



Legislation Text

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This ordinance is necessary to comply with Ohio Revised Code Section 742.56 and Ohio Administrative Code 742-5-08, to aid in the proper recognition of employer pick-up contributions for the voluntary purchase of service credit from the Ohio Police & Fire Pension Fund.

To comply with Ohio Revised Code Section 742.56 and Ohio Administrative Code 742-5-08 for purposes of pick-up contributions for the voluntary purchase of service credit, by participating employees of the Division of Police, from the Ohio Police & Fire Pension Fund and to declare an emergency.

WHEREAS, the eligible employees of the Division of Police participate in the Ohio Police and Fire Pension Fund ("OP&F");

WHEREAS, the City of Columbus has previously adopted a pick-up for the voluntary purchase of service credit, as provided for in Section 742.56 of the Ohio Revised Code and 742-5-08 of the Ohio Administrative Code, for participating employees of the Division of Police who are members of the OP&F;

WHEREAS, OP&F has adopted procedures for reporting picked up contributions in order to properly prepare 1099-R forms for its members pursuant to Section 742.32 of the Ohio Revised Code and Section 742-7-14 of the Ohio Administrative Code;

WHEREAS, employers may pay all or a part of the voluntary contributions for the purchase of service credit for employees participating in the OP&F;

WHEREAS, the City of Columbus wishes to reaffirm and amend and restate its prior ordinance in order to continue the pick-up under the OP&F procedures;

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to comply with Ohio Revised Code Section 742.56 and Ohio Administrative Code 742-5-08, to aid in the proper recognition of employer "pick-up" (or pre-tax) contributions and to avoid imposition of penalty and interest as outlined in Ohio Administrative Rule 742-7-14 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 upon passage of this ordinance, the City of Columbus has determined to continue to offer to pick-up, on a Salary Reduction basis, all or part of the voluntary contributions through a payroll deduction for the purchase of service credit by employees who are members of the Ohio Police & Fire Pension Fund ("OP&F") and who are participating employees of the Division of Police.

SECTION 2. That said picked up contributions paid through a payroll reduction, even though designated as employee contributions for state law purposes, are being paid by the City of Columbus in lieu of said contributions by the employee.

SECTION 3. That said employees shall not be entitled to any option of choosing to receive the contributed amounts directly instead of having them paid by the City of Columbus to the OP&F.

SECTION 4. That said picked up contributions will not be included in the gross income of the employees for federal and state tax reporting purposes, that is, for federal or state income tax withholding taxes, until distributed from the OP&F.

SECTION 5. That said picked up contributions will be included in the gross income of the employees, for employment tax purposes where applicable, as the contributions are made to the OP&F.

SECTION 6. That said employees must execute an Irrevocable Payroll Deduction Authorization form in order to have this pick-up treatment apply and that the Division of Police must certify the authorization under Ohio Administrative Code 742-5-08.8

SECTION 7. 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.