

REOLUTION NO. 2022-19

REMOVING SECTION 628.03, AMENDING SECTIONS 628.035 AND 644.10
AND MOVING SECTIONS 628.035 AND 644.10 FROM THE CODIFIED RULES
AND REGULATIONS OF THE GREATER CLEVELAND REGIONAL TRANSIT
AUTHORITY TO THE PERSONNEL POLICIES

WHEREAS, pursuant to Resolution No. 1989-176, the Board of Trustees of the Authority codified the resolutions establishing its policies and procedures; and

WHEREAS, the Authority has conducted a review and determined that Section 628.03 Pick up of P.E.R.S. Contributions should be removed and Sections 628.035 Pick up of Additional Service Credits and 644.10 Ohio Public Employees Retirement System should be amended and moved to the Personnel Policies.

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

Section 1. That Section 628.03 is hereby removed from the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority.

Section 2. That Section 628.035 is hereby amended to read as specified in Attachment A hereto.

Section 3. That Section 644.10 is hereby amended to read as specified in Attachment B hereto.

Section 4. That Sections 628.035 and 644.10 shall be removed from the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority and shall replace Section 400.10 of the Personnel Policies, to read as specified in Attachment C hereto.

Section 4. That the Board of Trustees hereby waives the fourteen-day period provided for in Article XI, Section 2 of the Bylaws.

Section 5. That this resolution shall become effective immediately upon its adoption.

Attachments: A. Clean copy of Section 628.035
B. Clean copy of Section 644.10
C. Clean copy of Personnel Policy Section 400.10

Adopted: February 15, 2022



President

Attest: 

Secretary-Treasurer

ATTACHMENT A TO RESOLUTION

628.035 EMPLOYEE PURCHASE OF ADDITIONAL SERVICE CREDITS.

All employees who are contributing members of the Ohio Public Employees Retirement System ("OPERS") may purchase additional service credits, tax-deferred, in accordance with OPERS requirements. Such purchases may be made by payroll deduction.

(Res. 2001-33. Passed 2-27-01. Res. 2022-XX. Passed 2-15-2022)

ATTACHMENT B TO RESOLUTION

644.10 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (“OPERS”).

(a) All employees of the Authority are required by State law to participate in the Ohio Public Employees Retirement System (“OPERS”). Employees hired after June 30, 1986, will be subject to the mandatory percentage of Medicare tax. All OPERS contributions and Medicare tax withholding will be automatically deducted from the employees' wages.

(b) OPERS Pick-up Plan.

- (1) Internal Revenue Service regulations make it possible for an employer to pay (pick-up) employee contributions for members of OPERS. This enables employers to designate employee contributions picked up by the employer as employer contributions.
- (2) The regulations state that employer contributions to a qualified pension plan are nontaxable to the employee until such time as the contributions are received as a refund or as retirement benefits.

(Res. 2001-119. Passed 8-21-01; Res. 2013-95. Passed 9-17-13.)

ATTACHMENT C TO RESOLUTION

400.10 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (“OPERS”)

All employees of the Authority are required by State law to participate in the Ohio Public Employees Retirement System (“OPERS”). Employees hired after June 30, 1986, will be subject to the mandatory percentage of Medicare Tax. All OPERS contributions and Medicare tax withholding will be automatically deducted from the employees' wages.

OPERS PICK-UP PLAN:

Internal Revenue Service regulations make it possible for an employer to pay (pick-up) employee contributions for members of OPERS. This enables employers to designate employee contributions picked up by the employer as employer contributions.

The regulations state that employer contributions to a qualified pension plan are non-taxable to the employee until such time as the contributions are received as a refund or as retirement benefits.

EMPLOYEE PURCHASE OF ADDITIONAL SERVICE CREDITS.

All employees who are contributing members of the Ohio Public Employees Retirement System (“OPERS”) may purchase additional service credits, tax-deferred, in accordance with OPERS requirements. Such purchases may be made by payroll deduction.



Greater Cleveland Regional Transit Authority
STAFF SUMMARY AND COMMENTS

TITLE/DESCRIPTION: REMOVING SECTION 628.03, AMENDING SECTIONS 628.035 AND 644.10 AND MOVING SECTIONS 628.035 AND 644.10 FROM THE CODIFIED RULES AND REGULATIONS OF THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO THE PERSONNEL POLICIES	Resolution No.: 2022-19
	Date: February 10, 2022
	Initiator: Human Resources
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 PURPOSE/SCOPE: This resolution will remove Section 628.03 Pick up of P.E.R.S. Contributions, amend Sections 628.035 Pick up of Additional Service Credits and 644.10 Ohio Public Employees Retirement System, and move Sections 628.035 and 644.10 from the Codified Rules and Regulations ("Code") of the Greater Cleveland Regional Transit Authority to replace Personnel Policy Section 400.10.
- 2.0 DESCRIPTION/JUSTIFICATION: The Policies and Procedures of the Board of Trustees were codified in 1989, pursuant to Resolution 1989-176. The Code Book is now undergoing a comprehensive review and update so that the Code will conform to the current structure and operations of the Authority.

Human Resources provisions are located in three places: (1) the Code Book, which provides the broad, overarching guidance for the Authority enacted by the Board of Trustees; (2) the Personnel Policies, which govern day-to-day operations and are approved by the Board of Trustees and (3) the Personnel Procedures, which contain detailed procedures that are not approved by the Board of Trustees. The proposed amendment will move certain provisions from the Code Book to the Personnel Policies.
- 3.0 PROCUREMENT BACKGROUND: Does not apply.
- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: Does not apply.
- 5.0 POLICY IMPACT: Adoption of the resolution will result in a more up-to-date policy.
- 6.0 ECONOMIC IMPACT: Does not apply.
- 7.0 ALTERNATIVES: Not adopting this resolution. Not adopting this resolution would result in a Code Book containing provisions that are obsolete.
- 8.0 RECOMMENDATION: This resolution was discussed at the February 1, 2022 Committee of the Whole meeting and recommended for consideration by the full Board of Trustees. It is recommended that this resolution be adopted.
- 9.0 ATTACHMENTS: A. Red-line of proposed amendments to Section 644.10
 B. Red-line of proposed amendments to Sections 628.03 and 628.035

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.



