

## **ORDINANCE NO 724**

**AN ORDINANCE OF FOUNTAIN HILL BOROUGH, LEHIGH COUNTY, COMMONWEALTH OF PENNSYLVANIA, ELECTING TO CHANGE THE BENEFITS IT HAS IN THE PENNSYLVANIA MUNICIPAL RETIREMENT SYSTEM UNDER ARTICLE IV OF THE PENNSYLVANIA MUNICIPAL RETIREMENT LAW; AGREEING TO BE BOUND BY ALL PROVISIONS OF PENNSYLVANIA MUNICIPAL RETIREMENT LAW AS AMENDED AND AS APPLICABLE TO THE MEMBER MUNICIPALITIES CHANGING BENEFITS UNDER THE PROVISIONS OF THIS ARTICLE; STATING WHICH OF THE CERTAIN OPTIONS PERMITTED UNDER SAID LAW ARE ACCEPTED BY THE BOROUGH. IT IS HEREBY ORDAINED BY FOUNTAIN HILL BOROUGH, LEHIGH COUNTY, AS FOLLOWS:**

SECTION I. Fountain Hill Borough, being a member municipality of the Pennsylvania Municipal Retirement System, hereinafter referred as "PMRS", hereby elects to change its member benefits, as authorized by the Pennsylvania Municipal Retirement Law, Act 15 of 1974, as amended, hereinafter referred as the "Law" and does hereby agree to be bound by all of the requirements and provision of said Law, and to assume all obligations, financial and otherwise, placed upon member municipalities. All references hereafter shall be based on benefits negotiated between the Board and the Municipality under the provisions of Article IV of the Law.

SECTION II. Membership in the PMRS shall be mandatory for all full-time municipal employees of the Borough. Membership for elected officials, part-time employees, and employees hired on a temporary or seasonal basis is optional. Membership for individuals paid only on a fee basis is prohibited. The election by elected officials or part-time, temporary or seasonal employees to join the PMRS must be made within one year after the official or employee first enters the service of the Borough. Membership for individuals paid only on a fee basis is prohibited.

SECTION III. Credit for prior year service for original members is granted for each year or partial year thereof that the member was employed by the Borough from original date of hire or the expiration of the member's probationary period if one so existed. Benefits provided to members in the agreement dated September 5, 2006 shall accrue based on all credited service granted and earned in accordance with this section.

SECTION IV. Payment for any obligation established by the adoption of this ordinance and the agreement between the Board and Fountain Hill Borough shall be made by the Borough in accordance with the Law and Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act.

SECTION V. As part of this Ordinance, the Borough agrees that PMRS shall provide the benefits set forth in the Agreement between the Board and Fountain Hill Borough, dated September 5, 2006. The passage and adoption of this Ordinance by the Fountain Hill

Borough is an official acceptance of said agreement and the financial obligation resulting from the administration of said benefit package. Fountain Hill Borough hereby assumes all liability for any unfundedness created due to the acceptance of the benefit structure outlined in the above referenced agreement.

SECTION VI. Fountain Hill Borough intends this Ordinance to be the complete authorization of the Borough's municipal pension plan and it shall become effective and specifically repeal Ordinance No. 701 either immediately or on January 1, 2006, which is the effective date of the Agreement dated September 5, 2006, between the PMRS and Fountain Hill Borough, whichever is later.

SECTION VII. A duly certified copy of this ordinance and the referenced agreement shall be filed with the PMRS of the Commonwealth of Pennsylvania. Membership for the municipal employees of Fountain Hill Borough in the PMRS shall be effective the first day of March, 1968, with the revised plan structure reflected in the agreement dated September 5, 2006, effective the first day of January 2006.

ORDAINED this 5th day of September, 2006.

TALLY OF VOTES- \_\_\_\_ YEAS \_\_\_\_ NAYS

BY: \_\_\_\_\_  
Lawrence E. Rapp, President of Council

ATTEST: \_\_\_\_\_  
Randy Soriano, Executive Secretary

APPROVED: \_\_\_\_\_  
Stephen Repasch, Mayor

DATE: \_\_\_\_\_