

**EMPLOYER PICK-UP RESOLUTION
ATTACHMENT TO AGENDA ITEM VII**

WHEREAS, the Mountains and Recreation and Conservation Authority 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 (PERS) adopted its resolution regarding section 414(h)(2) IRC on September 18, 1985; and

WHEREAS, the Internal Revenue Service has stated in December, 1985 that the implementation of provisions of section 414(h)(2) IRC pursuant to the Resolution of the PERS Board of Administration would satisfy the legal requirements of section 414(h)(2) IRC; and

WHEREAS, the Mountains Recreation and Conservation Authority 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 BE IT RESOLVED:

1. That the Mountains Recreation and Conservation Authority 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 Public Employees' Retirement System which are deducted from the salary of employees and are credited to the individual employee's accounts pursuant to California Government Code 20691.
2. That the contributions made by the Mountains and Conservation Authority to the Public Employees' Retirement System, although designated as employee contributions, are being paid by the Mountains Recreation and Conservation Authority in lieu of contributions by the employees who are members of the Public Employees' Retirement System.
3. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Mountains Recreation and Conservation Authority to the Public Employees' Retirement System.
4. That the Mountains Recreation and Conservation Authority shall pay to the Public Employees' Retirement System the contributions designated as

employee contributions from the same source of funds as used in paying salary.

5. That the amount of contributions designated as employee contributions and paid by the Mountains Recreation and Conservation Authority to the Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the Public Employees' Retirement Law (California Government Code sections 20000, et seq.)
6. That the contributions designated as employee contributions made by the Mountains Recreation and Conservation Authority to the Public Employees Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the Public Employees' Retirement System.

~End of Resolution~