

Sub. S. B. No. 345

129th G.A.

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(c) Payments for overtime work;

(d) Incidental benefits, including lodging, food, laundry, parking, or services furnished by the state, use of property or equipment of the state, and reimbursement for job-related expenses authorized by the state including moving and travel expenses and expenses related to professional development;

(e) Payments made to or on behalf of a member that are in excess of the annual compensation that may be taken into account by the retirement system under division (a)(17) of section 401 of the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 401 (a)(17), as amended;

(f) Payments made under division (B), (C), or (E) of section 5923.05 of the Revised Code, Section 4 of Substitute Senate Bill No. 3 of the 119th general assembly, Section 3 of Amended Substitute Senate Bill No. 164 of the 124th general assembly, or Amended Substitute House Bill No. 405 of the 124th general assembly.

(3) The retirement board shall determine by rule whether any compensation, wages, or earnings not enumerated in this division are salary, and its decision shall be final.

(T) "Actuary" means an individual who satisfies all of the following requirements:

(1) Is a member of the American academy of actuaries;

(2) Is an associate or fellow of the society of actuaries;

(3) Has a minimum of five years' experience in providing actuarial services to public retirement plans.

Sec. 5505.03. (A) The funds created by this section are the "employees' savings fund," "employer's accumulation fund," "pension reserve fund," "survivors' benefit fund," "income fund," and "expense fund." When reference is made to any of such funds, such reference is made to each as a separate legal entity; provided that the moneys in the funds may be intermingled for deposit and investment purposes.

(B) The employees' savings fund is the fund in which shall be accumulated the contributions deducted from the salaries of members, except as provided in division (B)(1)(b) of section 5505.54 of the Revised Code. Any refunds of accumulated contributions, as provided in the plan, shall be paid from such fund. Upon a member's retirement, ~~his~~ the accumulated contributions standing to ~~his~~ the member's credit in the fund shall be transferred to the pension reserve fund if ~~his~~ the member's retirement occurs on or after January 1, 1966, or to the employer's accumulation fund if ~~his~~ the member's retirement occurred prior to January 1, 1966. If a pension is payable on account of the death of a member, ~~his~~ the

accumulated contributions standing to ~~his~~ the member's credit in the employees' savings fund shall be transferred to the survivors' benefit fund if ~~his~~ the member's death occurs after January 1, 1966, or to the employer's accumulation fund if ~~his~~ the member's death occurs prior to January 1, 1966.

(C)(1) The employer's accumulation fund is the fund in which shall be accumulated the state's contribution to the state highway patrol retirement system and the amounts contributed under division (B)(1)(b) of section 5505.54 of the Revised Code. Upon a member's retirement after January 1, 1966, the difference between ~~his~~ the member's pension reserve and ~~his~~ the member's accumulated contributions shall be transferred to the pension reserve fund. If a pension is payable on account of a member's death occurring after January 1, 1966, the difference between the pension reserve for that pension and ~~his~~ the member's accumulated contributions shall be transferred to the survivors' benefit fund.

(2) All pensions allowed and payable prior to January 1, 1966, shall be continued according to the provisions of the plan in force the day preceding January 1, 1966, unless otherwise provided for in this chapter and shall be paid from the employer's accumulation fund.

(D) The pension reserve fund is the fund from which shall be paid all pensions on account of members who retire on or after January 1, 1966. If a disability retirant returns to the employ of the state highway patrol, ~~his~~ the disability retirant's pension reserve at that time shall be transferred to the employees' savings fund and the employer's accumulation fund in the same proportion as the pension reserve was originally transferred to the pension reserve fund.

(E) The survivors' benefit fund is the fund from which shall be paid all pensions, payable under section 5505.17 of the Revised Code, on account of members who die on or after January 1, 1966.

(F)(1) The income fund is the fund to which shall be credited all interest, dividends, distributions, and other income derived from deposits and investments of moneys of the retirement system, all gifts and bequests to the system, all transfers from the employees' savings fund because of lack of claimant, and any other moneys the disposition of which is not otherwise provided for in the plan.

(2) If the balance in the income fund exceeds the requirements of the fund, the state highway patrol retirement board may transfer amounts from the income fund to meet special requirements of the various other funds of the retirement system.

(G) The expense fund is the fund from which the expense of the administration of this chapter shall be paid, exclusive of amounts payable as

retirement allowances and as other benefits. The state highway patrol retirement board shall estimate annually the amount to be provided in the expense fund and such amount shall be transferred from the income fund. If such amount is insufficient during any year, the board is authorized to transfer the amount of such insufficiency from the income fund.

Sec. 5505.15. (A)(1) A member of the state highway patrol retirement system shall contribute ~~ten per cent~~ a certain percentage of the member's annual salary to the state highway patrol retirement fund. The percentage shall be not less than ten per cent of the member's annual salary but not more than fourteen per cent. The state highway patrol retirement board shall establish and may adjust the rate as it considers necessary to meet the amortization period requirement of section 5505.121 of the Revised Code. The board shall base its determination of the necessary rate on the annual actuarial valuation required by section 5505.12 of the Revised Code. The amount shall be deducted by the employer from the employee's salary for each payroll period.

(2) The total contributions arising from deductions made prior to January 1, 1966, from the salaries of members in the employ of the state highway patrol and standing to the credit of their individual accounts in the retirement fund shall be transferred and credited to their respective individual accounts in the employees' savings fund.

(B) The state shall annually pay into the employer accumulation fund, in monthly or less frequent installments as the state highway patrol retirement board requires, the employer contribution. The employer contribution shall be an amount equal to twenty-six and one-half per cent of the total salaries paid contributing members. If a member severs connection with the patrol or is dismissed, the employer contribution shall remain in the retirement system.

The rate percentage of the employer contribution shall be certified by the board to the director of budget and management and shall not be lower than nine per cent of the total salaries paid contributing members and shall not exceed three times the rate percentage being deducted from the annual salaries of contributing members. The board shall prepare and submit to the director, on or before the first day of November of each even-numbered year, an estimate of the amounts necessary to pay the state's obligations accruing during the biennium beginning the first day of July of the following year. Such amounts shall be included in the budget and allocated as certified by the board.

Sec. 5505.174. (A) ~~The following persons are eligible to receive an increase under this section:~~