

COUNCIL CHAMBER

City of Berea, Ohio

Ordinance No. 2019-62

By Nick Haschka Sponsored By Mayor Cyril M. Kleem

AN ORDINANCE

AUTHORIZING FOR THE CITY OF BEREA TO PICK UP THE STATUTORILY REQUIRED CONTRIBUTION TO THE OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM FOR THE EMPLOYEES OF THE CITY PURSUANT TO INTERNAL REVENUE CODE SECTION 414(H)(2), AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to federal and Ohio laws, the employees of the City of Berea could defer the federal and state income taxes on a portion of their wages or salaries if the City of Berea would "pick up" (assume and pay) the statutorily required contribution by such elected officials and covered employees to Ohio Public Employees Retirement System (OPERS); and

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

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Berea, State of Ohio:

SECTION 1. That effective June 17, 2019, the full amount of the statutorily required contributions to OPERS 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 OPERS) by the City of Berea. This "pick up" by the City of Berea is, and 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 Berea or of being excluded from the "pick up". The City of Berea 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 the statute.

SECTION 2. That the "pick up" by the City of Berea provided by this ordinance shall apply to all persons that:

Are employees of the City of Berea who are or become contributing members of OPERS.

SECTION 3. That the 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. That the total salary for each employee shall be the salary otherwise payable under the City policies. Such total salary of each employee shall be payable by the 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 to OPERS on behalf of that employee as a pick-up and in lieu of the OPERS employee contribution otherwise payable by that employee. An employee's cash salary shall be equal to that 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 shall compute and remit its employer contributions to OPERS based upon an employee's total salary. The total combined expenditures of the City for such employees' total salaries payable under applicable City 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. That the Treasurer and/or the Clerk are hereby authorized and directed to implement the provisions of this Ordinance 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 and other benefits.

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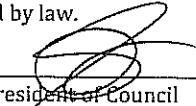
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SECTION 6. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal actions were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

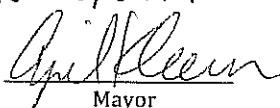
SECTION 7. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, property, health, safety and welfare, or providing for the usual daily operation of a municipal department, and for the further reason that it is immediately necessary to begin the "pick up" of the statutorily required contribution for the benefit of City employees who are contributing members of OPERS. Therefore, provided this Ordinance receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise, from and after the earliest period allowed by law.

PASSED: June 17, 2019


President of Council

ATTEST: Allyson Ear
Clerk of Council

APPROVED: June 18, 2019


Mayor Kleem

Approved as to Form:


Director of Law