT: None.

BY: *Dawn V. Anderson*
Dawn V. Anderson, President

ATTEST:

Bryan M. Yamaoka
Bryan M. Yamaoka, Secretary

RETURN ADDRESS:

Sunnyslope County Water District
Attn: Cathy L. Buck, Finance & Human Resource Manager
3570 Airline Highway
Hollister, CA 95023-9702

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FOR CALPERS USE ONLY	
Pre-tax payroll deduction plan effective date: _____	
Approved By: _____	Title: _____
MEMBER SERVICES DIVISION, Service credit section – Unit 830	