

THE BOROUGH OF AMBLER, MONTGOMERY COUNTY, PA

ORDINANCE NUMBER 1079

AN ORDINANCE OF THE BOROUGH OF AMBLER AMENDING THE ELIGIBILITY REQUIREMENTS FOR PARTICIPATION IN THE MUNICIPAL EMPLOYEES PENSION FUND AS SET FORTH IN TITLE 1, PART 4 OF THE BOROUGH CODIFIED ORDINANCES, 1-414, CHANGING THE MINIMUM AGGREGATE TOTAL YEARS OF REQUIRED EMPLOYMENT FOR THOSE REACHING AGE 65 FROM FIVE YEARS TO TEN YEARS; AMENDING THE MUNICIPAL EMPLOYEES PENSION FUND BY ESTABLISHING A DEFINED CONTRIBUTION PENSION PLAN AS AUTHORIZED BY TITLE 1, SECTION 426 OF THE CODIFIED ORDINANCES, TO BE APPLICABLE TO ALL MUNICIPAL EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2014; LEAVING THE REMAINDER OF THE ORDINANCE IN FULL FORCE AND EFFECT, EFFECTIVE UPON ADOPTION

WHEREAS, Ambler Borough provides retirement benefits to its eligible non-uniformed employees through its duly established Municipal Employees Pension Fund, and

WHEREAS, upon review of the ordinances which establish the eligibility requirements for fund participation, it appears that certain provisions may be inconsistent with one another, and that clarification and change is required so that the participation requirements clearly reflect the wishes of Borough Council,

NOW THEREFORE, Ordinance 467 as amended, and as codified at 1-414 in the Borough Codified Ordinances, is hereby amended in the following respect:

1. In section 1-414, the first sentence which reads:

“The benefits from the Municipal Employees Fund shall be payable to municipal employees who have served the Borough for an aggregate total of at least five years from the date of last appointment and who have attained the age of at least 65 years, after which the municipal employee may retire from the Borough’s service on a normal retirement benefit” is deleted and replaced with the following sentence:

“The benefits from the Municipal Employees Fund shall be payable to municipal employees who have served the Borough for an aggregate total of at least ten years from the date of last appointment and who have attained the age of at least 65 years, after which the municipal employee may retire from the Borough’s service on a normal retirement benefit”.

2. There shall be added to the codified ordinances a new section 1-427, Entitled “Pension Benefits For All Employees Hired On Or After January 1, 2014”, which shall read as follows:
 - A. The pension benefits provided in this Ordinance at Sections 1-411 through 1-421, inclusive, remain in full force and effect for all employees hired on or before December 31, 2013, unaffected by this ordinance.
 - B. For all employees hired on or after January 1, 2014, there shall be no entitlement to participate in the defined benefit plan established by Ordinance 467 as codified at 1-411 et. Seq. Instead, all employees hired on or after January 1, 2014, shall be entitled to participate

in the within Defined Contribution Retirement Plan, also sometimes referred to as a money purchase retirement plan.

- C. There is hereby established by this Ordinance a defined contribution retirement plan, entitled the Borough of Ambler Retirement Savings Plan (the "plan") available to all Borough municipal (non-uniformed) employees hired on or after January 1, 2014. A copy of the plan document is attached hereto and incorporated by reference.
 - D. All pre-existing ordinances establishing and detailing the provisions of a defined benefit plan remain in full force and effect and remain fully applicable to all employees hired on or prior to December 31, 2013.
 - E. This Plan shall be funded by contributions from the Borough general fund; by state aid received pursuant to the Municipal Pension Plan Funding Standard and Recovery Act (Act 205 of 1984), and any other sums received or contributed to the Borough to the extent authorized by law.
 - F. The Borough shall be the administrator of the Plan.
 - G. A pension committee shall generally administer and manage the Plan, such committee to consist of two persons representing the Borough and one member of the Plan, all of whom shall be appointed by vote of Borough Council. Such committee shall have all powers necessary to enable it properly to carry out its duties, including but not limited to the power to construe the provisions of the Plan, to direct the investment advisor, to determine all questions relating to eligibility of participants, to authorize benefit disbursements to participants and to delegate its authority as it deems appropriate. The decisions of the Pension Committee on all matters within its scope of authority shall be final.
 - H. The plan shall be under the direction of a Trustee designated by Borough Council. The Trustee shall have full responsibility for administration of the Plan established hereunder and shall hold, invest, reinvest and distribute all funds and other property received pursuant hereto in trust for the purposes of this Ordinance. The Trustee may receive gifts, grants, devises, or bequests of any money or property, real, personal or mixed, to be held in trust for the benefit of the Plan. The Trustee shall have full power and authority by a majority action of its members, either directly or through their designated representatives, to do all acts, execute, acknowledge and deliver all instruments, and to exercise for the sole benefit of the participants any and all powers and discretions necessary to implement and effectuate the purposes of this Ordinance, including: To hold, invest and reinvest all funds received and make such legal investments as may be authorized as legal investments under the laws of Pennsylvania; to retain any property which may at any time become an asset of the Plan, as long as the Trustee deems it advisable; and to make distribution of the monies in accordance with the terms of this Ordinance.
 - I. The expense of administering this Plan, including compensation of any actuary, any custodian of the Plan, and any other charges or expenses related thereto, exclusive of the payment of benefits, may be paid by the Borough as determined by Borough Council.
3. The percentage of compensation eligible for a discretionary contribution made by the Borough shall be designated annually by Resolution of Borough Council.
 4. This ordinance is effective retroactively to January 1, 2014.
 5. Any illegality or invalidity in paragraph "1" shall not affect the validity of paragraph "2", and any

illegality or invalidity in paragraph "2" shall not affect the validity of paragraph "1". However, within each paragraph, any illegality or invalidity of any portion thereof shall render the entire paragraph void.

SO ORDAINED this 16th day of September, 2014.

Salvatore Pasceri, Council President

ATTEST: Mary Aversa, Borough Secretary

APPROVED: Jeanne Sorg, Mayor