

**HOPEWELL TOWNSHIP
RESOLUTION NO. 2023-11**

A RESOLUTION OF THE TOWNSHIP OF HOPEWELL, BEAVER COUNTY
PENNSYLVANIA. RELATIVE TO THE ESTABLISHMENT AND MAINTENANCE OF
TOWNSHIP EMPLOYEES' PENSION, ANNUITY, INSURANCE AND BENEFIT FUND OR
FUNDS, TO AMEND CERTAIN PROVISIONS OF THE PENSION PLAN OR PROGRAM
APPLICABLE TO THE POLICE OF SAID TOWNSHIP AND TO RESTATE IN ITS
ENTIRETY SUCH PENSION PLAN OR PROGRAM

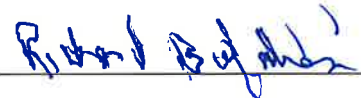
BE IT RESOLVED AND ADOPTED by the Board of Commissioners of Hopewell Township ("Township") and it is **HEREBY RESOLVED AND ADOPTED** by the authority of the same.

1. The Hopewell Township Police Pension Plan ("Plan"), which was established as of October 19, 1957, restated pursuant to Resolution No. 57-106 and restated and amended June 11, 1996, pursuant to Resolution No. 96-127 and under the provisions of Pub. Law 1804, 53 Pa. Con. Stat. Ann. 767, et seq, (sometimes referred to as Act 600) for the benefit of the Township's police employees and which has been amended and restated by resolutions of the Township Board of Commissioners therefore, shall be, and hereby is, amended and supplemented as hi-lighted and marked in the attached Amended and Restated Hopewell Township Police Pension Plan marked Exhibit "A" effective retroactively to **January 1, 2023**.
2. Any Ordinances, Resolutions or parts of Ordinances or Resolutions conflicting with the provisions of this resolution shall be, and hereby are repealed so far as the same affect this Resolution, however, such repeal shall not affect any act done or any right or liability accrued under such Ordinances or Resolution herein repealed or superseded and all such rights or liabilities shall continue and may be enforced in the same manner as if such repeal or supersession had not been made but only to the extent otherwise permitted under the laws of the Commonwealth of Pennsylvania.

Dated: July 24, 2023



Jamie Yurcina
Hopewell Township Manager



Richard Bufalini,
Board of Commissioners,
President

**HOPEWELL TOWNSHIP
POLICE PENSION PLAN**

Amended and Restated
Effective as of: January 1, 2023

PREAMBLE

WHEREAS, Hopewell Township, Beaver County, Pennsylvania, established a retirement program as of September 12, 1955, and reestablished such program pursuant to Resolution No. 57-106 adopted October 19, 1957 and under the provisions of Pub. Law 1804, 53 Pa. Con. Stat. Ann. 767, et seq., (commonly referred to as Act 600) (the "Plan") for the benefit of the Township's police officers and their beneficiaries; and

WHEREAS, the Plan has been amended thereafter from time to time pursuant to various Resolutions, including but not limited to:

Resolution No. 69-108	November 10, 1969
Resolution No.---	December 10, 1973
Resolution No.---	November 13, 1975
Resolution No. 87-109	March 10, 1987
Resolution No. ---	March 8, 1988
Resolution No. ---	March 12, 1991
Resolution No. 92-101	January 6, 1992
Resolution No. 96-127	June 11, 1996
Resolution No. 92-113	July 28, 1992
Resolution No. 93-113	June 8, 1993
Resolution No. 99-112	June 8, 1999
Resolution No. 99-129	December 6, 1999
Resolution No. 2001-19	December 11, 2001
Resolution No. 2003-07	December 22, 2003
Resolution No. 2006-13	June 12, 2006
Resolution No. 2006-17	November 13, 2006
Resolution No. 2006-28	November 13, 2006
Resolution No. 2010-23	August 23, 2010
Resolution No. 2011-23	September 12, 2011
Resolution No. 2011-25	October 24, 2011
Resolution No. 2012-09	May 14, 2012
Resolution No. 2013-10	September 9, 2013

WHEREAS, the Board of Commissioners wants to facilitate the administration of the Plan by completely amending and restating the Plan to set forth the provisions thereof in a single document for purposes of Resolution consolidation; and

WHEREAS, the Board of Commissioners intends that the Plan shall satisfy the requirements of § 401(a) of the Internal Revenue Code (the "Code") that are applicable to governmental plans, as defined in Code § 414(d), and the applicable laws of the Commonwealth of Pennsylvania.

