

**RESOLUTION NO. R.08-2003**

**A RESOLUTION OF THE GOVERNING BOARD OF THE BIG BEAR AREA REGIONAL WASTEWATER AGENCY BETWEEN THE BOARD OF ADMINISTRATION CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM AND THE BOARD OF DIRECTORS OF THE BIG BEAR AREA REGIONAL WASTEWATER AGENCY FOR EMPLOYER PICK-UP**

**WHEREAS**, the Big Bear Area Regional Wastewater Agency 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) IRC; and

**WHEREAS**, the Big Bear Area Regional Wastewater Agency 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:**

- I. That the Big Bear Area Regional Wastewater Agency 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 individual employee's accounts pursuant to California Government Code section 20691.
- II. That the contributions made by the Big Bear Area Regional Wastewater Agency to the Public Employees' Retirement System, although designated as employee contributions, are being paid by the Big Bear Area Regional Wastewater Agency in lieu of contributions by the employees who are members of the Public Employees' Retirement System.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Big Bear

Area Regional Wastewater Agency to the Public Employees' Retirement System.

- IV. That the Big Bear Area Regional Wastewater Agency 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.
- V. That the amount of the contributions designated as employee contributions and paid by the Big Bear Area Regional Wastewater Agency 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.).
- VI. That the contributions designated as employee contributions made by the Big Bear Area Regional Wastewater Agency 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.

**APPROVED AND ADOPTED** this 26<sup>th</sup> day of February 2003

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Robert Colven, Chairman of the Governing  
Board of the Big Bear Area Regional  
Wastewater Agency

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Dr. Donald Eads, Secretary of the Governing  
Board of the Big Bear Area Regional  
Wastewater Agency