

COUNTY OF SAN MATEO
Departmental Correspondence

Date: JAN 31 2001
Hearing Date: FEB - 6 2001

TO Honorable Board of Supervisors
Acting as the In-Home Supportive Services Public Authority
FROM Charlene A. Silva, Director, Aging and Adult Services
SUBJECT CalPERS 457 Deferred Compensation Program

RECOMMENDATION

Adopt a resolution authorizing the In-Home Supportive Services (IHSS) Public Authority employees to participate in the CalPERS 457 Deferred Compensation Program

Background

On March 29, 1994, you adopted a resolution establishing staff positions for the IHSS Public Authority and determining that Public Authority staff would participate in the County's employee benefits program, receiving the same type of benefits as county employees. However, it was determined that since the IHSS Public Authority was not a county agency, its employees would not be able to participate in the County's retirement program. On October 10, 1995, you adopted a resolution approving a contract with the California Public Employees' Retirement System (CalPERS) to allow the employees of the IHSS Public Authority to participate in CalPERS. On December 21, 1999 you adopted a resolution to continue provisions of Section 414 (h) (2) IRC, which enables Public Authority employees to defer State and Federal income taxes on their own contributions to CalPERS.

Discussion

CalPERS is now offering the CalPERS 457 Deferred Compensation Program to its members. This program allows CalPERS' participants to invest money for their retirement through a variety of mutual funds. The options offered by CalPERS 457 are similar to those offered by other deferred compensation programs, but they are provided at a lower fee because of the large number of employees involved in the program.

CalPERS requires a resolution executed by the IHSS Public Authority Board in order to offer this plan to the Public Authority employees.

Fiscal Impact

There is no fiscal impact as a result of this action.

RECOMMENDED
Marguerite Taylor
HEALTH SERVICES AGENCY

RESOLUTION NO. _____

IN-HOME SUPPORTIVE SERVICES PUBLIC AUTHORITY
COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION AUTHORIZING THE IN-HOME SUPPORTIVE SERVICES
PUBLIC AUTHORITY EMPLOYEES TO PARTICIPATE IN THE
CALPERS 457 DEFERRED COMPENSATION PROGRAM

RESOLVED, by In-Home Supportive Services (IHSS) Public Authority of the County of San Mateo, State of California, that

WHEREAS, the Board of Supervisors of San Mateo has designated itself as the Governing Board of the San Mateo County In-Home Supportive Services Public Authority to carry out programs pursuant to the In-Home Supportive Services Program; and

WHEREAS, this Governing Board approved a contract with the California Public Employees' Retirement System (CalPERS) in October 1995 to allow Public Authority Employees to participate in CalPERS, and

WHEREAS, this Governing Board approved the continuation of the provisions of Section 414(h)(2) of the Internal Revenue Services Code in December 1999; and

WHEREAS, this Governing Board supports the participation of the Public Authority employees in the CalPERS Deferred Compensation Program; and

WHEREAS, CalPERS requires that the Public Authority execute a resolution authorizing the participation of its employees in the CalPERS 457 Deferred Compensation Program:

NOW, THEREFORE, IT IS RESOLVED that this Governing Board hereby authorizes the In-Home Supportive Services Public Authority employees to participate in the CalPERS 457 Deferred Compensation Program