NOW, THEREFORE, the Plan now known as "Hopewell Township Police Pension Plan" is hereby amended and restated in its entirety, effective January 1, 2023, except where a different effective date is specified herein, as follows:

Employee receives a distribution of Accumulated Contributions and shall be computed at the same rate and in the same manner as described in section 1.02.

- 1.07 "Beneficiary" shall mean the person or entity designated by the Participant to receive a distribution of the Participant's Accumulated Contributions should the Participant die prior to becoming entitled to a retirement benefit. In the event that a Participant does not designate a Beneficiary or the Beneficiary does not survive the Participant, the Beneficiary shall be the surviving spouse, or if there is no surviving spouse, the issue, per stirpes, or if there is no surviving issue, the estate; but if no personal representative has been appointed, to those persons who would be entitled to the estate under the intestacy laws of the Commonwealth of Pennsylvania if the Participant had died intestate and a resident of Pennsylvania.
- 1.08 "Board" shall mean the Board of Commissioners of Hopewell Township.
- 1.09 "Chief Administrative Officer" shall mean the person designated by the Township who has the primary responsibility for the execution of the administrative affairs for the Plan.
- 1.10 "Code" shall mean the Internal Revenue Code of 1986, as amended.
- 1.11 "Committee" shall mean the Police Pension Committee as determined pursuant to section 8.02.
- 1.12 "Commonwealth" shall mean the Commonwealth of Pennsylvania
- 1.13 "Compensation" shall mean the total remuneration of the Employee, whether salary or hourly wages, including overtime pay, holiday pay, longevity pay and any other form of remuneration, excluding reimbursement for expenses, paid by the Employer for police services rendered. Effective for Employees hired on or after December 17, 2020, Compensation shall mean the base pay or salary of the Employee paid by the Employer for police services rendered. Compensation shall be limited on an annual basis to the amount specified for government plans pursuant to Code Section 401(a)(17).
- 1.14 "Disability Date" shall mean the date when a Participant is determined by the Plan Administrator to be incapacitated due to Total and Permanent Disability, or the date when the Participant's Employment terminates due to such Total and Permanent Disability, if later.
- 1.15 "Employee" shall mean any individual employed by the Employer on a regular full-time basis as a police officer of the Employer's police force.
- 1.16 "Employer" shall mean Hopewell Township, Beaver County, Pennsylvania.
- 1.17 "Employment" shall mean for the purpose of determining Aggregate Service:
 - (a) The period of time for which an Employee is directly or indirectly compensated or entitled to compensation by the Employer for the performance of duties as a police officer;

attributable to active employment during the averaging period. Effective for Employees hired on or after December 17, 2020, Final Monthly Average Salary shall mean the Employee's average base pay over the final sixty (60) months immediately preceding termination of active employment.

Final Monthly Average Salary shall be calculated by taking into account only those periods during which an Employee receives salary, as that term is defined in this Section 1.18. Therefore, for example, the Final Monthly Average Salary for a Participant who receives disability benefits from this Plan or who is voluntarily or involuntarily serving in the United States armed forces during the final thirty-six (36) months of Aggregate Service shall be based on the period during which the Employee last received salary (as defined in the preceding paragraph) from the Employer. Salary used to determine Final Monthly Average Salary shall be limited on an annual basis to the amount specified for government plans in accordance with Code Section 401(a)(17).

