

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION EVIDENCING COMPLIANCE WITH INTERNAL REVENUE SERVICE RULING 2006-43 RELATING TO EMPLOYER PICK UP OF CONTRIBUTIONS WITHIN THE MEANING OF INTERNAL REVENUE CODE SECTION 414(h)(2).**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, Internal Revenue Ruling 2006-43 addresses certain requirements for contributions to the County's retirement system that are picked up by an employer within the meaning of Internal Revenue Code § 414(h)(2). This revenue ruling establishes that the following criteria must be satisfied: (i) the employer must specify that the contributions, although designated as employee contributions, are being paid by the employer in lieu of contributions by the employee; and (ii) the employee must not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the employer to the retirement system; and

**WHEREAS**, the County has already specified in its collective bargaining agreements with recognized labor and professional organizations and in resolutions governing employment classifications not represented by recognized labor or professional organizations, that certain contributions to the retirement system, although designated as employee contributions, are being paid by the County in lieu of contributions by the employee; and

**WHEREAS**, it is the existing practice, and the past practice that employees who are the subject of a pick up of all or portion of the employee contributions to the retirement system, do not have an option to receive the contributed amounts directly instead of having them paid by the County to the County's retirement system;

**NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED**

That this Board reaffirm that (i) contributions to the County's retirement system, although designated as employee contributions, are being paid by the County in lieu of contributions by the employee; and (ii) the employee is not given the option of choosing to receive the contributed amounts directly instead of having them paid by the County to the County's retirement system.

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