

Resolution to Become a South Dakota Retirement System Special Pay Program Unit

BE IT RESOLVED AS FOLLOWS:

WHEREAS, House Bill 1033 of the 2004 Legislative Session offers qualified members of special pay program units of the South Dakota Retirement System (SDRS) the opportunity after July 1, 2004, of receiving a tax advantage and a Social Security advantage when terminating active service in SDRS by having special termination payments transmitted to the Special Pay Program;

WHEREAS, House Bill 1033 offers such qualified members' employers a corresponding Social Security advantage;

WHEREAS, the City of Rapid City wishes to offer this option to its qualified regular benefited employees, all of whom are members of SDRS;

WHEREAS, the City of Rapid City agrees to transmit all special pay data by electronic media and understands that reporting final compensation data electronically is a condition which must be met in order to participate;

WHEREAS, City of Rapid City understands and agrees to the following points:

- Only special, lump-sum payments made to an employee at the time of the employee's termination are transmitted to the special pay program;
- Only employees age 55 or older qualify to have such special pay transmitted to the special pay program;
- Only such special payments of \$2,000 or more qualify to be transmitted to the special pay program;
- If the employee qualifies and the special pay qualifies, transmission of such special pay to the special pay program is mandatory; and
- The City of Rapid City shall pay to SDRS an initial, one-time fee per participant of .75% of such special pay or \$45, whichever is greater.

NOW, THEREFORE, BE IT RESOLVED, that the City of Rapid City shall become a special pay program unit of the South Dakota Retirement System under the terms and conditions of House Bill 1033 of the 2004 Legislative Session with an effective date of January 1, 2005.

BE IT FURTHER RESOLVED that a copy of this RESOLUTION shall be transmitted to SDRS as soon as possible after adoption.

Adopted this ____ day of _____, 2004.

MAYOR

Attest:

Finance Officer