

ORDINANCE NO. 804

**AN ORDINANCE OF THE BOROUGH OF DERRY,  
COUNTY OF WESTMORELAND, COMMONWEALTH OF  
PENNSYLVANIA, AMENDING THE DERRY BOROUGH POLICE PENSION PLAN**

**WHEREAS**, pursuant to the authority vested in the Borough of Derry (hereinafter "Borough") by the Pennsylvania Borough Code (53 P.S. §46008), the Borough desires to amend the Derry Borough Police pension Plan;

**WHEREAS**, Marchese and Associates Insurance has served as the administrator of the Derry Borough Police Pension Plan;

**WHEREAS**, the police department personnel and Borough officials desire that amendments to the current police pension plan be made;

**WHEREAS**, Marchese and Associates tasked Duda Actuarial Consulting to conduct and actuarial cost study. The study was completed and a report dated April 22, 2023 was issued;

**WHEREAS**, Borough Council has reviewed the Derry Borough Police Pension Plan Actuarial Valuation as of January 1, 2023 and determined that it is economically feasible to proceed with amending said pension plan to provide: 1) Elimination of the Social Security offset; 2) Reduce the normal retirement age to 55 with 20 years of service; 3) 5% employee contribution can be waived by the Borough via resolution annually; and 4) Increase of service increment maximum to \$500 per month after completion of 30 years of service.

**WHEREAS**, The amendments to the pension plan will not increase the Minimum Municipal Obligations as the Actuarial Value of Assets will still exceed the Present Value of Benefits.

**NOW, THEREFORE, BE IT ORDAINED AND ENACTED**, based on a review of the Duda Actuarial Consulting report dated April 22, 2023 and the representations of Marchese and Associates, the Borough Council of the Borough of Derry, Westmoreland County, Pennsylvania, amends the Derry Borough Pension Plan to include the following provisions:

- a. The Social Security offset will be eliminated.
- b. The normal retirement age will be lowered to age 55 with 20 years of service.
- c. The Act 600 mandatory 5% employee contribution can be waived annually by resolution of Borough Council.
- d. Increase of service increment to \$500 per month after completion of 30 years of service.

Pursuant to Act 600, the reduced retirement age provision only applies if the Derry Borough Police Department is comprised of no more than two (2) full-time police officers. In the event Borough Council enlarges the police department to three (3) or more police officers, the normal retirement age will be age 55 years old with 25 years of service.

Repealer: All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed. This provision specifically includes the repeal of the applicable provisions of Resolution No. 643-20 providing for the amendment, adoption and regulation

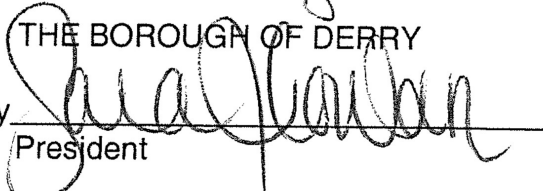
of the terms of the pension plan. The provisions of the pension plan not amended by this Ordinance shall remain in full force and effect.

Effective date: This ordinance shall take effect at the earliest date permitted by law.

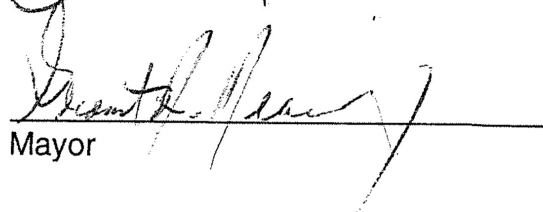
ORDAINED AND ENACTED this 18<sup>th</sup> day of July, 2023.

THE BOROUGH OF DERRY

By



President



Mayor

ATTEST: (SEAL)

