

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 EMPLOYEES WITH MEMBERSHIP IN CALPERS IN THE BARGAINING UNIT REPRESENTED BY THE PASADENA POLICE SUPERVISORS ASSOCIATION (PPSA)

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 Board of Administration of the California Public Employees' Retirement System (CalPERS) adopted its resolution re section 414(h)(2) IRC on September 18, 1985; and

WHEREAS, the Internal Revenue Service has stated in December 1985, that the implementation of the provisions of section 414(h)(2) IRC pursuant to the Resolution of the Board of Administration would satisfy the legal requirements of section 414(h)(2) 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 employees with membership in the bargaining unit represented by the PPSA who are members of the California Public Employees' Retirement System.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PASADENA RESOLVES 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 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 February 26, 2024 upon adoption by the City Council.

Adopted at the _____ meeting of the City Council on the _____ day of _____, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Mark Jomsky, CMC
City Clerk

Approved as to Form:

/s/ Lesley Cheung
Lesley Cheung
Assistant City Attorney