

## **RESOLUTION NO. 2010-012**

Adopted by the Housing Authority  
of the City of Sacramento

November 30, 2010

### **EMPLOYER PICKUP RESOLUTION - PRE-TAX PAYROLL DEDUCTION PLAN FOR SERVICE CREDIT PURCHASES (CONTRIBUTION CODE 14)**

#### **BACKGROUND**

- A. The Board of Administration of the California Public Employees' Retirement System (CalPERS) at the April 1996 meeting approved a pre-tax payroll deduction plan for service credit purchases under Internal Revenue Code (IRC) Section 414(h)(2); and
- B. The Housing Authority of the City of Sacramento has the authority to implement the provisions of IRC Section 414(h)(2) and has determined that even though implementation is not required by law, the tax benefit offered by this Section should be provided to those employees who are members of CalPERS; and
- C. The Housing Authority of the City of Sacramento elects to participate in the pre-tax payroll deduction plan for all employees in the following CalPERS Coverage Group(s):  
Miscellaneous Employees
- D. The proposed action does not constitute a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b). This administrative action is considered exempt under the National Environmental Policy Act pursuant to 24 CFR 58.34(a)(3).

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated above are found to be true and accurate.
- Section 2. That the Housing Authority of the City of Sacramento will implement the provisions of IRC Section 414(h)(2) by making employee contributions for service credit purchases pursuant to the California State Government Code on behalf of its employees who are members of CalPERS and who have made a binding irrevocable election to participate in the pre-tax payroll deduction plan. "Employee contributions" shall mean those contributions reported to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts for service credit purchases, thereby resulting in tax deferral of employee contributions.

- Section 3. That the contributions made by the Housing Authority of the City of Sacramento to CalPERS, although designated as employee contributions, are being paid by the Housing Authority of the City of Sacramento in lieu of contributions by the employees who are members of CalPERS.
- Section 4. That the employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Housing Authority of the City of Sacramento to CalPERS.
- Section 5. That the Housing Authority of the City of Sacramento shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary, thereby resulting in tax deferral of employee contributions.
- Section 6. That the effective date for commencement of the pre-tax payroll deduction plan cannot be any earlier than the date the completed resolution is received and approved by CalPERS.
- Section 7. That the governing body of the Housing Authority of the City of Sacramento shall participate in and adhere to requirements and restrictions of the pre-tax payroll deduction plan by reporting pre-tax payroll deductions when authorized by CalPERS for those employees of the above stated Coverage Group(s) who have elected to participate in this plan.

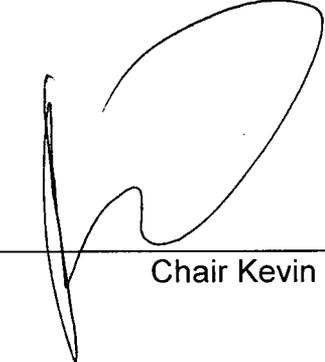
Adopted by the Housing Authority of the City of Sacramento on November 30, 2010 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.

  
Chair Kevin Johnson

Attest:

  
Shirley Concolino, Secretary

**RETURN ADDRESS:**

Sacramento City Housing Authority  
Attn: Human Resources Department  
801 12<sup>th</sup> Street  
Sacramento Ca 95814

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FOR CALPERS USE ONLY	
Pre-tax payroll deduction plan effective date: _____	
Approved by: _____	Title: _____
MEMBER SERVICES DIVISION, Service credit section-Unit 830	