

1 [Employer Pickup Resolution Pre-Tax Payroll Deduction Plan for Service Credit Purchases
2 (Contribution Code 14)]

3 **Resolution authorizing the City and County of San Francisco to implement pre-tax**
4 **payroll deduction plan for all employees in CalPERS, pursuant to the Internal Revenue**
5 **Code §414(h)(2).**
6

7 WHEREAS, The Board of Administration of the California Public Employees'
8 Retirement System (CalPERS) at the April 1996 meeting approved a pre-tax payroll deduction
9 plan for service credit purchases under Internal Revenue Code (IRC) §414(h)(2); and
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11 WHEREAS, The City and County of San Francisco has the authority to implement the
12 provisions of IRC §414(h)(2) and has determined that even though implementation is not
13 required by law, the tax benefit offered by this section should be provided to those employees
14 who are members of CalPERS; and,

15 WHEREAS, The City and County of San Francisco has elected to participate in the
16 pre-tax payroll deduction plan for all Miscellaneous and all Safety employees in the CalPERS
17 Coverage Groups; now, therefore be it

18 RESOLVED, That the City and County of San Francisco has implemented the
19 provisions of IRC §414(h)(2) by making employee contributions for service credit purchases
20 pursuant to the California State Government Code on behalf of its employees who are
21 members of CalPERS and who have made a binding irrevocable election to participate in the
22 pre-tax payroll deduction plan. "Employee contributions" shall mean those contributions
23 reported to CalPERS which are deducted from the salary of employees and are credited to
24 individual employee accounts for service credit purchases, thereby resulting in tax deferral of
25 employee contributions; and, be it

Supervisor Elsbernd

1 FURTHER RESOLVED, That the contributions made by the City and County of San
2 Francisco to CalPERS, although designated as employee contributions, are being paid by the
3 City and County of San Francisco in lieu of contributions by the employees who are members
4 of CalPERS; and, be it

5 FURTHER RESOLVED, That the employees shall not have the option of choosing to
6 receive the contributed amounts directly instead of having them paid by the City and County
7 of San Francisco to CalPERS; and, be it

8 FURTHER RESOLVED, That the City and County of San Francisco shall pay to
9 CalPERS the contributions designated as employee contributions from the same source of
10 funds as used in paying salary, thereby resulting in tax deferral of employee contributions;
11 and, be it

12 FURTHER RESOLVED, That the effective date for commencement of the pre-tax
13 payroll deduction plan cannot be any earlier than the date the completed resolution is
14 received and approved by CalPERS; and, be it

15 FURTHER RESOLVED, That the governing body of the City and County of San
16 Francisco shall participate in and adhere to requirements and restrictions of the pre-tax payroll
17 deduction plan by reporting pre-tax payroll deductions when authorized by CalPERS for those
18 employees of the CalPERS Coverage Groups who have elected to participate in this plan.
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City and County of San Francisco

**Tails
Resolution**

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 111249

Date Passed: November 22, 2011

Resolution authorizing the City and County of San Francisco to implement pre-tax payroll deduction plan for all employees in CalPERS, pursuant to the Internal Revenue Code §414(h)(2).

November 22, 2011 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

November 22, 2011 Board of Supervisors - ADOPTED AS AMENDED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 111249

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 11/22/2011 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

Date Approved