

ORDINANCE NO. 413

EAST NORRITON TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA

AN ORDINANCE AMENDING THE PROVISIONS OF THE "TOWNSHIP OF EAST NORRITON EMPLOYEES' PENSION PLAN" TO PERMIT THE TOWNSHIP TO PICK UP THE CONTRIBUTIONS MADE TO THE PLAN BY EMPLOYEES.

WHEREAS, East Norriton Township has established the East Norriton Township Employees' Pension Plan on August 14, 1967, and amended such Plan from time to time.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the East Norriton Township Board of Supervisors that such Plan be further amended as follows:

SECTION 1. Restate § 26-5 "Contributions; withdrawals" as follows:

A. Contributions.

- (1) Each member shall contribute monthly into the pension fund up to five percent (5%) of W-2 pay. All such contributions by a member shall be deducted by the Township from the member's gross W-2 pay. Any balance of needed annual contributions shall become the obligation of the Township and shall be paid to the pension fund by annual appropriations. The rate of member contributions shall be determined by the Township from time to time.
- (2) If an actuarial study shows that member contributions may be reduced or eliminated without impairing the actuarial soundness of the pension fund, then the Township may, by resolution, reduce or eliminate member contributions.
- (3) Individual records of member contributions shall be maintained, including all interest credited to the individual account. Interest shall be credited from the end of the plan year in which contributions are made. The rate of interest to be credited shall be set by the Township from time to time, by resolution.

B. Pickup Contributions. All contributions required to be made under this section with respect to service rendered by an active member on or after January 1, 2000, shall be picked up by the Township and shall be treated as the employer's contributions in determining tax treatment under the United States Internal Revenue Code for federal tax purposes. For all other purposes under this section and otherwise, such pickup contributions shall be treated as contributions made by a member in the same manner and to the same extent as contributions made by a member prior to January 1, 2000.

C. Withdrawals.

- (1) Any member who for any reason shall be ineligible to receive a pension after having made contributions shall be entitled to a

refund of his individual account balance. Such refund is payable immediately upon the termination of employment or within a reasonable time [not more than forty-five (45) days after termination].

- (2) Any member who terminates employment after earning a deferred vested benefit may elect to withdraw his or her individual account balance before retirement. In such event, the deferred vested benefit earned as of the termination date shall be reduced by the actuarially equivalent value of the withdrawn account balance. The amount of the residual vested benefit shall be determined by the actuary.
- (3) Upon the death of an active member, the sum of survivor benefits payable to the surviving spouse and/or child or children shall not be less than the member's account balance on the date of death.
- (4) Upon the death of a pensioner, a designated beneficiary shall be entitled to a refund equal to the excess of the pensioner's account balance at retirement over all benefits paid to the pensioner, if any.

SECTION 2. Severability

If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such provision shall be separate, distinct, and independent and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 3. Ratification.

This ordinance shall in no other way affect, amend or modify the Pension Ordinance of East Norriton Township.

ENACTED AND ORDAINED this 9th day of November, 1999.

BOARD OF SUPERVISORS
EAST NORRITON TOWNSHIP

By: Joseph C. Ronca, Jr.
Joseph C. Ronca, Jr., Chairman

ATTEST:

Herbert J. H. Baerwald
Herbert J. H. Baerwald, Secretary

