

RESOLUTION NO. 04-01 CMS

**A RESOLUTION AMENDING AND RESTATING THE PICKUP OF
OHIO POLICE AND FIRE PENSION FUND CONTRIBUTIONS
ON BEHALF OF ELIGIBLE POLICE DEPARTMENT EMPLOYEES
OF THE CITY OF OBERLIN**

WHEREAS, the eligible employees of the Oberlin Police Department participate in the Ohio Police and Fire Pension Fund ("OP&F"); and

WHEREAS, Oberlin City Council has previously adopted a pick-up of all of the ten percent (10%) mandatory contributions required under Section 742.31 of the Ohio Revised Code for participating employees of the Police Department who are members of the OP&F; and

WHEREAS, OP&F has adopted new procedures for reporting picked up contributions in order to properly prepare 1099-R forms for its members; and

WHEREAS, Oberlin City Council wishes to reaffirm, amend and restate its prior resolution in order to continue the pick-up under the new procedures;

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Oberlin, County of Lorain, State of Ohio, five-sevenths (5/7ths) of all members elected thereto concurring:

SECTION 1. That effective as of the adoption of this Resolution, the City of Oberlin has determined to continue to pick-up all of the ten percent (10%) mandatory contributions by the Police Department employees who are members of the Ohio Police and Fire Pension Fund through a payroll reduction.

SECTION 2. That said picked up contributions paid through a payroll reduction, even though designated as employee contributions for state law purposes, are being paid by the City of Oberlin in lieu of said contribution by the employee.

SECTION 3. That 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 4. That 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 5. That 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 Oberlin to the Ohio Police and Fire Pension Fund.

SECTION 6. It is hereby found and determined that all formal actions of this Council concerning or relating to the adoption of this resolution 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 action, were in meetings open to the public in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

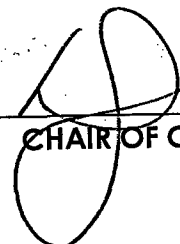
SECTION 7. That this resolution shall take effect at the earliest date allowed by law

PASSED: 1st Reading – January 20, 2004 (E)
2nd Reading –
3rd Reading –

ATTEST:



CLERK OF COUNCIL



CHAIR OF COUNCIL

POSTED: January 21, 2004

EFFECTIVE DATE: January 21, 2004

Ohio & Police Fire Pension Fund

140 East Town Street / Columbus, Ohio 43215-5164 / Tel. (614) 228-2975 / www.op-f.org

December 2003

Notice to Ohio Police & Fire Pension Fund (OP&F) Employers Regarding "Pick-up" or Pre-Tax Contributions

As a service to OP&F's membership and participating employers, OP&F's Board of Trustees recently adopted Ohio Administrative Rule 742-7-14, *Recognition of pick-up of contributions*, to aid in the proper recognition of employer "pick-up" (or pre-tax) contributions. As you may know, OP&F records contributions based on information you submit to us, which is later used for determining taxability of benefits paid by OP&F. As a result of the adoption of this rule, employers will need to file a resolution in the form approved by OP&F—a copy of which is enclosed with this notice. In addition to the adoption of this rule and as an additional benefit to OP&F's employers, OP&F is filing a Private Letter Ruling with the Internal Revenue Service (IRS), which will ensure proper IRS treatment of the tax-deferred contributions.

To employers currently participating in a pick-up plan...

Enclosed is a copy of the approved *Model Pick-up Resolution*. If you are currently reporting contributions or purchases of service credit with amounts designated as picked-up contributions, **you must ensure that your governing body properly completes and adopts the enclosed *Model Resolution* and returns it to OP&F no later than March 31, 2004.** Returning this form certifies that the pick-up plan is still in existence and has not been otherwise amended or modified. If the *Model Resolution* is not received by March 31, 2004, OP&F will be required to no longer recognize the "picked-up" contributions until receipt of the properly completed *Model Resolution* and will be forced to notify your affected employees of our inability to recognize the pick-up until we have received the required documentation from you.

To employers interested in beginning a pick-up plan...

Please properly complete and return the enclosed *Model Resolution* to OP&F within 90 days after the earliest date you desire to begin reporting picked-up contributions.

As always, OP&F is pleased to take all steps possible to assist our employers and members. We are confident that this *Model Resolution* will result in more accurate reporting of contributions as well as provide the membership and employers with the certainty of proper tax treatment in the future.

If you have questions regarding pick-up (pre-tax) contributions or this mailing, please contact OP&F Employer Liaison Rhonda Sheskey by calling 1-614-628-8235.

Sincerely,

The Ohio Police & Fire Pension Fund