

RESOLUTION #24-004
RESOLUTION TO AMEND THE EFFECTIVE DATE TO JANUARY 1, 2017
FOR TAX DEFERRED MEMBER PAID CONTRIBUTIONS –
IRC 414(H)(2) EMPLOYER PICK-UP

WHEREAS, the **Esparto Fire Protection District** 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 California Public Employees' Retirement System (CalPERS) 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) IRC; and

WHEREAS, the **Esparto Fire Protection District** 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 Esparto Fire Protection District employees** who are members of the CalPERS; and

WHEREAS, the **Esparto Fire Protection District** has determined that on **January 1, 2017**, the tax benefit offered by section 414(h)(2) IRC was established for all **Esparto Fire Protection District** employees who are members of the CalPERS;

NOW, THEREFORE, BE IT RESOLVED:

- I. That the **Esparto Fire Protection District** did implement, effective **January 1, 2017**, the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code Section 20691 to the CalPERS on behalf of all its employees or all its employees in a recognized group or class of employment 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's accounts pursuant to California Government Code section 20691.
- II. That in order to be in compliance with section 414(h)(2) IRC and CalPERS, by adopting this resolution, the **Esparto Fire Protection District** is amending the effective date of implementing and putting into place the provisions of section 414(h)(2) Internal Revenue Code to **January 1, 2017**.

- III. That the contributions made by the **Esparto Fire Protection District** to CalPERS, although designated as employee contributions, are being paid by the **Esparto Fire Protection District** in lieu of contributions by the employees who are members of CalPERS.
- IV. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the **Esparto Fire Protection District** to CalPERS.
- V. The **Esparto Fire Protection District** shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary.
- VI. That the amount of the contributions designated as employee contributions and paid by the **Esparto Fire Protection District** to CalPERS on behalf of an employee shall be the entire contribution required of the employee by CalPERS (California Government Code sections 20000, et seq.).
- VII. That the contributions designated as employee contributions made by **Esparto Fire Protection District** to CalPERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalPERS.

PASSED AND ADOPTED by the governing body of the **Esparto Fire Protection District** this 3rd day of April, 2024.

BY _____
(Signature of Official)

(Title of Official)