

ATTACHMENT 2

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
MISCELLANEOUS EMPLOYEES IN THE BARGAINING UNIT REPRESENTED BY
THE PASADENA MANAGEMENT ASSOCIATION (PMA)**

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 miscellaneous employees in the bargaining unit represented by the PMA 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 at a rate of 2% effective January 1, 2016, 4% effective January 1, 2017, 6% effective January 1, 2018, and 8% effective January 1, 2019 pursuant to California Government Code section 20691 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, 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 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 shall be effective immediately upon adoption by the City Council.

Adopted at the regular meeting of the City Council on the _____ day of October, 2015, by the following vote:

AYES:

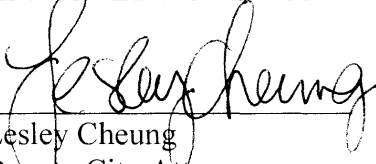
NOES:

ABSENT:

ABSTAIN:

Mark Jomsky
City Clerk

APPROVED AS TO FORM:



Lesley Cheung
Deputy City Attorney

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA TO
REPORT THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)
FOR THE EMPLOYEES REPRESENTED BY
THE PASADENA MANAGEMENT ASSOCIATION (PMA)**

WHEREAS, the governing body of the City of Pasadena has the authority to implement Government Code section 20636(c)(4) pursuant to Government Code section 20691; and

WHEREAS, the governing body of the City of Pasadena has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation; and

WHEREAS, one of the steps in the procedures to implement Government Code section 20691 is the adoption by the governing body of the City of Pasadena of a Resolution indicating the paying and reporting the value of said Employer Paid Member Contributions (EPMC); pursuant to CCR Title 2 section 571(a)(1); and

WHEREAS, the governing body of the City of Pasadena has identified the following conditions for the purpose of its election to pay EPMC:

1. This benefit shall apply to all employees in the bargaining unit represented by PMA.
2. This benefit shall consist of paying 8% of the normal contributions as EPMC, and reporting the same percent 8% of compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.
3. Effective January 1, 2016, this benefit shall consist of paying 6% of the normal contributions as EPMC, and reporting the same percent 6% of compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.
4. Effective January 1, 2017, this benefit shall consist of paying 4% of the normal contributions as EPMC, and reporting the same percent 4% of compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.
5. Effective January 1, 2018, this benefit shall consist of paying 2% of the normal contributions as EPMC, and reporting the same percent 2% of compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.
6. Effective January 1, 2019, this benefit shall consist of paying 0% of the normal contributions as EPMC, and reporting the same percent 0% of

compensation earnable (excluding Government Code Section 20636(c)(4)) as additional compensation.

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

Section 1. The governing body of the City of Pasadena elects to pay and report the value of EPMC, as set forth above; and

Section 2. Prior resolutions governing the reporting of the value EPMC for this group, including Resolution No. 8773, 8772, and 8662 are superseded only insofar as that they apply to the employees in the bargaining unit represented by PMA

Section 3. This Resolution shall be effective immediately upon adoption by the City Council.

Adopted at the regular meeting of the City Council on the _____ day of October, 2015, by the following vote:

AYES:


NOES:

ABSENT:

ABSTAIN:

Mark Jomsky
City Clerk

APPROVED AS TO FORM:



Lesley Cheung
Deputy City Attorney