

RAYMOND C. SOMICH
President of Council

NANCY E. FELLOWS
Vice President of Council

VICTORIA ANN SAVAGE, CMC
Clerk of Council

City of Willoughby Hills

Council
CHRISTOPHER L. BIRO
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FRANK A. GERMANO
CHRISTOPHER HALLUM
JOHN PLECNIK

ORDINANCE NO. 2014-38

AN ORDINANCE DECLARING THAT THE CITY OF WILLOUGHBY HILLS HAS DETERMINED TO CONTINUE TO PICK-UP MANDATORY CONTRIBUTIONS BY THE FULL-TIME EMPLOYEES OF THE FIRE DEPARTMENT IN THE CLASSIFICATION OF FIRE FIGHTER, LIEUTENANT AND CAPTAIN WHO ARE MEMBERS OF THE OHIO POLICE & FIRE PENSION FUND; REPEALING CONFLICTING LEGISLATION AND DECLARING AN EMERGENCY.

WHEREAS, the Council of the City of Willoughby Hills, Lake County, Ohio met at a duly called and authorized meeting of the Council on the date set forth below, such meeting being duly called pursuant to a notice stating the time, place and purpose of the meeting received by all Council members, and the following resolutions were made, seconded, and adopted by those present at the meeting; and

WHEREAS, the eligible employees of the Fire Department participate in the Ohio Police & Fire Pension Fund; and

WHEREAS, Ohio Police & Fire Pension Fund adopted new procedures for reporting picked-up contributions in order to properly prepare 1099-R forms for its members; and

WHEREAS, to provide for the City to be in compliance with the terms of the *“Agreement between the City of Willoughby Hills and the Willoughby Hills Fire Fighters IAFF Local #3149, 2011-2013”*, the Council of the City of Willoughby Hills adopted Ordinance No. 2013-32; said Ordinance established that effective as of July 7, 2013, the City would pick-up all of the 10.75% mandatory contributions by the full-time employees of the Fire Department, in the classification of Fire Fighter, Lieutenant and Captain, who are members of the Ohio Police and Fire Pension Fund; 9.75% through payroll reduction and 1% paying the contributions on behalf of the employee; and

WHEREAS, pursuant to Finance Director Brichacek’s Interoffice Memo, dated May 19, 2014, consisting of six (6) pages attached hereto as the **Exhibit “A”**, the Finance Director stated that there has been no mention of not continuing the pension pickup plan in the next labor agreement with the Fire Fighters Union that is currently under negotiation and further stated that it appears that the next agreement with the Fire Fighter Union also will require that the Pension Pickup Plan be maintained; and

WHEREAS, the City had received notification that the Police and Fire Pension Fund would be increasing the employee’s pension contribution rates; member contributions rates will increase in July 2014 and again in July 2015; and

WHEREAS, the increase from 10.75 percent to 11.50 percent of salary will occur on salary earned in pay periods beginning on or after July 2, 2014; and

WHEREAS, due to the coming change in employee contribution rates, the OP&F Pension Fund requested the City reaffirm, amend and/or restated its existing Pickup Plan using the new contribution rates; without this affirmation, the City’s Pickup Plan would become taxable beginning with the first pay period in July; and

WHEREAS, based upon the notification of the OP&F Pension Fund and the recommendation of the Finance Director, Administration and the Council of the City of Willoughby Hills wish to reaffirm, amend and/or restate its existing Pick-Up Plan for all of the mandatory contributions required to be paid under Section 742.31 of the Ohio Revised Code for the full-time employees of the Fire Department in the classification of Fire Fighter, Lieutenant and Captain who are members of the Ohio Police & Fire Pension Fund.

NOW, THEREFORE BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WILLOUGHBY HILLS, COUNTY OF LAKE, STATE OF OHIO THAT:

SECTION 1. Effective July 6, 2014, the City of Willoughby Hills has determined to pick-up all of the 11.50% mandatory contributions by the full-time employees of the Fire Department, in the classification of Fire Fighter, Lieutenant and Captain, who are members of the Ohio Police & Fire Pension Fund; 10.50% through payroll reduction and 1% paying the contributions on behalf of the employee.

SECTION 2. Effective July 5, 2015, the City of Willoughby Hills has determined to pick-up all of the 12.25% mandatory contributions by the full-time employees of the Fire Department, in the classification of Fire Fighter, Lieutenant and Captain, who are members of the Ohio Police & Fire Pension Fund; 11.25% through payroll reduction and 1% paying the contributions on behalf of the employee.

SECTION 3. Said pick-up contributions paid through a payroll reduction and by paying the contributions on behalf of the employee, even though designated as employee contributions for state law purposes, are being paid by the City of Willoughby Hills in lieu of said contributions by the employee.

SECTION 4. Said picked up contributions will not be included in the gross income of the employees for tax reporting purposes, that is, for federal or state income tax withholding taxes, until distributed from the Ohio Police and Fire Pension Fund.


SECTION 5. Said picked up contributions will be included in the gross income of the employees, for employment tax purposes, as the contributions are made to the Ohio Police and Fire Pension Fund.

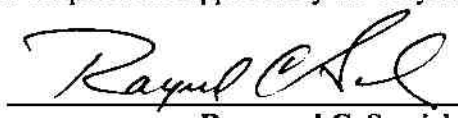
SECTION 6. Said employees shall not be entitled to any option of choosing to receive the contributed amounts directly instead of having them paid by the City of Willoughby Hills to the Ohio Police and Fire Pension Fund.


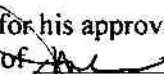
SECTION 7. All ordinances or parts thereof in conflict with the provisions of this Ordinance are hereby repealed as of the effective date of this Ordinance.

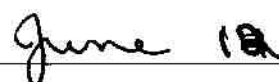
SECTION 8. The actions of this Council concerning and relating to the passage of this legislation were conducted in lawful meetings of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in compliance with all legal requirements including Chapter 107 of the Codified Ordinances of the City of Willoughby Hills.

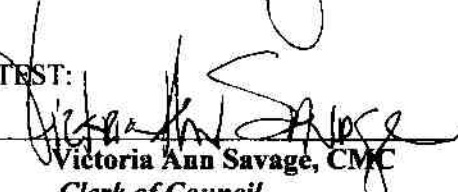
SECTION 9. This Ordinance constitutes an emergency measure in that the same provides for the immediate preservation of the public peace, health, safety and welfare of the inhabitants of the City of Willoughby Hills insofar as it provides for the usual daily operation of the Fire Department, and further provides for the City to continue the Pick-Up Plan for the full-time employees of the Fire Department in the classification of Fire Fighter, Lieutenant and Captain; wherefore this Ordinance shall be in full force and effect from and after its adoption and approval by the Mayor.

PASSED:  , 2014


Raymond C. Somich
President of Council

Submitted to the Mayor for his approval
on this  day of  , 2014

Approved by the Mayor
 , 2014

ATTEST:

Victoria Ann Savage, CMC
Clerk of Council


Robert M. Weger
Mayor