

ORDINANCE NO. 113

AN ORDINANCE PROVIDING FOR THE AMENDMENT AND REGULATION OF THE POLICE PENSION PROGRAM FOR FULL TIME POLICEMEN OF THE TOWNSHIP OF EAST NORRITON AND REPEALING ORDINANCE NO. 100 OF THE TOWNSHIP OF EAST NORRITON

The Board of Supervisors of East Norriton Township, Montgomery County, Pennsylvania, does hereby ordain and enact as follows:

1. Eligibility.

A. Age and Service. Each policeman who is employed by East Norriton Township on a full time basis who shall have 25 years of aggregate service with the Township and who shall have attained 55 years of age shall be entitled to retire and to receive pension or retirement benefits as hereinafter provided. Any policeman who was a member of the police pension fund prior to December 21, 1965 who shall have 20 years of aggregate service with the Township and who shall have attained 60 years of age shall be entitled to retire and to receive pension or retirement benefits as hereinafter provided. Any participant retiring hereunder shall be subject to serve, from time to time, as a police reserve in cases of riot, tumult or preservation of the public peace, until unfitted for such service, whereupon he may be finally discharged from reserve service by reason of age or disability.

B. Disability. Each policeman who is employed by East Norriton Township on a full time basis who is totally and permanently disabled as a result of a service-connected injury shall retire and be entitled to receive pension or retirement benefits hereinafter provided. Total and permanent disability shall be defined to mean that an individual is not able to perform the duties required by his position with the Township Police Department.

2. Retirement Benefits. The amount of pension or retirement benefits payable under this program shall be a sum equal to one half of the monthly average salary of the participant during the last 48 months of employment. Salary shall be defined to be gross salary as reported on Form W-2 for federal income tax purposes. Such retirement benefits shall be payable monthly during the balance of participant's life following actual retirement and the benefits for any month shall be computed as the sum of (i) any pension benefits from pension plans heretofore established by a private organization or associations for the members of the police force, but only to the extent that the Commonwealth or East Norriton Township shall have contributed

to such pension plan monies raised by taxation, (ii) 75% of the primary benefits under Federal Social Security laws for which the participant may be eligible because of age or disability, and (iii) benefits from the pension fund established hereunder to the extent necessary to bring the total benefits in any month up to one half of the aforesaid monthly average salary. Pension payments made under the provisions of this ordinance shall not be a charge on any other fund in the treasury of East Norriton Township or under its control save the police pension fund.

3. Survivor Benefits.

A. The surviving widow of any policeman employed by this Township on a full-time basis at the time of his death, or of any policeman retired by reason of age and service, or disability, so long as said widow does not remarry shall be entitled to receive pension or retirement benefits as provided in this section.

B. Any surviving child or children under the age of 18 years of any policeman employed by this Township on a full-time basis or any policeman retired by reason of age and service, or disability, so long as said policeman is not survived by a widow or, if survived by a widow, said widow subsequently dies or remarries shall be entitled to receive pension or retirement benefits as provided in this section.

C. A widow eligible to receive benefits by reason of survivorship of a policeman shall receive a pension calculated at the rate of 50% of the pension or retirement benefits the policeman was receiving or would have been receiving had he been retired at the time of his death. A child eligible to receive benefits by reason of survivorship of a policeman shall receive a pension calculated at the rate of 50% of the pension or retirement benefits the policeman was receiving or would have been receiving had he been retired at the time of his death, provided, however, that where more than one child of a policeman is eligible to receive benefits, the aggregate pension payable to said children shall not exceed 50% of the pension or retirement benefits the policeman was receiving or would have been receiving at the time of his death.

4. Contributions. Each participant shall contribute monthly into the pension fund established hereunder an amount equal to the sum of (i) the product determined by multiplying the total monthly compensation on which Social Security taxes are payable by 2.75%, plus (ii) the product obtained by multiplying the amount of total monthly compensation in excess of that on which Social Security taxes are payable, if any, by 5%. All such contributions by participant shall be deducted by the Township from the participant's salary. Any balance of needed annual contributions shall

become the obligation of the Township and shall be paid to the pension fund by annual appropriations.

Any payments made by the Commonwealth of Pennsylvania to the Township for police pension purposes shall be used as follows:

(i) To reduce the unfunded liability of the Township on account of pensions payable hereunder, and after such liability has been funded,

(ii) To apply against the annual obligation of the Township for future service cost or, to the extent that the payment may be in excess of such obligation,

(iii) To reduce participants' contributions.

