# RADNOR TOWNSHIP DELAWARE COUNTY, PENNSYLVANIA

# ORDINANCE NO.: 2018-12 ADOPTED 11-1 Z-1 8

AN ORDINANCE OF RADNOR TOWNSHIP, DELAWARE COUNTY, PENNSYLVANIA, AMENDING CHAPTER 62, PENSIONS AND ANNUITIES, OF THE CODE OF THE TOWNSHIP OF RADNOR BY REVISING DEFINITIONS, CONTRIBUTIONS, AND BENEFITS

WHEREAS, Chapter 62, Pensions and Annuities of the Code of the Township of Radnor sets forth the requirements of the Pension Plans for Radnor Township employees; and

WHEREAS, Article II of Chapter 62 specifically deals with the Police Pension Plan; and

*WHEREAS*, the September 2018 Compliance Audit of the Radnor Township Police Pension Plan found that the Plan language did not fully comply with the Police Pension Fund Act (Act of May 29, 1956; P.L. 1804, No. 600; 53 P.S. §761 *et seq.*)("Act 600"); and

WHEREAS, the Compliance Audit recommended certain changes to the Police Pension Plan language to bring it into compliance with Act 600; and

*WHEREAS*, the Township has bargained with the Fraternal Order of Police, Lodge 27 to institute these recommended changes to the Police Pension Plan language.

**NOW THEREFORE**, the Board of Commissioners of the Township of Radnor does hereby ENACT and ORDAIN the following amendments to Chapter 62 of the Code of the Township of Radnor as follows:

#### ARTICLE I. Definitions

The existing definition of "Act 24 Retirement Date" found in Section 62-14, Definitions, of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

ACT 24 RETIREMENT DATE — For a participant who has not attained his/her normal retirement date, the date on which the participant has completed 20 years of service, regardless of age, pursuant to Act 24 of 1998, as may be amended from time to time.

#### ARTICLE II. Definitions

The existing definition of "Employment" found in Section 62-14, Definitions, of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

EMPLOYMENT — For purposes of determining aggregate service, shall mean:

- A. The period of time for which an employee is directly or indirectly compensated or entitled to compensation by the employer for the performance of duties as a police officer;
- B. Any period of time for which an employee is paid a fixed, periodic amount in the nature of salary continuation payments for reasons other than the performance of duties (such as vacation, holidays, sickness, entitlement to benefits under workers' compensation and the Heart and Lung Act, the Family and Medical Leave Act of 1993 or other laws), either directly by the employer or through a program to which the employer has made contributions on behalf of the employee, excepting any time during which the employee is entitled to benefits under this plan; and
- C. Any period of voluntary or involuntary military service with the armed forces of the United States of America, provided that:
  - (1) The participant had been employed as a regular, full-time member of the employer's police force for a period of at least 6 months immediately prior to the period of military service; and
  - (2) The participant returns to employment within six months following his/her discharge from military service or within such longer period during which his/her employment rights are guaranteed by applicable law or under the terms of a collective bargaining agreement with the employer.
- D. For plan years beginning January 1, 2001, any period of qualified military service as determined under the requirements of Chapter 43 of Title 38, United State Code, provided that the participant returns to employment following such period of qualified military service, and the participant makes payment to the plan in an amount equal to the employee contributions that would otherwise have been paid to the plan during such period of qualified military service. The amount of employee contributions shall be based upon an estimate of the compensation that would have been paid to the participant during such period of qualified military service as determined by the average compensation paid to the participant during the 12 months immediately preceding the period of qualified military service. The amount of employee contributions so calculated must be paid into the plan before the end of the period that begins on the date of reemployment and ends on the earlier of the date that ends the period that has a duration of three times the period of qualified military service or the date that is five years after the date of reemployment.

#### ARTICLE III. Definitions

The existing definition of "Normal Retirement Date" found in Section 62-14, Definitions, of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

NORMAL RETIREMENT DATE — For participants who began employment prior to January 1, 2007, the earlier of the:

- A. Date on which the participant has both completed 25 years of aggregate service with the employer and has attained age 50 while an employee; or
- B. Date on which the participant has both completed 20 years of aggregate service with the employer and has attained age 60 while an employee.

For participants who began employment on or after January 1, 2007, the date on which the participant has both completed 25 years of aggregate service with the employer and has attained age 50 while an employee.

#### ARTICLE IV. Contributions

Subsection 62-17.A of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

A. Participant contributions. Each participant hired prior to January 1, 2013 shall make regular biweekly contributions to the plan at a rate of 3% of his/her basic monthly earnings. Each participant hired on or after January 1, 2013 shall make regular biweekly contributions to the plan at a rate of 5% of his/her basic monthly earnings.

#### ARTICLE V. Retirement Benefits

Subsection 62-18.C of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

C. Act 24 retirement benefit. Each participant, regardless of age, who elects to retire after the Act 24 retirement date, but before the normal retirement date pursuant to § 62-14 hereinabove shall receive a benefit equal to the accrued benefit that is reduced actuarially in accordance with Act 24 of 1998, as may be amended from time to time.

## ARTICLE VI. Death Benefits

Subsection 62-20.B(2)(c) of Chapter 62, Pensions and Annuities, of the Code of the Township of Radnor is hereby amended to read as follows:

(c) Killed in service. In the event a participant is killed in service, the participant's surviving spouse or eligible dependents (if any, as defined by Act 51 of 2009) shall receive the benefits provided for and subject to the terms of Act 51 of 2009, which benefits are paid exclusively by the Commonwealth of Pennsylvania with the exception of any pension benefit to which the member was entitled prior to the member's death, solely by virtue of the member's service as a Township police officer (*i.e.*, either a normal, early, or vested pension benefit).

## ARTICLE VII. Repealer

All ordinances or parts of ordinances which are inconsistent herewith are hereby repealed.

## ARTICLE VIII. Severability

If any section, paragraph, subsection, clause or provision of this Ordinance shall be declared invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of this Ordinance as a whole or any part thereof other than that portion specifically declared invalid.

#### ARTICLE IX. Effective Date

This Ordinance shall become effective in accordance with the Home Rule Charter of Radnor Township.

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# RADNOR TOWNSHIP ORDINANCE NO.: 2018-12 Police Pension Amendment

ENACTED and ORDAINED this 12 day of Wovenvow, 2018.

RADNOR TOWNSHIP BOARD OF COMMISSIONERS

Name: Lisa Borowsk

Title: President

ATTEST:

Robert A. Zienkowski, Secretary