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City of Willoughby Hills

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ORDINANCE NO. 2011-24

AN ORDINANCE DECLARING THAT THE CITY OF WILLOUGHBY HILLS WILL PICK UP THE STATUTORILY REQUIRED CONTRIBUTION TO THE OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM FOR THE EMPLOYEES OF THE CITY OF WILLOUGHBY HILLS PURSUANT TO INTERNAL REVENUE CODE (IRC) SECTION 414(h)(2); REPEALING CONFLICTING LEGISLATION AND DECLARING AN EMERGENCY.

WHEREAS, pursuant to federal and Ohio laws, the City of Willoughby Hills may offset future salary increases and “pick up” (assume and pay) the contributions statutorily required by such elected officials and covered employees to the Ohio Public Employees Retirement System (OPERS) and such individuals will not be required to pay federal and state income taxes on such contributions.

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

SECTION 1. Effective April 1, 2011, one percent (1%) of the statutorily required employee contributions to OPERS shall be picked up and paid as a fringe benefit by the City of Willoughby Hills for each person within any of the classes established in Section 2 herein. The pick up shall be an offset against future salary increases. This “pick up” by the City of Willoughby Hills 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 Willoughby Hills or of being excluded from the “pick up”. The City of Willoughby Hills 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. 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 Willoughby Hills provided by this ordinance shall apply to all persons that are **full-time employees serving in the positions of: truck drivers, labors, mechanics, and maintenance and are current members of the City, County, and Waste Paper Drivers Union Local 244, International Brotherhood of Teamsters for the City of Willoughby Hills** who are or become contributing members of OPERS.

SECTION 3. Under the fringe-benefit method of employee pick up, salary is not modified; however, the employer will pay the employees’ statutorily required contribution to OPERS the remaining nine percent (9%) balance of contributions will be administered under the salary reduction method.

SECTION 4. 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 person reflected in Section 2 herein so as to enable them to have the employee contributions paid by their employer.

SECTION 5. 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 6. 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 7. 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 Service Department, and further provides for the City to be in compliance with the terms of the *"Agreement between the City of Willoughby Hills and the City, County and Waste Paper Drivers Union Local, 244, IB", for 2011, 2012, 2013*; wherefore this Ordinance shall be in full force and effect from and after its adoption and approval by the Mayor.

PASSED: April 14, 2011

Submitted to the Mayor for his approval
on this 14th day of April, 2011

ATTEST:

Victoria Ann Savage
Victoria Ann Savage, CMC
Clerk of Council

Kevin D. Malecek
Kevin D. Malecek
President of Council

Approved by the Mayor
April 14, 2011

Robert M. Weger
Robert M. Weger
Mayor