



# Mendocino County

## Legislation Text

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**File #:** 16-1241, **Version:** 1

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**To:** Board of Supervisors

**From:** Mendocino County Employees Retirement Association

**Meeting Date:** January 10, 2017

**Department Contact:** James Wilbanks

**Phone:** 463-4328

**Department Contact:** Judy Zeller

**Phone:** 463-4328

**Item Type:** Regular Agenda

**Time Allocated for Item:** 30 mins

**Agenda Title:**

Discussion and Possible Approval of Mendocino County Employees Retirement Association Resolution 2016-06 by the Board of Supervisors Pertaining to Regulations for IRC Code Section 415 - Annual Limits

**Recommended Action/Motion:**

Approve Mendocino County Employees Retirement Association Resolution 2016-06.

**Previous Board/Board Committee Actions:**

None.

**Summary of Request:**

According to the County Employees Retirement Law (CERL) Section 31525, the Board of Retirement may make regulations that are consistent with the CERL. Such regulations adopted by the Board of Retirement become effective when adopted by the Board of Supervisors.

On October 1, 2015 the Board of Retirement submitted to the Internal Revenue Service (IRS) a request for a favorable determination that MCERA meets the applicable requirements of the Code. The IRS has requested that Regulations for IRC Section 415(c) be clarified to provide that the definition of compensation for purposes of Code section 415 includes "differential wage payments" as defined in Code section 3401(h)(2), pursuant to Section 105(b) of the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART Act").

Resolution 2016-06 amends Section III.I.1 of Regulations for IRC Section 415(c), to add new subsection "g." thereto, to read in its entirety as follows: "Differential wage payments as defined in Internal Revenue Code section 3401(h)(2)."

**Alternative Action/Motion:**

Provide alternative direction.

**Supplemental Information Available Online at:**

**Fiscal Impact: None**

**Source of Funding:** N/A

**Current F/Y Cost:** N/A

**Budgeted in Current F/Y:** N/A

**Annual Recurring Cost:** N/A

**Supervisory District:** All

**Vote Requirement:** Majority

**Agreement/Resolution/Ordinance Approved by County Counsel:** N/A

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**CEO Liaison:** Alan D. Flora, Assistant CEO

**CEO Review:** Yes

**Comments:**