

RESOLUTION NUMBER R- 306815

DATE OF FINAL PASSAGE MAY 31 2011

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO APPROVING AN AMENDMENT TO THE SUPPLEMENTAL PENSION SAVINGS PLAN (SPSP), SUPPLEMENTAL PENSION SAVINGS PLAN – HOURLY (SPSP-H) AND 401(K) PLAN DOCUMENTS TO REFLECT A REVISION DUE TO ADMINISTRATIVE CHANGES IN THE OPERATION OF THESE PLANS.

WHEREAS, the City of San Diego sponsors and maintains the City of San Diego Supplemental Savings (SPSP), the Supplemental Savings-Hourly (SPSP-H) and 401(k) plans, as amended and restated effective as of January 1, 2010; and

WHEREAS, in May, 2010, the SPSP Participants voted, as required by that Plan, to amend the SPSP plan document to allow the return of SPSP Participant funds transferred to the San Diego City Employees Retirement System (SDCERS) to purchase service credit, in order to correct errors where SDCERS mistakenly calculated a Participant’s purchase of service credit contract; and

WHEREAS, on May 6, 2010, pursuant to San Diego Resolution R-305811, this SPSP plan amendment was approved by the San Diego City Council (City Council) as a component of overall amendments to the SPSP plan document, and further the City Council approved the extension of this amendment to the SPSP-H and 401(k) plans, which did not require a Participant vote; and

WHEREAS, this amendment to the SPSP, SPSP-H, and 401(k) plans to allow the return of funds that had been mistakenly transferred to SDCERS did not specifically allow the SPSP, SPSP-H, and 401(k) plans to accept the earnings that SDCERS had on the mistakenly transferred principal amounts; and

WHEREAS, pursuant to San Diego Municipal Code section 24.0904, section 24.0904, SDCERS credits interest to its Members' contributions accounts annually each June 30th, and has advised the City that the mistakenly calculated principal amounts would be returned to its Members with the interest credited on those amounts; and

WHEREAS, it is the intent of the City, SDCERS, and plan participants to allow the earnings on the mistakenly transferred principal funds to also be transferred back to the originating SPSP, SPSP-H, or 401(k) plans; and

WHEREAS, to facilitate this intent, the SPSP, SPSP-H, and 401(k) plan documents must be amended to allow these plans to accept a transfer that includes earnings on the amounts that were transferred to SDCERS; and

WHEREAS, these plan amendments will enable SDCERS to transfer these earnings to a Participant's SPSP, SPSP-H, or 401(k) account, thus avoiding an immediate taxable distribution to the plan participant; and

WHEREAS, as this amendment is deemed to be administrative in nature and not required for legal compliance purposes, the change to the SPSP Plan document is subject to a majority vote of the active membership; and

WHEREAS, an SPSP membership vote was conducted and completed on May 11, 2011, with majority plan participant approval of this amendment; and

WHEREAS, this amendment to the SPSP-H and 401(k) plans does not require a vote of the plan participants; and

WHEREAS, the amended SPSP, SPSP-H, and 401(k) plan documents are on file in the Office of the City Clerk as Document Numbers:


RR- 306815-1 (SPSP)

RR- 306815-2 (SPSP-H)

RR- 306815-3 (401(k)); NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego approves, ratifies, and adopts the amended SPSP, SPSP-H, and 401(k) plan documents.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
William J. Gersten  
Deputy City Attorney

WJG:ccm  
5/11/2011  
Or.Dept:Risk Mgmt.  
Doc No. 171761\_3

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of MAY 23 2011.

ELIZABETH S. MALAND  
City Clerk

By *Devenson-Cruz*  
Deputy City Clerk

Approved: 5-31-11  
(date)

*JSA*  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Mayor