



Legislation Text

File #: 970592, **Version:** 0

Ordinance No. 0-98-04

An ordinance of the City of Gainesville, Florida, amending Division 5 of the Gainesville Code of Ordinances, the Employees Pension Plan; amending section 2-521 of the Code relating to the definitions; amending section 2-524(b)(1) of the Code relating to member contributions; amending section 2-526 of the Code relating to benefits; providing a severability clause; providing a repealing clause; and providing an immediate effective date.

The City Commission adopt the proposed ordinance.

The City has been working to adopt Section 414(h) of the Internal Revenue Code which provides for employees' pension contributions to be excluded from their gross income for Federal Tax Purposes. Ordinance No. 0-98-04 contains an amendment providing for the 414(h) pickup to make the plan consistent with the current IRS law related to qualifications for beneficial tax treatment, and updating other sections of the General Employees' Pension Plan.

Due to the rapidly approaching calendar year-end deadline, the Finance Department has requested that this ordinance be presented for First Reading on November 10, 1997 and Second Reading on November 24, 1997 (and authorization to advertise accordingly).

The Finance Department believes that First reading of this ordinance on November 10, 1997, is imperative to the actual implementation of this project, which requires appropriate updating of every employee deduction record and requisite computer programming changes. The Finance Department believes that any approval beyond that date would seriously jeopardize its ability to have the taxation elimination completed by the first payroll in January.

There is no fiscal impact on the City associated with this recommendation.