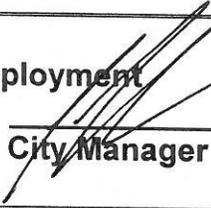


City of Los Alamitos

Administrative Regulation

Regulation:	4.5	
Title:	Non-Social Security Covered Employment	
Authority:	City Manager	
Date:	May 26, 2009	
Revised:		City Manager

1. Purpose: H.R. 743, the Social Security Income Protection Act of 2004, was signed into law in March 2004, requires public employers to inform employees hired to fill non-Social Security covered positions that their benefits may be reduced based on receiving a governmental pension from non-covered employment. The City of Los Alamitos does not participate in Social Security, except for Medicare. This means that earnings with the City will not be subject to Social Security payroll taxes. The pension received from the City of Los Alamitos may reduce any Social Security benefits for which employees are qualified.

2. Application:

- A. To inform employees hired after January 1, 2005 that they may be subject to the Government Pension Offset (GPO) if they receive a pension from a public agency.
- B. To ensure that employees understand that by working for an employer who does not participate in Social Security, future Social Security benefits could be reduced.

3. Regulation:

1. Responsibility

- A. The City will provide the Government Pension Offset fact sheet (Social Security Publication No. 05-10007) to all employees hired after January 1, 2005.
- B. The City will provide the Windfall Elimination Provision (WEP) fact sheet (Social Security Publication No. 05-10045) to all employees hired after January 1, 2005.
- C. Employees are encouraged to contact the Social Security Administration to learn more about the potential maximum Social Security benefit reductions that may result from receiving a governmental pension from non-covered employment.

Information about the GPO and WEP is available at local Social Security Administration offices, the Social Security Administration website, www.socialsecurity.gov.

2. Procedure

Benefits may be reduced in one of two ways:

- A. One is the Government Pension Offset and applies to employees who receive a government pension and are eligible for Social Security benefits as a spouse or widow(er). The pension received from the City of Los Alamitos may reduce any Social Security benefits for which they are qualified.
- B. The Windfall Elimination Provision is similar in that it affects how the amount of retirement or disability benefits are calculated if employees receive a pension from employment where Social Security taxes were not deducted from pay.

NON-SOCIAL SECURITY COVERED EMPLOYMENT

ACKNOWLEDGEMENT FORM

I have received and understand that this information is provided as a general aid and is not meant to substitute for guidance from the Social Security Administration or my tax advisor. The City of Los Alamitos has provided the information as required by the Social Security Protection Act of 2004. I further understand that when I sign this acknowledgement form it will be placed in my personnel file.

Employee (PRINT NAME)

Signature

Date