



R-10-35  
Meeting 10-12  
June 24, 2010

**Consent Item #1C**

To: Board of Directors  
Open Space Authority

From: Patrick Congdon  
General Manager

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**SUBJECT**

Adopt two (2) resolutions modifying the Contribution Provisions for the California Public Employees Retirement System (CalPERS)

**RECOMMENDATION**

- It is recommended that the Board adopt a Resolution modifying the Employer Pick-Up Provision of the California Public Employees Retirement System
- It is recommended that the Board adopt a Resolution modifying the conditions of eligibility for OSA's Employer Paid Member Contributions to the California Public Employees Retirement System

**COST/REVENUE**

There are no costs associated with this item

**BACKGROUND**

In November 2008, at the request of CalPERS, the Board of Directors of the Open Space Authority adopted two resolutions for the implementation of contribution provisions for CalPERS. Adoption of these resolutions ensured compliance with CalPERS and IRS requirements.

In a recent CalPERS review of Employer Paid Member Contributions and Pick-Up Provisions it was determined that more specificity was required in regards to temporary and seasonal employees in the resolutions.

Originally, Resolution 08-28, the Employer Pick-Up Provision, designated that certain employee contributions are "picked-up" by the employer and are considered tax deferred member contributions under Internal Revenue Code Section 414(h)(2). Resolution 10-18 clarifies that the Authority is not responsible for picking up contributions for ineligible seasonal or temporary employees.

Resolution 08-29, Employer Paid Member Contributions (EPMC) made reference to "regular" employees being eligible to receive contributions. The term "regular employee" was meant to refer to employees who hold a permanent position at the Authority. Resolution 10-19 updates the language from "regular employee" to "permanent, regular employee".

Staff has consulted with CalPERS and confirmed that the proposed revisions are necessary and will further support the Authority's compliance with CalPERS and IRS requirements.

Attachment(s): Resolutions 10-18 and 10-19