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RESOLUTION NO. C - 28411

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH IMPLEMENTING SECTION 414(h)(2)
OF THE INTERNAL REVENUE CODE

WHEREAS, the City of Long Beach 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 Public Employees' Retirement System 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); and

WHEREAS, the City of Long Beach 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 its employees who are members of the Public Employees' Retirement System:

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

Section 1. That the City of Long Beach 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 Public Employees' Retirement System on behalf of its employees who are members of the Public Employees' Retirement System. "Employee contributions" shall mean those contributions to the

1 Public Employee's Retirement System which are deducted from the salary of
2 employees and are credited to individual employee's accounts pursuant to California
3 Government Code Section 20691.
4

5 Sec. 2. That the contributions made by the City of Long Beach to the
6 Public Employees' Retirement System, although designated as employee
7 contributions, are being paid by the City of Long Beach in lieu of contributions by the
8 employees who are members are the Public Employees' Retirement System.
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10 Sec. 3. That employees shall not have the option of choosing to
11 receive the contributed amounts directly instead of having them paid by the City of
12 Long Beach to the Public Employees' Retirement System.
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14 Sec. 4. That the City of Long Beach shall pay to the Public
15 Employees' Retirement System the contributions designated as employee
16 contributions from the same source of funds as used in paying salary.
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18 Sec. 5. That the amount of the contributions designated as employee
19 contributions and paid by the City of Long Beach to the Public Employees'
20 Retirement System on behalf of an employee shall be the entire contribution
21 required of the employee by the Public Employees' Retirement Law (California
22 Government Code Sections 20000, et seq.).
23

24 Sec. 6. That the contributions designated as employee contributions
25 made by the City of Long Beach to the Public Employees' Retirement System shall
26 be treated for all purposes, other than taxation, in the same way that member
27 contributions are treated by the Public Employees' Retirement System.
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