



Legislation Details (With Text)

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On agenda: 4/25/2011 **Final action:** 4/27/2011
Title: To comply with OPERS requirements regarding Recognition of Pick-up of Contributions, for employees covered by AFSCME Local 1632 collective bargaining agreement; to accept Memorandum of Understanding #2011-02; and to declare an emergency.

Sponsors:

Indexes:

Code sections:

Attachments: 1. MOU #2011-02 Section 26.2 Pension Contribution_April 2011.pdf

Date	Ver.	Action By	Action	Result
4/27/2011	1	MAYOR	Signed	
4/27/2011	1	CITY CLERK	Attest	
4/25/2011	1	HR Drafter	Sent to Clerk's Office for Council	
4/25/2011	1	Columbus City Council	Approved	Pass
4/25/2011	1	COUNCIL PRESIDENT	Signed	
4/21/2011	1	CITY ATTORNEY	Reviewed and Approved	
4/21/2011	1	Auditor Drafter	Sent to Clerk's Office for Council	
4/21/2011	1	City Clerk's Office	Sent back for Clarification/Correction	
4/21/2011	1	Auditor Drafter	Sent for Approval	
4/20/2011	1	CITY AUDITOR	Reviewed and Approved	

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. Additionally, this ordinance authorizes the acceptance of Memorandum of Understanding #2011-02, negotiated between representatives of the City and AFSCME Local 1632 and Ohio Council 8.

To comply with OPERS requirements regarding Recognition of Pick-up of Contributions, for employees covered by AFSCME Local 1632 collective bargaining agreement; to accept Memorandum of Understanding #2011-02; and to declare an emergency.

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

WHEREAS, the Columbus Council has previously adopted a pick-up of the ten percent (10%) mandatory fringe benefit contributions

for full-time employees covered by AFSCME Local 1632 and who are contributing members of OPERS; and

WHEREAS, OPERS has requirements for reporting changes to pick-up contribution plans; 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 indicates City Council's acceptance of Memorandum of Understanding #2011-02 negotiated between representatives of the City and AFSCME Local 1632 and Ohio Council 8; and

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 COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That effective May 15, 2011, 9.0% 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 classes identified in Section 2 herein. That effective April 1, 2012, 8.0% 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 classes identified in Section 2 herein. That effective March 31, 2013, 7.0% 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 classes identified 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 classes identified in Section 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 remittances 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 in this ordinance shall apply to all persons who are full-time active employees of the City of Columbus, covered by the AFSCME Local 1632 collective bargaining agreement, and were hired before 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. For all City of Columbus employees identified in Section 2 herein, all remaining balances of statutorily required employee contributions, 1% effective May 15, 2011, 2% effective April 1, 2012 and 3% effective March 31, 2013, will be administered under the salary reduction method. Additionally, for all full-time employees of the City of Columbus covered by the AFSCME Local 1632 collective bargaining agreement and who are hired on or after May 15, 2011, all statutorily required employee contributions will be administered under the salary reduction method.

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 indicates City Council's acceptance of Memorandum of Understanding #2011-02 negotiated between representatives of the City and AFSCME Local 1632 and Ohio Council 8

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 days after passage if the Mayor neither approves nor vetoes the same.