5. Vesting. The Township shall be the owner of all monies or property paid into the fund or annuities or policies purchased from insurance companies hereunder and the owner and designated beneficiary of any insurance and retirement income contracts acquired hereunder, and no participant prior to retirement shall have any right or interest in any portion of said monies or property, provided however, that each participant shall be entitled in the event of termination or discontinuance of his employment with the Township for reasons other than retirement or death to having returned to him the total amount of all such monies paid by him into the pension fund with interest calculated on an annual basis as such interest shall have been paid by the pension plan. If such termination or discontinuance of employment is due to death, such refund of money shall be paid to the participant's designated beneficiary or, in the absence thereof, to his estate.

6. Administration. The police pension fund shall be under the direction of the Board of Supervisors of East Norriton Township or such committee or persons as the Board of Supervisors may from time to time designate by resolution, who shall act as Trustees of the pension fund, and such Trustees shall have full responsibility for the administration of the program established hereunder and shall hold, invest, reinvest and distribute all funds or other property received pursuant hereto in trust for the purposes of this ordinance. The Trustees may receive at any time and from time to time gifts, grants, devises or bequests to the pension fund of any money or property, real, personal, or mixed, to be held by them in trust for the benefit of this fund and in accordance with the provisions hereof. The Trustees shall be subject to such rules and regulations as may from time to time be adopted by the Board of Supervisors by ordinance or resolution. The Trustees shall have full power and authority by a majority action of its members either directly or through their designated representatives, to do all acts, execute, acknowledge and deliver all instruments, and to exercise for the sole benefit of the participants hereunder, any and all powers and discretions

necessary to implement and effectuate the purposes of this ordinance, including for purposes of illustration but not limited to any and all of the following:

(i) To hold, invest and reinvest all funds received pursuant to this ordinance, in such legal investments as may be authorized as legal investments under the laws of the Commonwealth of Pennsylvania;

(ii) To enter into contracts or deposit agreements on behalf of East Norriton Township with one or more insurance companies, in order to provide the pension and other benefits herein set forth, and to pay the premiums and deposits required by the purchase of said contracts;

(iii) To retain or purchase as an investment any form of annuity or contracts of similar nature, and to exercise with respect thereto, any right or incident of ownership;

(iv) To retain any property which may at any time become an asset of the fund, as long as said Trustees may deem it advisable; and

(v) To make distribution of the monies in the fund, in accordance with the terms of this ordinance.

7. Transfer or Assignment. The pension payments, herein provided for, shall not be subject to attachment, execution, levy garnishment or other legal process, and shall be payable only to the participant or his designated beneficiary. No participant or his beneficiary shall have any right to alienate, encumber or assign any assets of the fund held by the Trustees on his behalf, or any of the benefits or payments or proceeds of any contract or agreement purchased or acquired by the Township hereunder. Any contract or agreement purchased or acquired pursuant to this ordinance upon the life of such participant shall contain a provision, in substance, that to the extent permitted by law, none of the benefits or payments or proceeds of such contract or agreement shall be subject to any legal process by any creditor of such participant or beneficiary of such participant.

8. Cost of Living Increase. Effective January 1, 1975, the Board of Supervisors of East Norriton Township may provide for a cost of living increase for members of the police force receiving retirement benefits; provided, however, that such cost of living increase shall not exceed the percentage increase in the Consumer Price Index from the year in which the policeman last worked; provided, further, that in no case shall the total police pension benefits exceed 75% of the salary for computing retirement benefits; and provided further, that the total cost of living increase shall not exceed 30%. No cost of living increase shall be granted which would impair the actuarially soundness of the pension fund.

9. Expense of Administration. The expense of administering this pension fund program, including compensation of an actuary, any custodian of the fund and any other charges or expenses related thereto, exclusive of the payment of pensions, shall be paid by the Township by appropriations made by the Board of Supervisors.

10. Validity. Should any section or any provision of this ordinance be declared by a court of competent jurisdiction to be invalid, such invalidity shall not affect the ordinance as a whole or any part thereof.

11. Repealer. Ordinance No. 100 and any ordinance or part of any ordinance conflicting with the provisions of this ordinance shall be and the same is hereby repealed, insofar as the same affects this ordinance.

12. Effective Date. The effective date of this ordinance shall be January 1, 1974.

ORDAINED AND ENACTED by the Board of Supervisors
of East Norriton Township this 10th day of December , 1974.

BOARD OF SUPERVISORS
EAST NORRITON TOWNSHIP

By: William J. Richardson
Chairman

Attest: William J. Richardson Jr
Secretary