

ORDINANCE NO. 30-00

CITY OF CENTERVILLE, OHIO

SPONSORED BY COUNCILMEMBER Paul M. Gresham ON THE  
18<sup>th</sup> DAY OF December, 2000.

AN ORDINANCE REPEALING ORDINANCES NUMBER 29-94, 17-85, 2-85 AND 45-84 AND AUTHORIZING THE CITY OF CENTERVILLE TO PICK UP THE STATUTORILY REQUIRED CONTRIBUTION TO THE OHIO POLICE AND FIRE PENSION FUND FOR THE EMPLOYEES OF THE CITY OF CENTERVILLE PURSUANT TO I.R.C. SECTION 414 (H)(2).

WHEREAS, pursuant to Federal and Ohio laws, the employees of the City of Centerville could defer the federal and state income taxes on a portion of their wages or salaries if the City of Centerville would "pick-up" (assume and pay) the statutorily required contribution by such covered employees to the Ohio Police And Fire Pension Fund; and

WHEREAS, the City of Centerville will not incur any additional costs in the deferment of federal and state income taxes.

WHEREAS, the City of Centerville currently pays employees covered by OPFPF under the fringe benefit method and desires to pay those employees via the salary reduction method.

THE MUNICIPALITY OF CENTERVILLE HEREBY ORDAINS:

SECTION 1: Effective January 1, 2001, the full amount of the statutory required contributions to the Ohio Police And Fire Pension Fund shall be withheld from the gross pay of each person within any of the classes established in Section 2 herein and shall be "picked-up" (assumed and paid to the Ohio Police And Fire Pension Fund) by the City of Centerville. This "pick-up" by the City of Centerville is, and shall be designated as, employee contributions and shall be in lieu of contributions to the Ohio Police And Fire Pension Fund by each person within any of classes 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 the Ohio Police And Fire Pension Fund directly instead of having it "picked-up" by the City of Centerville or being excluded from the "pick-up".

The City of Centerville shall, in reporting and making remittance to the Ohio Police And Fire Pension Fund report that the public employee's contribution for each person subject to this "pick-up" has been made as provided by the statute.

**SECTION 2:** The "pick-up" by the City of Centerville provided by this ordinance shall apply to all persons that are employees of the City of Centerville who are or become contributing members of Ohio Police And Fire Pension Fund.

**SECTION 3:** The City of Centerville's method of payment of salary to employees who are participants in the Ohio Police And Fire Pension Fund is hereby modified as follows, in order to provide for a salary reduction method of "pick-up" of employee contributions to the Ohio Police And Fire Pension Fund.

**SECTION 4:** The total salary for each employee shall be the salary otherwise payable under the City of Centerville policies. Such total salary of each employee shall be payable by the City of Centerville in two parts:(a) deferred salary and (b) cash salary. An employee's deferred salary shall be equal to that percentage of that employee's total salary which is required from time to time by the Ohio Police And Fire Pension Fund to be paid as an employee contribution by that employee and shall be paid by the City of Centerville to the Ohio Police And Fire Pension Fund on behalf of that employee as a "pick-up" and in lieu of the Ohio Police And Fire Pension Fund employee contribution otherwise payable by that employee.

An employee's cash salary shall be equal to the employee's total salary less the amount of the "pick-up" for that employee, and shall be payable, subject to applicable payroll deductions, to that employee. The City of Centerville shall compute and remit its employer contributions to the Ohio Police And Fire Pension Fund based upon an employee's total salary. The total combined expenditures of the City of Centerville for such employees' total salaries payable under applicable City of Centerville's policies and the "pick-up" provisions of this Ordinance shall not be greater than the amounts it would have paid for those items had this provision not been in effect.

**SECTION 5:** The Finance Director is hereby authorized and directed to implement the provisions of this Ordinance to institute the "pick-up" of the statutory required contributions to the Ohio Police And Fire Pension Fund for those persons reflected in Section 2 herein so as to enable them to obtain the result of federal and state tax deferments and other benefits.

**SECTION 6:** This ordinance shall become effective from and after the earliest date allowed by law.

PASSED this 18<sup>th</sup> day of December, 2000.

Sally D. Beals  
Mayor

ATTEST:

Marilyn J. Saughel  
Clerk of the Council of the City of Centerville, Ohio

### CERTIFICATE

The undersigned, Clerk of Council of the City of Centerville, Ohio, hereby certifies the foregoing to be a true and correct copy of Ordinance No. 30-00, passed by the Council of the City of Centerville, Ohio on the 18<sup>th</sup> day of December, 2000.

Marilyn J. Saughel  
Clerk of Council

Approved as to form, consistency with existing ordinances, the charter and constitutional provision.

Department of Law  
Robert N. Farquhar  
Municipal Attorney