

RESOLUTION NO. 1987 - 294

ESTABLISHING A PLAN FOR GCRTA TO PICK UP
EMPLOYEE CONTRIBUTIONS TO PERS

WHEREAS, the Public Employees Retirement System of Ohio allows public employers to make contributions to the System on behalf of its employees; and

WHEREAS, such contributions would not be considered taxable income to the employee for whom the contribution was made;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That a PERS Pick Up Plan be and it is hereby established for all employees of the GCRTA who are members of the Public Employment Retirement System (PERS); and (a) who are not covered by collective Bargaining agreements; and (b) those who are covered by collective bargaining agreements if said agreements require participation in the plan. On this effective date of this plan the GCRTA shall reduce the current compensation payable to all of its employees who are members of PERS and are eligible either as part of group (a) or (b) above. The amount of contribution for each employee under this plan shall be equal to the mandatory employee contribution to PERS as determined pursuant to Section 145.47 of the Ohio Revised Code, currently 8.5% of earnable compensation. The GCRTA shall pay this amount to PERS for each such employee but without withholding the same from the employee's compensation.

Section 2. That beginning on the effective date of this Plan, The Greater Cleveland Regional Transit Authority ("RTA") shall reduce the then current compensation payable to all of its employees who are members of the Public Employees Retirement System ("PERS"); and (a) who are not covered by a collective bargaining agreement; and (b) in the event RTA enters into a collective bargaining agreement which requires RTA to pick up employee contributions to PERS for employees covered by such agreement, by an amount equal to the mandatory employee contribution to PERS as determined pursuant to Section 145.47 of the Ohio Revised Code, currently 8.5% of earnable compensation, and in addition shall pay (pick up) the employee contribution to PERS for such employee, without withholding the same from the compensation of such employees.

Section 3. That all employee contributions to PERS made by RTA pursuant to this Plan be considered part of the compensation of each employee affected by the Plan for purposes of determining the required employee contribution to PERS.

Section 4. That all amounts contributed to PERS by RTA pursuant to this Plan shall be designated as employee contributions, but, although so designated, shall be paid by RTA in lieu of contributions by the employees affected by this Plan.

Section 5. That employees affected by this Plan shall not be given the option of choosing to receive the contributed amount directly instead of having them paid by RTA to PERS.

Section 6. That the General Manager of RTA shall request a private letter ruling from the Internal Revenue Service that this Plan meets the requirements of Section 414(h)(2) of the Internal Revenue Code and the criteria set forth in Rev. Ruls. 81-35 and 81-36.

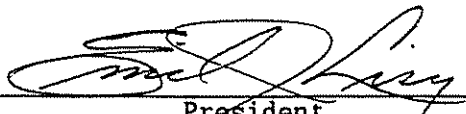
Section 7. That this Plan shall become effective on the first day of the pay period after RTA obtains the aforesaid private letter ruling from the Internal Revenue Service and delivers said ruling, together with a copy of this Plan, to PERS.

Section 8. Such employees shall become covered by this Plan on the first day of the first pay period occurring at least thirty (30) days after RTA notifies PERS of such change in this Plan.

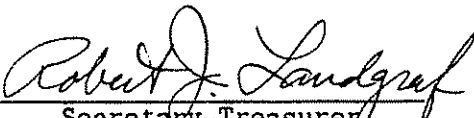
Section 9. That the General Manager be, and hereby is, authorized to take such further action and execute and deliver such further documents as, acting with the advice of counsel, he shall deem necessary and appropriate to carry out the intent of this resolution.

Section 10. That this resolution shall become effective immediately upon its adoption.

Adopted: November 17, 1987



President

Attest: 

Secretary-Treasurer