

TOWNSHIP OF WHITPAIN

Ordinance No. 424

An Ordinance amending the Code of the Township of Whitpain, at Part I [Administrative Legislation], by amending and restating Chapter 46 [Pensions], Article I [Police Pension Plan] to authorize certain amendments to the Whitpain Township Police Pension Plan (Amendment No. 4)

Certification

I, Eric Traub, being duly sworn according to law, depose and say that I am the Township Manager in Whitpain Township, Montgomery County, PA and that attached hereto is a true and complete correct copy of Ordinance No. 424



Eric Traub, Township Manager

March 19, 2025

Enacted: March 18, 2025

BOARD OF SUPERVISORS
WHITPAIN TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA

Ordinance No. 424

“Whitpain Township Police Pension Plan Amendments”

AN ORDINANCE AUTHORIZING CERTAIN AMENDMENTS, TO THE WHITPAIN
TOWNSHIP POLICE PENSION PLAN (Amendment No. 4)

Whereas, Whitpain Township previously established a Police Pension Plan; and

Whereas, Ordinance No. 310, adopted January 5, 2009, amended and restated the Whitpain Township Police Pension Plan; and

Whereas, in order to comply with the laws of the Commonwealth of Pennsylvania, the Township desires to enact an amendment to the Township's Police Pension Plan to provide credit for prior police service under Act 49 of 2024 and for an amendment to provide early retirement benefit.

As authorized by Section 9.2 of the Whitpain Township Police Pension Plan (“Plan”) as amended and restated effective January 1, 2008, the employer, Whitpain Township, hereby amends the Plan in the following manner:

FIRST: Credit for Prior Police Service

Section 1.10(e) is amended to provide credit for prior police service under Act 49 of 2024. As amended, Section 1.10 (e) shall read as follows:

(e) **(1) Credit for Military Service** – Any employee employed as a member of the police force who has been a regularly appointed employee for a period of at least six months and who thereafter enters into the military service of the United States shall receive credit for all such military service, if he returns to employment with the employer within six months after his separation from military service.

Further, any employee who entered into the military service of the United States before employment with the employer shall receive credit for each year of military service or fraction thereof for a period not to exceed five years. Such service shall not be credited if the employee fails to make the

required payment. The required payment for such crediting shall be computed by: (a) applying the lesser of 10% or the average normal cost rate for borough and township police pension plans as certified by the Public Employee Retirement Study Commission to the employee's average annual rate of compensation over the first 3 years of service and (b) multiplying the result by the number of years and fractional parts of years of creditable nonintervening military service being purchased together with interest at the rate of 4.75% compounded annually from the date of employment to the date of payment, as provided under Act 600, 53 P.S. 770(b).

No service shall be credited under this Section 1.10(e)(1) if the employee is entitled to receive retirement benefits for such service under a retirement system administered and wholly or partially paid for by any other governmental agency with the exception of an employee eligible to receive military retirement pay earned by a combination of active duty and nonactive duty with a reserve or national guard component of the armed forces which retirement pay is payable only upon attainment of a specified age and period of service under 10 U.S.C. Ch 67 (relating to retired pay for non-regular service).

Notwithstanding the preceding, effective December 12, 1994, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with IRC section 414(u) and the applicable Pennsylvania statutes. An employee reemployed after qualified military service shall not be treated as having incurred a break in service, for purposes of vesting and benefit accruals, solely because of an absence due to qualified military service.

(2) Credit for Prior Police Service – Any employee employed as a member of the police force who has been credited with 12 years of vesting service shall receive benefit service credit for prior part-time or full-time police service provided in another police department for a period not to exceed five years. Such service shall not be credited if the employee fails to make the required payment. An employee shall not be eligible to purchase service credit for prior police service that, combined with crediting military service under Section 1.10(e)(1), exceeds five years. An employee shall not be eligible to purchase service credit for prior police service for which the employee otherwise receives or is entitled to receive pension service credit from any other pension fund. The required payment for such crediting shall be computed by: (1) applying the lesser of 10% or the normal cost rate for the Plan to the employee's average annual rate of compensation over the first 3 years of service and (b) multiplying the result by the number of years and fractional parts of years of creditable prior

police service being purchased together with interest at the rate of 4.75% compounded annually from the date of initial entry into full-time service to the date of payment, as provided under Act 49 of 2204. Part-time service in another police department shall be computed by crediting one year of service for each 2,080 hours of prior part-time service and a fractional year of service for the period equal to the ratio of the number of hours of prior service actually completed to 2,080 hours. The plan administrator shall establish reasonable procedures for verifying prior police service provided in another police department.

SECOND: Early Retirement

Section 3.5 is amended to provide for an early retirement benefit. As amended, Section 3.5 shall read as follows:

An early retirement benefit shall be provided to a member of the police force with twenty or more years of vesting service who terminates employment prior to the completion of normal retirement age and service requirements and who files a written application for an early retirement benefit with the governing body of the employer. A participant who elects this early requirement benefit forfeits any and all Post-Retirement Healthcare benefits and the right to enter the Deferred Retirement Option Plan (DROP) program under Section 3.4(c). The early retirement benefit shall become effective as of the first day of the month coincident with or next following the date the application is filed with the governing body or the date designated on the application, whichever is later, and shall be the actuarial equivalent of the accrued benefit calculated as follows:

- (a) The accrued benefit shall be determined under Section 3.3.
- (b) The actuarial equivalent of the accrued benefit shall be determined by actuarially reducing the accrued benefit to reflect that it will commence on the effective date of the early retirement rather than on the date on which the member would have completed normal retirement age and service requirements. The actuarial reduction shall be calculated using the actuarial assumptions reported in the last actuarial valuation report filed with the Public Employee Retirement Commission under Act 205.

THIRD: Effective Date

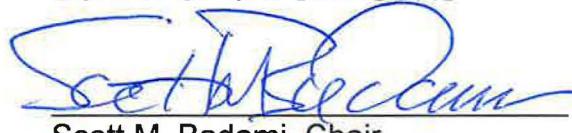
These amendments are made effective as of January 1, 2025.

FOURTH: Remaining Plan Provisions

All other provisions of the Plan remain in full force and effect.

Ordained and Enacted this 18th day of March 2025, by the Whitpain Township Board of Supervisors.

WHITPAIN TOWNSHIP
BOARD OF SUPERVISORS



Scott M. Badami, Chair

ATTEST:



Jeffrey Campolongo, Secretary