

TOWNSHIP OF UPPER MACUNGIE
Lehigh County, Pennsylvania

ORDINANCE #2024-02
(Duly Adopted February 1, 2024)

AN ORDINANCE OF UPPER MACUNGIE TOWNSHIP, LEHIGH COUNTY, COMMONWEALTH OF PENNSYLVANIA, ELECTING TO AMEND ITS PENSION PLAN FOR EMPLOYEES AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2008 BY AMENDING SECTION 1.3(c) OF THE PLAN AND SECTION 2.2(a)(2) OF THE PLAN AS SET FORTH IN GREATER DETAIL IN THE ORDINANCE AND EXHIBITS ATTACHED HERETO.

WHEREAS, Upper Macungie Township (the Township), by and through the adoption of Township Ordinance 2009-01, adopted and authorized the execution of an amendment to and restatement of The Pension Plan for Employees of Upper Macungie Township (“Plan”), originally effective April 1, 1982 wherein the Township agreed to be bound by all the requirements and provisions of the Plan and to assume all obligations, financial and otherwise, placed upon the Township; and

WHEREAS, Ordinance 2009-01 is codified in the Township Code of Ordinances at Chapter 1 (Administration and Government), Part 6 (Pension Plans), Section 601; and

WHEREAS, the Township hereby desires to further amend and restate the terms of the Plan by executing an Amendment #2 to Pension Plan for Employees of Upper Macungie Township as set forth in greater detail herein.

NOW, THEREFORE, BE IT HEREBY ENACTED AND ORDAINED by the Board of Supervisors of Upper Macungie Township as follows, to wit:

1. The above recitals shall form a part of this Ordinance as though the same were set forth herein at length.

2. The 2008 Plan **shall be amended** as follows:

A. Average Monthly Compensation - Effective January 1, 2021, Section 1.3(c) of the Plan is amended to reflect the changes previously made by the Township to remove the word "consecutive" and to take into account the highest three years of compensation paid in the most recent five-year period. Further, effective January 1, 2023, the Plan is amended to exclude from consideration a year in which an employee is on an approved leave of absence, if

the inclusion would decrease his average monthly compensation. As amended, Section 1.3(c) shall read as follows:

1.3(c) **Average Monthly Compensation** means 1/12th of the average of an employee's annual compensation over the 3 years of compensation that produces the highest average in the last 5 consecutive years including the current plan year. If an employee's entire period of service for the employer is less than the specified period, compensation shall be averaged on an annual basis over the employee's entire period of service.

Effective January 1, 2023, for the purpose of determining average monthly compensation, the years taken into account shall not include a year in which the employee is on an approved leave of absence, if the inclusion would decrease his average monthly compensation.

The annual compensation taken into account in determining average monthly compensation shall be subject to the compensation dollar limitation described in Section 1.3(b) as in effect for each particular year.

B. Eligible Class of Employees - Section 2.2(a)(2) of the Plan is amended to exclude from participation under the Plan any employees not expected to work at least 35 hours per week. As amended, Section 2.2(a)(2) shall read as follows:

2.2(a)(2) **Eligible Class of Employees** — All employees of the employer who are expected to work at least 35 hours per week throughout the year shall be eligible to be covered under the plan except for employees in the following categories:

- Individuals not directly employed by the employer as defined in Section 1.6. An employee of an entity that is not a participating employer in this plan shall not participate in this plan.
- Employees employed as police officers.

3. The Township Manager is authorized to sign the Amendment #2 to Pension Plan for Employees of Upper Macungie Township attached hereto as Exhibit "A".


4. The Township intends this Ordinance to be the complete authorization of the Amendment, and acknowledges it shall become effective as of as January 1, 2024 or as otherwise provided therein.

5. In the event that any provision, section, clause or part of a section or any clause or part of this Ordinance shall be held to be invalid, such invalidity shall not affect or impair any remaining provisions, sections, clauses or part of a section or any clause nor the existing Plan, it being the intent of this Township that such remainder shall remain in full force and effect.

6. The Township shall file a certified copy of this Ordinance and an executed Adoption Agreement with the System.

ENACTED AND ORDAINED the 1st day of February 2024, by the Board of Supervisors of the Township of Upper Macungie, Lehigh County, Pennsylvania, in lawful session duly assembled.

ATTEST



JAZMIN VAZQUEZ, Township Secretary

**UPPER MACUNGIE TOWNSHIP
BOARD OF SUPERVISORS**



JEFF FLEISCHAKER, Chairman



SUNNY GHAI, Vice-Chairwoman



JAMES M. BRUNELL, Member

