



City of Columbus

Office of City Clerk
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Legislation Text

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This amendment to Ordinance No. 2713-2013, Management Compensation Plan, as amended, is necessary to correct an error related to pension pick-up for part-time employees. This language is consistent for all part-time employees in all employee groups.

Emergency action is recommended in order to allow for expedient implementation.

To amend Ordinance No. 2713-2013, Management Compensation Plan, as amended, by amending Section 4(D), Employee's Contribution to O.P.E.R.S.; and to declare an emergency.

WHEREAS, it is necessary to amend Ordinance No. 2713-2013, Management Compensation Plan, as amended, in order to correct an error related to pension pick-up for part-time employees; and

WHEREAS, an emergency exists in the usual daily operation of the City in that it is immediately necessary to amend the Management Compensation Plan by amending Section 4(D) in order to consistently apply the pension pickup provisions for part-time employees, thereby preserving the public peace, health, safety, and welfare; Now Therefore

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That Ordinance No. 2713-2013, Management Compensation Plan, as amended, be amended by amending Section 4(D) as follows:

(D) Employee's Contribution to O.P.E.R.S. For full-time non-seasonal and part-time employees hired prior to January 1, 2010, that portion of an employee's contribution made to the Ohio Public Employees Retirement System (O.P.E.R.S) equal to ~~seven percent (7%)~~ four percent (4%) of the employee's earned compensation shall be picked up (assumed and paid) on behalf of the employee, and in lieu of payment by the employee, by the City of Columbus. The provisions of this paragraph shall apply uniformly to full-time non-seasonal and part-time employees and no such employee shall have the option to elect a wage increase or other benefit in lieu of the payment provided for herein. The ~~seven percent (7%)~~ four percent (4%) rate stated herein will decrease according to the following table on the first day of the seventh (7th) payperiod for each of the succeeding years to six percent (6%) effective the payperiod that includes May 15, 2013. The six percent (6%) rate stated herein will decrease to five percent (5%) effective the seventh (7th) payperiod of 2014; thereafter the rate paid by the City on behalf of the employee will decrease by an additional one percent (1%) each year effective the seventh (7th) payperiod of each year until it reaches zero percent (0%). Any remaining portion of the employee contribution shall be paid by the employee.

The term "earned compensation" shall mean any and all monies earned by an employee from the City of Columbus, for which there is a pension contribution.

Salary Reduction Employer Pick-up means the employee pays the retirement contributions and the employee's contributions are tax deferred. Fringe Benefit Employer Pickup means the employer pays the retirement contributions. Both types of pick-up are used in this Section 4(D).

For all employees hired prior to January 1, 2010:

Effective Date

Fringe Benefit

Salary Reduction

<u>Payperiod 7, 2015</u>	<u>4%</u>	<u>6%</u>
<u>Payperiod 7, 2016</u>	<u>3%</u>	<u>7%</u>
<u>Payperiod 7, 2017</u>	<u>2%</u>	<u>8%</u>
<u>Payperiod 7, 2018</u>	<u>1%</u>	<u>9%</u>
<u>Payperiod 7, 2019</u>	<u>0%</u>	<u>10%</u>

Any remaining portion of the employee contribution shall be paid by the employee. This contribution is a salary reduction employer pick-up and is tax deferred.

All full-time **non-seasonal** employees **and part-time employees** hired on or after January 1, 2010, will be responsible for paying the full employee contribution of ten percent (10%). Specifically, the provisions of Section 4(D) shall not apply to any employee hired (first day of employment) by the City on or after January 1, 2010, into a classification covered by the Management Compensation Plan; and such employee will be responsible for paying the full employee contribution to the Ohio Public Employees Retirement System. Transfers within the City and employment status changes (without a break in service) are exceptions to this provision. This contribution is a salary reduction employer pick-up and is tax deferred.

The City shall, in reporting and making remittances to the Ohio Public Employee Retirement System, report that each employee's contribution has been made as provided by statute and separate ordinances as required and as passed by City Council.

If, at any time, the Ohio Public Employee Retirement System reduces the employee contribution to an amount less than ten percent (10%), the City's obligation shall be reduced accordingly with no further requirement to adjust employees' compensation.

For part-time employees, that portion of an employee's contribution made to the O.P.E.R.S equal to 6% of the employee's earned compensation shall be picked up (assumed and paid) on behalf of the employee, and in lieu of payment by the employee, by the City of Columbus. The provisions of this paragraph shall apply uniformly to part-time employees and no such employee shall have the option to elect a wage increase or other benefit in lieu of the payment provided for herein. The term "earned compensation" shall mean any and all monies earned by an employee from the City of Columbus, for which there is a pension contribution. The City shall, in reporting and making remittances to the O.P.E.R.S, report that each employee's contribution has been made as provided by Statute. The six percent (6%) rate stated herein will decrease to five percent (5%) effective the seventh (7th) payperiod of 2014; thereafter the rate paid by the City on behalf of the employee will decrease by an additional one percent (1%) each year effective the seventh (7th) payperiod of each year until it reaches zero percent (0%). Any remaining portion of the employee contribution shall be paid by the employee.

The City hereby declares that any sum paid hereunder by the City on behalf of an employee, of the employee's earned compensation, is not to be considered additional salary or wages and shall not be treated as increased compensation. For purposes of computing the employee's earnings or basis of his/her contribution to the O.P.E.R.S, the amount paid by the City on behalf of an employee as a portion of his/her statutory obligation is intended to be and shall be considered as having been paid by the employee in fulfillment of his/her statutory obligation.

Section 2. To repeal existing Section 4(D) of Ordinance No. 2713-2013, Management Compensation Plan, as amended.

Section 3. 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 passage if the Mayor neither approves or vetoes the same.

