RESOLUTION NO. 2011-23

A RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS – INTERNAL REVENUE CODE 414(h)(2) EMPLOYER PICK-UP.

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

WHEREAS, the City of Albany 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 who are members of the California Public Employees’ Retirement System (PERS).

NOW, THEREFORE, BE IT RESOLVED:

I. That the City of Albany will implement the provisions of section 414(h)(2) IRC by making employee contributions pursuant to California Government Code (GC) Section 20691 to PERS on behalf of all its employees who are members of PERS. “Employee contributions” shall mean those contributions to PERS which are deducted from the salary of employees and are credited to individual employees’ accounts pursuant to GC Section 20691.

II. That the contributions made by the City of Albany to PERS, although designated as employee contributions, are being paid by the City of Albany in lieu of contributions by the employees who are members of PERS.

III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the City of Albany to PERS.

IV. That the City of Albany shall pay to PERS the contributions designated as employee contributions from the same source of funds as used in paying salary.

V. That the amount of the contributions designated as employee contributions and paid by the City of Albany to PERS on behalf of an employee shall be the entire contribution required
of the employee by California Public Employees' Retirement Law (GC Sections 20000, et seq.).

VI. That the contributions designated as employee contributions made by the City of Albany to PERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by PERS.

Mayor Farid Javandel
RESOLUTION NO. 2011-23

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,
this 2nd day of May, 2011, by the following votes:

AYES: Council Members Javandel, Atkinson, Lieber, Thomsen & Wile

NOES: None

ABSENT: None

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this
3rd Day of May, 2011.

Eileen Harrington
DEPUTY CITY CLERK

The City of Albany is dedicated to maintaining its small town ambience, responding to the needs of a diverse community, and providing a safe, healthy and sustainable environment.