

**Definitions.**

Sec. 145.01. As used in sections 145.01 to 145.57, inclusive, of the Revised Code:

(A) "Public employee" means any person holding an office, not elective, under the state or any county, municipal corporation, park district, conservancy district, sanitary district, health district, township, metropolitan housing authority, state retirement board, public library, county law library, union cemetery, joint hospital, institutional commissary, state university rotary fund, or board, bureau, commission, council, committee,

authority, or administrative body as the same are, or have been, created by action of the general assembly or by the legislative authority of any of the units of local government named in this division, or employed and paid in whole or in part by the state or any of the authorities named in this division in any capacity not covered by section 3307.01 or 3309.01 of the Revised Code.

*Any civilian employees of the national guard and the air national guard, employed in or with a unit of the Ohio national guard or the Ohio air national guard, except those employed by the national guard bureau, shall be considered as employees of the adjutant general of the state of Ohio for the purpose of sections 145.01 to 145.57, inclusive, of the Revised Code, although such employees may be paid by federal funds. "Public employee" means also any person who performs or has performed services under the direction of an employer, as defined in division (D) of this section, notwithstanding his compensation for such services has been or is paid by one other than such employer. Credit for such service shall be included as total service credit, provided, the employee makes the payments required by sections 145.29 and 145.47 of the Revised Code, and his employer makes the payments required by sections 145.48 and 145.51 of the Revised Code.*

In all cases of doubt the public employees retirement board shall determine whether any person is a public employee, and its decision is final.

(B) "Member" means any person included in the membership of the public employees retirement system.

(C) "Head of the department" means the elective or appointive head of the several executive, judicial, and administrative departments, institutions, boards, and commissions of the state and local government as the same are created and defined by the laws of this state or in case of a charter government by such charter.

(D) "Employer" means the state or any county, municipal corporation, park district, conservancy district, sanitary district, health district, township, metropolitan housing authority, state retirement board, public library, county law library, union cemetery, joint hospital, institutional commissary, state university local rotary fund or board, bureau, commission, council, committee, authority, or administrative body as the same are, or have been, created by action of the general assembly or by the legislative authority of any of the units of local government named in this division not covered by section 3307.01 or 3309.01 of the Revised Code.

(E) "Prior service" means all service as a public employee rendered before January 1, 1935, and all service as an employee of any employer who comes within the state teachers retirement system or of the state public school employees retirement system or of any other retirement system established under the laws of this state rendered prior to January 1, 1935, provided that if the employee claiming such service was employed in any capacity covered by such system after such system was established, credit for such service may be allowed by this system only under the conditions of section 145.44 of the Revised Code. "Prior service" also means all service credited for active duty with the armed forces of the United States as provided in section 145.30 of the Revised Code.

*Provided, if an employee, who has been granted prior service credit by the public employees retirement system for service rendered prior to January 1, 1935 as an employee of a board of education, shall establish, before retirement and subsequent to the effective date of this section, one year or more of contributing service in the state teachers retirement system or the state public school employees retirement system then such prior service credit shall become, at the time of retirement of such employee, the liability of that other system.*

*If the board determines that a position of any member in any calendar year was a part-time position, the board shall determine what fractional part of a year's credit shall be allowed by multiplying the elapsed period of employment by a fraction which is to be computed by using the amount earned as a numerator and two thousand dollars as a denominator. Provided, when such member is paid on a per diem basis such denominator shall be two hundred fifty days and the numerator shall be the number of days for which compensation was received in each calendar year, and when such member is paid on an hourly basis such denominator shall be two thousand hours and the numerator shall be the number of hours for which compensation was received in each calendar year. In determining the service credit to be allowed regular, full-time employees who are paid on an hourly or per diem basis, the board shall allow a full day's credit toward retirement to any employee who is called to work and works any portion of a day.*

(F) "Contributor" means any person who has an account in the employees' savings fund created by section 145.23 of the Revised Code.

(G) "Beneficiary" means any person entitled to receive or in receipt of a retirement allowance or other benefits provided by sections 145.01 to 145.57, inclusive, of the Revised Code.

