

RESOLUTION 2022-114
RADNOR TOWNSHIP

A RESOLUTION OF RADNOR TOWNSHIP, DELAWARE
COUNTY, PENNSYLVANIA, ADOPTING THE 2023
MINIMUM MUNICIPAL OBLIGATION (MMO)

WHEREAS, The Commonwealth of Pennsylvania General Assembly, on December 18, 1984 adopted the Municipal Pension Plan Funding Standards and Recovery Act (Act 205 of 1984), which has been amended in part by Act 189 of 1990, Act 82 of 1988, and Act 44 of 2009; and

WHEREAS, The Municipal Pension Plan Funding Standards and Recovery Act requires that municipalities calculate a Minimum Municipal Obligation (“MMO”) prior to September 30 for the subsequent budget year; and

WHEREAS, The MMO can be amended during the budget process based on changes in payroll projections and resubmitted to the State; and

WHEREAS, the most recent bi-annual Actuarial Valuation as of January 1, 2021, prepared by Mockenhaupt Associates for both the Police and Civilian Pension Plans, provides the necessary components to calculate the MMO for 2023;

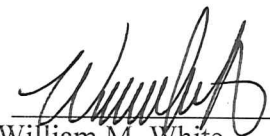
NOW, THEREFORE, it is hereby *RESOLVED* that the Board of Commissioners of Radnor Township hereby adopts the 2023 minimum municipal obligation for the Radnor Township Pension Plans in the following amounts as calculated on the attached worksheets:

POLICE PENSION PLAN\$2,872,200
CIVILIAN PENSION PLAN\$1,498,600

SO RESOLVED, at a duly convened meeting of the Board of Commissioners of Radnor Township conducted on this 19th day of September, A.D., 2022.

RADNOR TOWNSHIP

By: 
Name: Jack Larkin
Title: Vice President

ATTEST: 
William M. White
Township Manager / Secretary

CERTIFICATION OF
FISCAL YEAR 2023
MINIMUM MUNICIPAL OBLIGATION
POLICE AND CIVILIAN PENSION PLANS

RESOLUTION 2022-114
RADNOR TOWNSHIP, PA
SEPTEMBER 19, 2022

RADNOR TOWNSHIP, PA
2023 MINIMUM MUNICIPAL OBLIGATION
POLICE & CIVILIAN PENSION PLANS AND COMBINED



ACT 205 FUNDING FORMULA

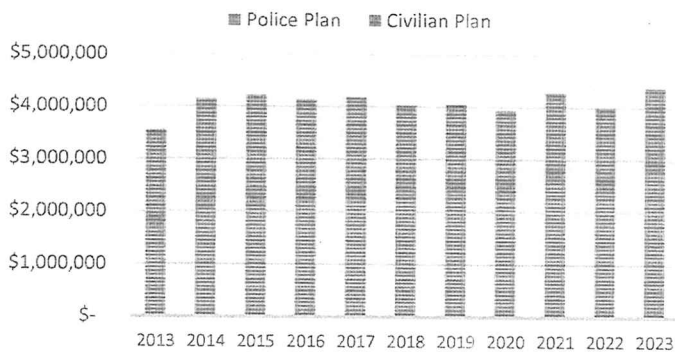
Financial Requirements:

	Police Plan	Civilian Plan	Total Obligation
1. Estimated 2022 Payroll (rounded)	\$ 6,036,000	\$ 5,088,000	\$ 11,124,000
2. Normal Cost of Plan from Actuarial Report (% of payroll)	18.984%	10.197%	14.965%
3. Total Normal Cost of Plan (1 x 2)	\$ 1,145,874	\$ 518,823	\$ 1,664,697
4. Plan Amortization Requirement	1,861,928	1,147,738	3,009,666
5. Plan Administrative Expenses from Actuary Report (Police:1.5%, Civilian:1.1%)	108,637	86,482	195,119
6. Total Financial Requirements (3 + 4 + 5)	\$ 3,116,439	\$ 1,753,043	\$ 4,869,482

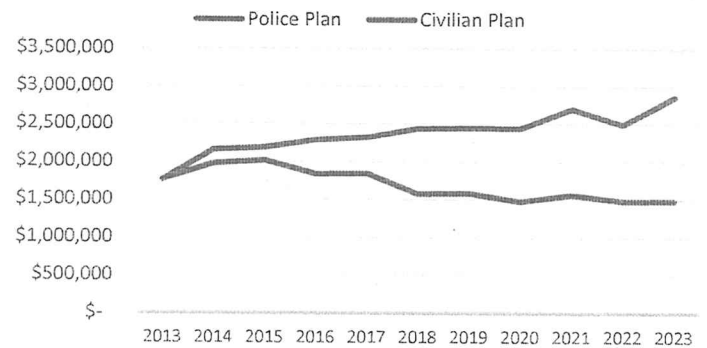
Credits to Township Funding Requirements:

7. Estimated Employee Contributions	(244,170)	(254,370)	(498,540)
8. Rounding Adjustment	(69)	(73)	(142)
9. Total Credits to Township Funding Requirements	\$ (244,239)	\$ (254,443)	\$ (498,682)
10. Recommended MMO	\$ 2,872,200	\$ 1,498,600	\$ 4,370,800

COMBINED MMO TOTALS



PLAN MMO TOTALS



MMO History:

2013 MMO Total	\$ 1,765,384	\$ 1,767,162	\$ 3,532,546
2014 MMO Total	\$ 2,160,223	\$ 1,979,695	\$ 4,139,918
2015 MMO Total	\$ 2,190,903	\$ 2,020,393	\$ 4,211,296
2016 MMO Total	\$ 2,292,574	\$ 1,845,031	\$ 4,137,605
2017 MMO Total	\$ 2,322,459	\$ 1,852,440	\$ 4,174,899
2018 MMO Total	\$ 2,440,000	\$ 1,580,000	\$ 4,020,000
2019 MMO Total	\$ 2,455,000	\$ 1,587,000	\$ 4,042,000
2020 MMO Total	\$ 2,449,400	\$ 1,482,300	\$ 3,931,700
2021 MMO Total	\$ 2,710,800	\$ 1,572,900	\$ 4,283,700
2022 MMO Total	\$ 2,501,800	\$ 1,494,400	\$ 3,996,200
2023 MMO Total	\$ 2,872,200	\$ 1,498,600	\$ 4,370,800