

RESOLUTION NO. 13-0021

A RESOLUTION OF THE MANHATTAN BEACH CITY COUNCIL  
TO TAX DEFER MEMBER PAID CONTRIBUTIONS – INTERNAL  
REVENUE CODE SECTION 414(h)(2) EMPLOYER PICK-UP

WHEREAS, the City of Manhattan Beach ("City") has the authority to implement the provisions of Section 414(h)(2) of the Internal Revenue Code ("IRC"); and

WHEREAS, the City 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.

NOW, THEREFORE, THE MANHATTAN BEACH CITY COUNCIL HEREBY  
RESOLVES AS FOLLOWS:

- A. That the City will implement the provisions of IRC Section 414(h)(2) by making employee contributions pursuant to the California State Government Code Section 20691 to CalPERS on behalf of its employees who are members of CalPERS. "Employee Contributions" shall mean those contributions to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts pursuant to California Government Code Section 20691.
- B. That the contributions made by the City to CalPERS, although designated as employee contributions, are being paid by the City in lieu of contributions by the employees who are members of CalPERS.
- C. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the City to CalPERS.
- D. That the City shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.
- E. That the amount of the contributions designated as employee contributions and paid by the City to CalPERS 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.*).
- F. That the contributions designated as employee contributions made by the City to CalPERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalPERS.

- G. This resolution shall take effect immediately upon adoption.
- H. The City Clerk shall certify to the passage and adoption of this resolution.

PASSED, APPROVED and ADOPTED this 6th day of March, 2013.

Ayes:  
Noes:  
Abstain:  
Absent:

---

David Lesser  
Mayor, City of Manhattan Beach

ATTEST:

---

Liza Tamura, City Clerk