

**BOROUGH OF NORTH EAST
ORDINANCE NO. 886**

**AN ORDINANCE AMENDING ORDINANCE NO. 839
ESTABLISHING THE NORTH EAST POLICE PENSION PLAN**

PREAMBLE

WHEREAS, on September 4, 2007, the Borough of North East enacted Ordinance No. 839 amending and restating the North East Police Pension Plan ("Plan") established under the provisions of Pub. Law 1804, 53 P.S. 767, et seq. ("Act 600");

WHEREAS, Section 3.01 of the Plan provides for Participant Contributions in an amount equal to five percent (5%) of the Participant's Compensation;

WHEREAS, the Borough of North East and the Borough of North East Police Department have negotiated new Articles of Agreement effective January 1, 2016 increasing the Participant Contributions to an amount equal to five and one-half percent (5-1/2%) of the Participant's Compensation;

WHEREAS, the Borough Council desires to amend Ordinance No. 839 to provide in Section 3.01 of the Plan that Participant Contributions shall be in an amount equal to five and one-half percent (5-1/2%) of the Participant's Compensation;

WHEREAS, Section 4.06 of the Plan provides for a Service Increment Benefit of One Hundred Dollars (\$100) per month to be paid in addition to the amount of normal, early, or late retirement benefits;

WHEREAS, the Borough of North East and the Borough of North East Police Department negotiated new Articles of Agreement effective January 1, 2016 providing for an increase in the Service Increment Benefit from One Hundred Dollars (\$100) per month in retirement at twenty-six (26) years to One Hundred Dollars (\$100) per month for each year of service from twenty-six (26) years of service up to and including thirty (30) years of service, with a maximum Service Increment Benefit of Five Hundred Dollars (\$500) per month;

WHEREAS, the Borough Council desires to amend Ordinance No. 839 to increase the Service Increment Benefit provided in Section 4.06 of the Plan for an additional Service Increment Benefit of One Hundred Dollars (\$100) per month for every year of service credited from twenty-six (26) years of service to thirty (30) years of service with a maximum Service Increment Benefit of Five Hundred Dollars (\$500) per month.

THEREFORE, BE IT ORDAINED AND ENACTED, by the corporate authorities of the Borough of North East, Erie County, Pennsylvania, and it is hereby enacted by the Authority of the same that Ordinance No. 839 shall be amended as follows:

Section 1. Sections 3.01 and 4.09 shall be amended to read as follows:

3.01 Participant Contributions - Each Participant shall as a requirement of participation pay regular contributions to the Pension Fund in an amount equal to five and one-half percent (5-1/2%) of the Participant's Compensation. Each Participant shall complete the necessary forms to authorize the payment of Participant contributions by way of payroll deduction, if necessary.

4.06 Service Increment Benefit - Notwithstanding anything contained herein to the contrary, a Participant who shall retire after completion of at least twenty-six (26) years of Aggregate Service may be entitled to receive a monthly Service Increment Benefit provided, however, that the Participant shall have accrued sufficient service credit pursuant to this section 4.06. Such Service Increment Benefit shall only be available to a Participant whose Aggregate Service for purposes of this section 4.06 shall only include periods of time when the Participant actively renders service in Employment and shall not include any period of time during which the Participant received a Disability Benefit under the terms of this Plan or was not otherwise in active Employment. Such Service Increment Benefit shall be an amount equal to One Hundred Dollars (\$100.00) for each year of Aggregate Service from twenty-six (26) years of Aggregate Service up to and including thirty (30) years of Aggregate Service, up to a maximum Service Increment Benefit of Five Hundred Dollars (\$500) per month, and shall be paid monthly in addition to the amount of Normal, Early or Late Retirement Benefit calculated pursuant to section 4.02, 4.04 or 4.05.

Section 2. The within Ordinance shall take effect on January 1, 2016.

ENACTED INTO AN ORDINANCE THIS 7TH DAY OF DECEMBER, 2015.

THE BOROUGH OF NORTH EAST

Joseph Schneider
President of Borough Council

ATTEST:

William L. Rogers
Borough Manager

APPROVED THIS 7TH DAY OF DECEMBER, 2015.

Steven L. Gregory
Mayor