



## Ohio Revised Code

### Section 742.59 Creation of funds - trustees.

Effective: June 30, 2005

Legislation: House Bill 66 - 126th General Assembly

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The board of trustees of the Ohio police and fire pension fund shall be the trustee of the funds created as follows:

(A) The "police officers' contribution fund" is the fund in which shall be credited the contributions deducted from the salaries of members of police departments and paid into the Ohio police and fire pension fund, as provided by section 742.31 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to deductions previously made from the salaries of members of the police department who are still in the active service at the time that portion of the employers' accrued liability is paid. The accumulated contributions of a member of a police department shall be transferred at the member's retirement from the police officers' contribution fund to the police officers' pension reserve fund.

(B) The "firefighters' contribution fund" is the fund in which shall be credited contributions deducted from the salaries of members of fire departments and paid into the Ohio police and fire pension fund, as provided by section 742.31 of the Revised Code, and that percentage of the employers' accrued liability that is attributable to deductions previously made from the salaries of members of the fire department who are still in the active service at the time that portion of the employers' accrued liability is paid. The accumulated contributions of a member of a fire department shall be transferred at the member's retirement from the firefighters' contribution fund to the firefighters' pension reserve fund.

(C) The "police officer employers' contribution fund" is the fund to which the following shall be credited:

- (1) The police officer employers' contribution, as provided by section 742.33 of the Revised Code;
- (2) The percentage of the employers' accrued liability that is attributable to the employers' liability for prior service of members of the police department who are still in the active service at the time



that portion of the employers' accrued liability is paid.

In the police officer employers' contribution fund shall accumulate the reserves held in trust for the payment of all pensions or other benefits provided by sections 742.01 to 742.61 of the Revised Code to members of a police department retiring in the future or their qualified beneficiaries and from which the reserves for such pensions and other benefits shall be transferred to the police officers' pension reserve fund.

(D) The "firefighter employers' contribution fund" is the fund to which the following shall be credited:

(1) The firefighter employers' contribution, as provided in section 742.34 of the Revised Code;

(2) The percentage of the employers' accrued liability that is attributable to the employers' liability for prior service for members of the fire department who are still in the active service at the time that portion of the employers' accrued liability is paid.

In the firefighter employers' contribution fund shall accumulate the reserves held in trust for the payment of all pensions and other benefits provided by sections 742.01 to 742.61 of the Revised Code to members of a fire department retiring in the future or their qualified beneficiaries and from which the reserves for such pensions and other benefits shall be transferred to the firefighters' pension reserve fund.

(E) The "police officers' pension reserve fund" is the fund from which shall be paid all pensions and other benefits for which reserves have been transferred from the police officers' contribution fund and the police officer employers' contribution fund, and to which shall be credited that percentage of the employers' accrued liability that is attributable to the total of deductions previously made from the salaries of members of the police department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid, and that percentage of the employers' accrued liability that is attributable to prior service of members of the police department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid.



(F) The "firefighters' pension reserve fund" is the fund from which shall be paid all pensions and other benefits for which reserves have been transferred from the firefighters' contribution fund and the firefighter employers' contribution fund, and to which shall be credited that percentage of the employers' accrued liability that is attributable to the total of deductions previously made from the salaries of members of the fire department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid, and that percentage of the employers' accrued liability that is attributable to prior service of members of the fire department who are retired and are receiving pensions or other benefits, or whose beneficiaries are receiving benefits, at the time that portion of the employers' accrued liability is paid.

(G) The "guarantee fund" is the fund from which interest is transferred and credited on the amounts in the funds described in divisions (C), (D), (E), and (F) of this section, and is a contingent fund from which the special requirements of said funds may be paid by transfer from this fund. All income derived from the investment of funds by the board of trustees of the Ohio police and fire pension fund as trustee under section 742.11 of the Revised Code, together with all gifts and bequests or the income therefrom, shall be paid into this fund.

Any deficit occurring in any other fund that will not be covered by payments to that fund, as otherwise provided by sections 742.01 to 742.61 of the Revised Code, shall be paid by transfers of amounts from the guarantee fund to such fund or funds. Should the amount in the guarantee fund be insufficient at any time to meet the amounts payable therefrom, the amount of such deficiency, with regular interest, shall be paid by an additional employer rate of current contribution as determined by the actuary and shall be approved by the board of trustees of the Ohio police and fire pension fund, and the amount of such additional employer contribution shall be credited to the guarantee fund.

The board may accept gifts and bequests. Any funds that may come into the possession of the board in this manner, or any other funds whose disposition is not otherwise provided for, shall be credited to the guarantee fund.

(H) The "expense fund" is the fund from which shall be paid the expenses for the administration and management of the Ohio police and fire pension fund, as provided by sections 742.01 to 742.61 of



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the Revised Code, and to which shall be credited from the guarantee fund an amount sufficient to pay the expenses of operation.