General Manager, Chief Executive Officer

ATTACHMENT A TO STAFF SUMMARY

644.10 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (“OPERS”).

(a) All employees of the Authority are required by State law to participate in the Ohio Public Employees Retirement System (“OPERS”). Employees hired after June 30, 1986, will be subject to the mandatory percentage of Medicare ~~Tax~~tax. All OPERS contributions and Medicare tax withholding will be automatically deducted from the employees' wages.

(b) OPERS Pick-up Plan.

- (1) Internal Revenue Service Law ~~makes~~regulations make it possible for an employer to pay (pick-up) employee contributions for members of OPERS. This ~~is a technique that~~ enables employers to designate employee contributions picked up by the employer as employer contributions.
- (2) The Federal law ~~states~~regulations state that employer contributions to a qualified pension plan are nontaxable to the employee until such time as the contributions are received as a refund or as retirement benefits.
(Res. 2001-119. Passed 8-21-01; Res. 2013-95. Passed 9-17-13.)

ATTACHMENT B TO STAFF SUMMARY

~~628.03 — PICK UP OF P.E.R.S. CONTRIBUTIONS.~~

~~(a) A P.E.R.S. pick up plan is hereby established for all employees of the Authority who are members of the Public Employment Retirement System (P.E.R.S.) and who are not covered by collective bargaining agreements and those who are covered by collective bargaining agreements, if such agreements require participation in the plan. On the effective date of this section (Resolution 1987-294, passed November 17, 1987) the authority shall reduce the current compensation payable to all employees who are members of P.E.R.S. and are eligible either as part of a group or as provided herein. The amount of contribution for each employee under this plan shall be equal to the mandatory employee contribution to P.E.R.S. as determined pursuant to Ohio R.C. 145.47, currently 8.5 percent of earnable compensation. The authority shall pay this amount to P.E.R.S. for each such employee but without withholding the same from the employee's compensation.~~

~~(b) Beginning on the effective date of this section (Resolution 1987-294, passed November 17, 1987), the Authority shall reduce the then current compensation payable to all of its employees who are members of P.E.R.S.; and who are not covered by collective bargaining agreements and, if the Authority enters into a collective bargaining agreement which requires the Authority to pick up employee contributions to P.E.R.S. for employees covered by such agreement, then by an amount equal to the mandatory employee contribution to P.E.R.S. as determined pursuant to Ohio R.C. 145.47, currently 8.5 percent of earnable compensation, and in addition shall pay (pick up) the employee contribution to P.E.R.S. for such employee, without withholding the same from the compensation of such employees.~~

~~(c) All employee contributions to P.E.R.S. made by the Authority pursuant to this section shall be considered part of the compensation of each employee affected by this section for purposes of determining the required employee contribution to P.E.R.S.~~

~~(d) All amounts contributed to P.E.R.S. by the Authority pursuant to this section shall be designated as employee contributions, but, although so designated, shall be paid by the Authority in lieu of contributions by employees affected by this section.~~

~~(e) Employees affected by this section shall not be given the option of choosing to receive the contributed amount directly instead of having them paid by the Authority to P.E.R.S.~~

~~(f) The General Manager/Secretary-Treasurer shall request a private letter ruling from the Internal Revenue Service that this section 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.~~

~~(g) This section shall become effective on the first day of the pay period after the Authority obtains the private letter ruling from the Internal Revenue Service and delivers such ruling, together with a copy of this section, to P.E.R.S.~~

~~(h) Employees shall become covered by this section on the first day of the first pay period occurring at least thirty days after the Authority notifies P.E.R.S. of the changes effected by this section.~~

~~(i) The General Manager/Secretary Treasurer is hereby authorized to take such further action and execute and deliver such further documents as, acting with the advice of counsel, he or she shall deem necessary and appropriate to carry out the intent of this section.~~

~~(Res. 1987-294. Passed 11-17-87.)~~

~~(j) See Section 650.06 et seq. for additional provisions regarding pensions.~~

628.035 PICK-UP EMPLOYEE PURCHASE OF ADDITIONAL SERVICE CREDITS.

~~(a) All employees who are contributing members of the Ohio Public Employees Retirement System (P.E.R.S. "OPERS") of Ohio may purchase additional service credits, tax-deferred, in accordance with OPERS requirements. Such purchases may be made by payroll deduction.~~

~~(b) The Authority shall withhold the required service credit deduction from the gross pay of each person who elects to do so and shall pick up such deduction to the P.E.R.S.~~

~~(c) A person electing this pick-up deduction shall not have the option of choosing to receive the payroll deduction directly instead of having this deduction picked up by the Authority.~~

~~(d) Members who have elected to participate in this plan cannot increase, decrease or terminate the amount of the pick-up deduction.~~

~~(e) The CEO/General Manager/Secretary Treasurer is hereby authorized and directed to implement the provisions of this section to effect the pick-up of the payroll deduction for the purchase of additional service credit to the P.E.R.S. for the employees within the class established in subsection (a) herein.~~

~~(Res. 2001-33. Passed 2-27-01. Res. 2022-XX. Passed 2-15-2022)~~