

## RESOLUTION NO. CR-14-11

A RESOLUTION AFFIRMING THAT THE CITY OF GROVE CITY WILL PICK-UP, USING THE SALARY REDUCTION METHOD, STATUTORILY REQUIRED CONTRIBUTION TO THE OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM FOR THE EMPLOYEES OF THE CITY OF GROVE CITY PURSUANT TO INTERNAL REVENUE CODE SECTION 414(h)(2)

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WHEREAS, Section 161.02 (e) of the Codified Ordinances of the City of Grove City establishes a pension pick-up program using the Salary Reduction Method; and

WHEREAS, recommended language regarding pension pick-up programs has changed considerably throughout the years and this resolution will cover all affected employees under one resolution; and

WHEREAS, the City of Grove City will not incur any additional costs in the picking up of such contributions; and

NOW, THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GROVE CITY, COUNTY OF FRANKLIN, STATE OF OHIO, THAT:

SECTION 1. The full amount of the statutorily required employee contributions to Ohio Public Employees Retirement System 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", using the Salary Reduction Method, (assumed and paid to OPERS) by the City of Grove City. This "pick-up" by the City of Grove City shall be designated as public employee contributions and shall be in lieu of contributions to OPERS by each person within any of the 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 OPERS directly instead of having it "picked-up" by the City of Grove City or of being excluded from the "pick up". The City of Grove City 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 Ohio law. 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 Grove City provided by this resolution shall apply to all persons who are employees of the City of Grove City and who are or become contributing members of OPERS.

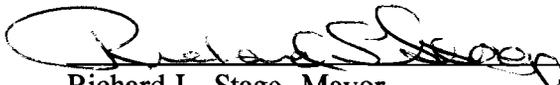
SECTION 3. The City of Grove City's method of payment of salary to employees who are participants in OPERS is hereby modified as follows, in order to provide for a salary reduction "pick-up" of employee contributions to OPERS.

SECTION 4. The total salary for each employee shall be the salary otherwise payable under the City of Grove City policies. Such total salary of each employee shall be payable by the City of Grove City 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 OPERS to be paid as an employee contribution by that employee, and shall be paid by the City of Grove City to OPERS on behalf of that employee as a "pick-up" and in lieu of the OPERS employee contribution otherwise payable by that employee, and shall be payable, subject to applicable payroll deductions, to that employee. The City of Grove City shall compute and remit its employer contributions to OPERS based upon an employee's total salary. The total combined expenditures of the City of Grove City for such employees' total salaries payable under applicable City of Grove City policies and the pick-up provisions of this resolution shall not be greater than the amounts it would have paid for those items had this provision not been in effect.

SECTION 5. The Director of Finance are hereby authorized to implement the provisions of this resolution to institute the "pick-up" of the statutorily required contributions to OPERS for those persons reflected in Section 2 herein so as to enable them to obtain the result in federal and state tax deferments.

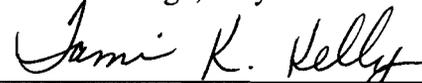
SECTION 6. This resolution shall take effect at the earliest opportunity allowed by law.

  
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Ted A. Berry, President of Council

  
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Richard L. Stage, Mayor

Passed: 04-04-11  
Effective: 04-04-11

Attest:

  
\_\_\_\_\_  
Tami K. Kelly, MMC, Clerk of Council

I Certify that this resolution  
is correct as to form.

  
\_\_\_\_\_  
Stephen J. Smith, Director of Law