

RESOLUTION 95 - 12

**RESOLUTION OF THE BOARD OF DIRECTORS OF
RANCHO MURIETA COMMUNITY SERVICES DISTRICT
REGARDING
TAX DEFERRING MEMBER CONTRIBUTIONS TO THE
PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

WHEREAS, Rancho Murieta Community Services 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 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 Circular Letters 100-364, March 19, 1985; 100-412, April 29, 1985; 100-161, December 18, 1985; 100-180, January 22, 1986; 100-289, June 8, 1987, 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, Rancho Murieta Community Services 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 its employees who are members of the Public Employees' Retirement System;

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of Rancho Murieta Community Services District; as follows:

1. That Rancho Murieta Community Services District will implement the provisions of section 414 (h)(2) Internal Revenue Code by paying employee contributions pursuant to California Government Code section 20615 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 20615.

2. That the contributions made by Rancho Murieta Community Services District to the Public Employees' Retirement System, although designated as employee contributions, are being paid by Rancho Murieta Community Services District in lieu of contributions by the employees who are members of the Public Employees' Retirement System.

3. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by Rancho Murieta Community Services District to the Public Employees' Retirement System.

4. That the Rancho Murieta Community Services District 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.

5. That the amount of the contributions designated as employee contributions and paid by Rancho Murieta Community Services District 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.).

6. That the contributions designated as employee contributions made by Rancho Murieta Community Services District 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.

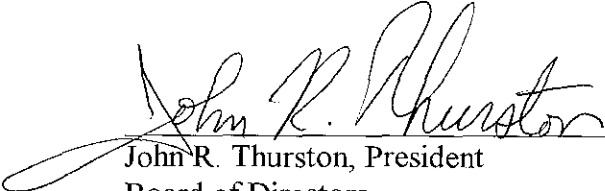
PASSED AND ADOPTED by the Board of Directors, at their regular board meeting on the 17th day of May, 1995.

Ayes: DIRECTORS Thurston; Sevier; Menicucci; Lensch; Stevens

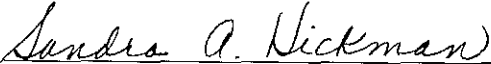
Noes:

Absent:

Abstain:


John R. Thurston, President
Board of Directors

Attest:


Sandra A. Hickman, District Secretary