

## **AMENDED ORDINANCE NO. 148-91**

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TO AUTHORIZE THE DIRECTOR OF FINANCE TO PICK UP THE STATUTORILY REQUIRED CONTRIBUTION TO THE POLICE AND FIREMEN'S DISABILITY AND PENSION FUND OF OHIO AND TO THE PUBLIC EMPLOYEES RETIREMENT SYSTEM OF OHIO PURSUANT TO INTERNAL REVENUE CODE SECTION 414 (H)(2) FOR ELECTED/APPOINTED OFFICIALS AND ALL EMPLOYEES OF THE CITY OF GAHANNA; AND TO DECLARE AN EMERGENCY.

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WHEREAS, pursuant to federal and Ohio laws, the elected/appointed officials and all employees of the City of Gahanna could defer the federal and state income taxes on a portion of their wages or salaries if the City of Gahanna would "pick up" (assume and pay) the statutorily required contribution by such elected/appointed officials and all employees to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio; and

WHEREAS, the City of Gahanna will not incur any additional costs in the deferment of federal and state income taxes, and it is important to implement this process in the payroll records as quickly as possible for employee morale and for the preservation of the public peace, health, safety, and welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GAHANNA, STATE OF OHIO:

Section 1. That effective on the effective date of this ordinance, the full amount of the statutorily required contributions to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio 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 Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio by the City of Gahanna. That this "pick up" by the City of Gahanna is, and shall be designated as, public employee contributions, and shall be in lieu of contributions to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio by each person within any of the classes established in Section 2 herein. That no person subject to this "pick up" shall have the option of choosing to receive the statutorily required contribution to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio directly instead of having it "picked up" by the City of Gahanna or of being excluded from the "pick up."

That the City of Gahanna, shall, in reporting and making remittance to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement

System of Ohio, 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 Gahanna provided by this ordinance shall apply to all persons that are elected/appointed officials and all employees of the City of Gahanna who are or become controlling members of the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio.

Section 3. That the City of Gahanna's method of payment of salary to elected/appointed officials and all employees who are participants in the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio is hereby modified as contained in Section 4 herein in order to provide for a salary reduction pickup of elected/appointed officials and employee contributions to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio.

Section 4. That the total salary for each elected/appointed official or employee shall be the salary otherwise payable under the City of Gahanna ordinances. Such total salary of each elected/appointed official or employee shall be payable by the City of Gahanna in two parts: a) Deferred Salary, and b) Cash Salary. An elected/appointed official's or an employee's Deferred Salary shall be equal to that percentage of that elected/appointed official's or that employee's total salary which is required from time to time by the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio to be paid as an elected/appointed official or employee contribution by that elected/appointed official or employee and shall be paid by the City of Gahanna to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio on behalf of that elected/appointed official or employee as a pick up and in lieu of the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio elected/appointed official or employee contribution otherwise payable by that official or employee. An elected/appointed official's or employee's cash salary shall be equal to that official's or employee's total salary less the amount of the pick up for that official or employee, and shall be payable, subject to applicable payroll deductions to that official or employee. The City of Gahanna shall compute and remit its employer contributions to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employee's Retirement System of Ohio based upon an elected/appointed official's or an employee's total salary. The total combined expenditures of the City of Gahanna for such elected/appointed officials' and employees' total salaries payable under applicable City of Gahanna ordinances 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 Director of Finance is hereby authorized to implement the provisions of this ordinance to institute the "pick up" of the statutorily required contributions to the Police and Firemen's Disability and Pension Fund of Ohio and to the Public Employees Retirement System of Ohio for all elected/appointed officials and all employees of the

City of Gahanna so as to enable them to obtain the result in federal and state tax deferments and other benefits.

Section 6. That, for the reasons set forth in the preamble hereinabove, this ordinance is declared emergency legislation and shall be in full force and effect immediately upon passage by this Council and approval by the Mayor.