



Legislation Details (With Text)

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Title: To comply with OPERS requirements regarding Recognition of Pick-up of Contributions, for employees covered by the AFSCME Local 1632 agreement, and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
4/22/2015	1	CITY CLERK	Attest	
4/21/2015	1	ACTING MAYOR	Signed	
4/20/2015	1	COUNCIL PRESIDENT	Signed	
4/20/2015	1	Columbus City Council	Approved	Pass

This ordinance is necessary for the City of Columbus to comply with Ohio Public Employees Retirement System (OPERS) requirements regarding Recognition of Pick-Up of Employee Contributions, to aid in the proper recognition of employer "pick-up" (or pre-tax) contributions pursuant to Internal Revenue Code 414(h)(2).

To comply with OPERS requirements regarding Recognition of Pick-up of Contributions, for employees covered by the AFSCME Local 1632 agreement, and to declare an emergency.

WHEREAS, employees covered by the AFSCME Local 1632 agreement are contributing members of OPERS; and

WHEREAS, the City of Columbus has previously adopted a pick-up plan for employees covered by the AFSCME Local 1632 agreement and who are contributing members of OPERS; and

WHEREAS, OPERS has requirements for reporting changes to pick-up contribution plans pursuant to Internal Revenue Code 414(h)(2); and

WHEREAS, the City of Columbus wishes to change its prior ordinance in order to continue the pick-up under the OPERS requirements; and

WHEREAS, passage of this ordinance reaffirms Columbus City Council acceptance of the pick-up changes as identified in ordinance # 0902-2015 which accepted the Memorandum of Understanding #2015-03 between the City of Columbus and AFSCME Local 1632,

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to comply with OPERS requirements regarding Recognition of Pick-up of Contributions, to aid in the proper recognition of employer "pick-up" (or pre-tax) contributions thereby preserving the public health, peace, property, safety and welfare;

now, therefore:

BE IT ORDAINED BY THE OF THE CITY OF COLUMBUS:

SECTION 1: Effective April 26, 2015, 5.0% of the statutorily required employee contributions to OPERS shall be picked up and paid as a fringe benefit by the City of Columbus for each person within the class established in Section 2 herein. Effective March 27, 2016, 4.0% of the statutorily required employee contributions to OPERS shall be picked up and paid as a fringe benefit by the City of Columbus for each person within the class established in Section 2 herein. This “pick up” by the City of Columbus shall be designated as public employee contributions and shall be in lieu of contributions to OPERS by each person within the class established in Section 2 herein. No person subject to this “pick up” shall have the option of choosing to receive the statutorily required contribution to OPERS directly instead of having it “picked up” by the City of Columbus or of being excluded from the “pick up”. The City of Columbus shall, in reporting and making remittance to OPERS, report that the public employees contribution for each person subject to this “pick up” has been made as provided by the statute. Therefore, contributions, although designated as employee contributions, are employer-paid, and employees do not have the option to receive the contributions directly. All contributions are paid by the employer directly to the plan.

SECTION 2: The “pick up” by the City of Columbus provided by this ordinance shall apply to all persons that are employees of the City of Columbus who are covered by the AFSCME Local 1632 agreement and who were hired prior to May 15, 2011 and who are contributing members of OPERS.

SECTION 3: Under the fringe-benefit method of employer pick up, salary is not modified; however, the employer will pay the employees’ statutorily required contribution to OPERS. The remaining contributions will be handled in the salary reduction manner.

SECTION 4: The City of Columbus Auditor is hereby authorized and directed to implement the provisions of this ordinance to change a portion of the pick-up of the statutorily required contributions to OPERS for those persons reflected in Section 2 herein so as to enable them to have a portion of their employee contributions paid by the employer.

SECTION 5: Passage of this ordinance reaffirms Columbus City Council acceptance of the changes as identified in ordinance # 0902-2015 which accepted the Memorandum of Understanding #2015-03 between the City of Columbus and AFSCME Local 1632.

SECTION 6: That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten (10) days after its passage if the Mayor neither approves or vetoes the same.