ORDINANCE 2008 – 7

AN ORDINANCE AMENDING THE POLICE PENSION ORDINANCE OF THE BOROUGH OF KULPMONT KNOWN AS ORDINANCE No. 1990-5

SECTION 1 PURPOSE

The following amendments to the Police Pension Fund are pursuant to Act 30 of 2002, which amends several provisions of Act 600

SECTION 2 AMENDMENTS TO ORDINANCE No. 1990-5.

The following subsections of Section III shall be amended to read as follows:

(D) <u>Contributions by MEMBERS</u>. MEMBER shall pay into the FUND at a rate of 5.0% of COMPENSATION.

The Council may, on an annual basis, by ordinance or resolution, reduce or eliminate payments into the FUND by MEMBERS. Individual records of contributions by MEMBERS shall be maintained, including all interest credited to his individual account. Interest to be credited shall be 2.0% compounded annually.

Interest shall be credited from the end of the PLAN YEAR in which paid, to the end of the month after which a refund becomes payable.

(G) <u>Disability Benefit</u>. If a MEMBER retires because of a TOTAL AND PERMANENT DISABILITY, he shall be entitled to receive pension benefit equal to 50% of his salary at the time the disability was incurred, offset by social security.

(H-1) <u>Pension Benefit to Surviving Spouse and Dependant Children</u>. If a MEMBER dies survived by a spouse or dependent children, after having become eligible to receive a pension benefit, (i.e., he was eligible because (a) he was already receiving a pension (b) he met the AGE and SERVICE requirements, but he had not yet retired), then a monthly pension benefit shall be provided.

The amount of the monthly pension benefit shall be 50% of the pension the MEMBER was receiving or would have been entitled to receive if he had been retired at the time of his death.

In the event a MEMBER dies after completing twelve (12) or more years of SERVICE but was not yet eligible for normal retirement or pre-retirement survivor benefits, the surviving spouse shall act on behalf of the MEMBER in selecting the alternative addressed in accordance with the vesting provisions. If a vested benefit is selected, the surviving spouse shall receive 50% of the MEMBER's vested monthly benefit commencing on the first day of the month following the MEMBER's NORMAL RETIREMENT DATE.

In the event a MEMBER dies after completing twenty (20) or more years of SERVICE but was not yet eligible for normal retirement or pre-retirement survivor benefits, the surviving spouse shall act on behalf of the MEMBER in selecting the alternative addressed under the early retirement provisions. If an early retirement benefit is selected, the surviving spouse shall receive 50% of the MEMBER's monthly early retirement benefit commencing on the first day of the month following the election of this benefit.

The monthly pension benefit is payable to the surviving spouse until death, then to surviving dependent children under the age of eighteen (18) years or if attending college, under or attaining the age of twenty-three (23) years. Attending college shall mean the eligible children are registered at an accredited institution or higher learning and are carrying a minimum course load of seven credit hours per semester. Dependent children shall include step-children, adopted children, and any child conceived before the time of the MEMBER's date and thereafter born to the MEMBER's spouse.

(H-2) <u>Pre-Retirement Survivor Benefit.</u> – In the event a MEMBER is killed in service, the MEMBER's family shall receive a pension calculated at 100% of the MEMBERS salary at the time of death. It is understood that family shall refer to the surviving spouse and dependent children. The benefit is payable to the surviving dependent children under the age of eighteen (18) years or it attending college, under or attaining the age of twenty-three (23) years. The term dependent children and attending college shall be consistent with that of Sub-Section (H-1).

SECTION 3 REPEALER

All Ordinances and parts of Ordinances heretofore adopted, to the extent that the same are inconsistent herewith, are hereby repealed.

<u>SECTION 4</u> – EFFECTIVE DATE

This Ordinance shall be effective on the 9^{th} day of December, 2008.

ROBERT M. SLABY MAYOR

JOSEPH A. WINHOFER PRESIDENT OF COUNCIL

RHONDA WILK BOROUGH SECRETARY