

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA TO
AUTHORIZE TAX DEFERRAL OF MEMBER PAID CONTRIBUTIONS TO THE
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM FOR THE SAFETY
EMPLOYEES IN THE BARGAINING UNIT REPRESENTED BY THE PASADENA
FIRE FIGHTERS ASSOCIATION (PFFA)**

WHEREAS, the governing body of the City of Pasadena has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the City of Pasadena has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to all safety employees in the bargaining unit represented by the PFFA who are members of the California Public Employees' Retirement System.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Pasadena as follows:

Section 1. That the City of Pasadena will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code section 20691 at a rate of 3% effective July 1, 2014, and 0% effective July 1, 2015 to the California Public Employees' Retirement System on behalf of all its employees or all its employees in a recognized group or class of employment who are members of the California Public Employees' Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.

Section 2. That the contributions made by the City of Pasadena to the California Public Employees' Retirement System at a rate of 3% effective July 1, 2014, and 0% effective July 1, 2015, although designated as employee contributions, are being paid by the City of Pasadena in lieu of contributions by the employees who are members of the California Public Employees' Retirement System.

Section 3. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the City of Pasadena to the California Public Employees' Retirement System.

Section 4. That that City of Pasadena shall pay to the California Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.

Section 5. That the amount of the contributions designated as employee contributions and paid by the City of Pasadena to the California Public Employees' Retirement System on behalf of an employee at a rate of 3% effective July 1, 2014, and 0% effective July 1, 2015 shall be the entire contribution required of the employee by the California Public Employees' Retirement Law (California Government Code sections 20000, et seq.).

Section 6. That the contributions designated as employee contributions made by the City of Pasadena to the California Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the California Public Employees' Retirement System.

Section 7. That this resolution will take effect June 23, 2014.

Adopted at the regular meeting of the City Council on the 23rd day of June 2014, by the following vote:

AYES:


NOES:

ABSENT:

ABSTAIN:

Mark Jomsky
City Clerk

APPROVED AS TO FORM:



Lesley Cheung 6-11-14
Deputy City Attorney