(H) "Total service credit", except as provided in section 145.37 of the Revised Code, means all service of a member of the public employees retirement system since last becoming a member and, in addition thereto, restored service credit as provided by section 145.31 of the Revised Code; all his prior service credit; and all his military service credit computed as provided in sections 145.01 to 145.57, inclusive, of the Revised Code. *In addition, "total service credit" shall include any period, not in excess of three years during which a member was out of service and receiving benefits from the state insurance fund. For the exclusive purpose of satisfying the five years requirement and of determining eligibility for benefits under sections 145.32, 145.33, 145.35 and 145.36, of the Revised Code, "five or more years of total service credit" means sixty or more calendar months of contributing membership in this system.*

(I) "Regular interest" means interest at such rates for the respective funds and accounts as the public employees retirement board may determine from time to time except as follows:

(1) The rate of interest credited on employee contributions at retirement shall be four per cent per annum, compounded annually, to and including December 31, 1955, and, thereafter, shall be three per cent per annum, compounded annually.

(2) In determining the reserve value for purposes of computing the amounts of the member's annuity, the rate of interest used in the annuity values shall be three per cent per annum, compounded annually, except that, for members retiring prior to October 1, 1956, the interest rate shall be four per cent per annum, compounded annually.

Interest on contributions from members within any one calendar year shall begin on the first day of the calendar year next following and shall be computed at the end of each calendar year, except in the case of an employee who retires before the end of the year.

(J) "Accumulated contributions" means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the employees' savings fund together with regular interest thereon.

(K) Effective June 30, 1955, "final average salary" means the highest average annual compensation of a member during any five *calendar* years of contributions within the ten years immediately preceding termination of contributions and shall be determined by dividing the total earnings as a public employee during such period by the service credited during such period. However, if a member was not a public employee during any five *calendar* years within the ten year period preceding termination of contributions, then the final average salary shall be determined by dividing the total compensation as a public employee during that period by the service credited to him during that period.

(L) "Annuity" means payments for life derived from contributions made by a contributor and paid from the annuity and pension reserve fund as provided in sections 145.01 to 145.57, inclusive, of the Revised Code. All annuities shall be paid in twelve equal monthly installments.

(M) "Annuity reserve" means the present value, computed upon the basis of such mortality and other tables as are adopted by the board, of all payments to be made on account of any annuity, or benefit in lieu of any annuity, granted to a member as provided in sections 145.01 to 145.57, inclusive, of the Revised Code.

(N) "Disability retirement" means retirement as defined in sections 145.35 and 145.36 of the Revised Code.

(O) "Superannuation retirement" means retirement as defined in section 145.33 of the Revised Code.

(P) "Superannuation retirement age" means sixty years of age unless otherwise specified.

(Q) "Pensions" means annual payments for life derived from appropriations made by the employer, which at the time of retirement are credited into the annuity and pension reserve fund from the employers' accumulation fund and paid from the annuity and pension reserve fund as provided in sections 145.01 to 145.57, inclusive, of the Revised Code. All pensions shall be paid in twelve equal monthly installments.

(R) "Retirement allowance" means the pension plus that portion of the benefit derived from contributions made by the member.

(S) "Salary earnable" means salary or wages receivable during a payroll period for personal services plus such allowance for maintenance as are certified by the heads of departments.

(T) "Pension reserve" means the present value computed upon the basis of such mortality and other tables adopted by the board of all payments to be made on account of any retirement allowance, or benefits in lieu of any retirement allowance, granted to a member or beneficiary under sections 145.01 to 145.57, inclusive, of the Revised Code.

(U) "Contributing service" means all service credited to a member of the system since January 1, 1935. If the board determines that a position of any member in any one calendar year was a part-time position, the board may determine what fractional part of a year's credit shall be allowed by multiplying the elapsed period of employment by a fraction which is to be computed by using the amount earned as a numerator and as a denominator the amount shown below for the particular year of such service:

*January 1, 1935 to December 31, 1945—Two thousand dollars*

*January 1, 1946 to December 31, 1951—Three thousand dollars*

*January 1, 1952 and thereafter—Four thousand two hundred dollars.*

*Provided, when such member is paid on a per diem basis such denominator shall be two hundred fifty days and the numerator shall be the number of days for which compensation was received in each calendar year, and when such member is paid on an hourly basis such denominator shall be two thousand hours and the numerator shall be the number of hours for which compensation was received in each calendar year. In determining \*\*\* the service credit to be allowed regular, full-time employees who are paid on an hourly or per diem basis, the board shall allow a full day's credit to any employee toward retirement who is called to work and works any portion of a day.*

(V) "State retirement board" means the public employees retirement board, the state school employees retirement board, or the state teachers retirement board.

(W) "Retirant" means any former member who has qualified for a monthly allowance as provided in sections 145.32, 145.33, 145.34 and 145.36 of the Revised Code.

(X) "Employer contribution" means the amount paid by an employer as determined by the employer rate including the normal and deficiency contribution rates.