- 1.19 "Insurer" or "Insurance Company" shall mean a legal reserve life insurance company authorized to do business in the Commonwealth of Pennsylvania.
- 1.20 "Minimum Municipal Obligation" shall mean the minimum obligation of the municipality as determined by the Actuary pursuant to the provisions of the Act.
- 1.21 "Normal Retirement Age" shall mean the date on which a Participant who was hired before December 17, 2020 has completed twenty-five (25) years of Aggregate Service with the Employer and has attained age fifty (50) and shall mean date on which a Participant who was hired on or after December 17, 2020 has completed twenty-five (25) years of Aggregate Service with the Employer and has attained age fifty-five (55).
- 1.22 "Notice" or "Election" shall mean a written document prepared in the form specified by the Plan Administrator. If such notice or election is to be provided by the Employer or the Plan Administrator, it shall be mailed in a properly addressed envelope, postage prepaid, to the last known address of the person entitled thereto, on or before the last day of the specified notice or election period. If such notice or election is to be provided to the Employer or the Plan Administrator, it must be received by the recipient on or before the last day of the specified notice or election period.
- 1.23 "Participant" shall mean an Employee who has met the eligibility requirements to participate in the Plan as provided in section 2.01 and who has not for any reason ceased to be a Participant hereunder.
- 1.24 "Pension Fund" or "Fund" shall mean the police Pension Fund administered under the terms of this Plan and which shall include all money, property, investments, Policies and Contracts standing in the name of the Plan.
- 1.25 "Plan" shall mean the Plan set forth herein, as amended from time to time and designated as the Hopewell Township Police Pension Plan.
- 1.26 "Plan Administrator" shall mean the Committee or the individual appointed for the purpose of supervising and administering the provisions of the Plan. If no such appointment is made, the Plan Administrator shall be the Board.

ARTICLE II

PARTICIPATION IN THE PLAN

- 2.01 **Eligibility Requirements** - Each Employee who is employed as regular, full-time permanent member of the police department of the Employer shall participate herein as of the date on which such Employee's Employment first commences or recommences provided all prerequisites to participation under this Plan shall have been fulfilled, including but not limited to, completion of all forms required by the Plan Administrator.
- 2.02 **Notification of Plan Administrator** - The Board shall furnish the Plan Administrator with written notification of the appointment of any new full-time permanent Employee who is eligible for participation hereunder.
- 2.03 **Designation of Beneficiary** - Any eligible Employee who is a Participant hereunder shall provide a written notice in the manner prescribed by the Plan Administrator which designates a Beneficiary at the time participation commences. The Participant's election of any such Beneficiary may be rescinded or changed, without the consent of the Beneficiary, at any time provided the Participant provides the written notice of the changed designation to the Plan Administrator in the manner prescribed by the Plan Administrator. Any designation of a Beneficiary made in any manner other than one acceptable to the Plan Administrator shall be null and void and have no effect under the terms of this Plan.

ARTICLE IV

RETIREMENT BENEFITS

- 4.01 **Normal Retirement** - Each Participant shall be entitled to a normal retirement benefit on or after the Participant has attained Normal Retirement Age.
- 4.02 **Normal Retirement Benefit** - Each Participant who shall become entitled to a benefit pursuant to section 4.01 shall receive a benefit paid monthly in an amount equal to fifty percent (50%) of the Participant's Final Monthly Average Salary as determined herein.
- 4.03 **Late Retirement** - A Participant may continue to work beyond the attainment of Normal Retirement Age subject to the Employer's rules and regulations regarding retirement age. If a Participant who has met the requirements of section 4.01 continues to work beyond Normal Retirement Age, there shall be no retirement benefits paid until Employment ceases and retirement begins. The retirement benefit of a Participant who retires after attainment of Normal Retirement Age shall be calculated in accordance with section 4.02 based on the Final Monthly Average Salary of such Participant's actual Retirement Date.
- 4.04 **Service Increment**
- (a) A Participant who is not the Chief of Police and who shall retire after completion of at least twenty-six (26) years of Aggregate Service as determined hereunder may receive a monthly service increment benefit. Such service increment shall only be available to a Participant who is not the Chief of Police and who shall retire after attainment of Normal Retirement Age and whose Aggregate Service for purposes of this Section 4.04 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 shall be in an amount equal to one hundred dollars (\$100.00) provided at least twenty-six (26) years of Aggregate Service have been completed. The service increment shall not exceed one hundred dollars (\$100.00) and shall be paid monthly in addition to the amount of Normal Retirement Benefit calculated pursuant to Section 4.02 hereof.
 - (b) A Participant who is the Chief of Police who shall retire after completion of at least twenty-six (26) years of Aggregate Service as determined hereunder may receive a monthly service increment benefit. Such service increment shall only be available to a Participant who is the Chief of Police and who shall retire after attainment of Normal Retirement Age and whose Aggregate Service for purposes of this section 4.04 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 shall be in an amount equal to one hundred dollars (\$100.00) per month for each completed year of Aggregate Service the Participant completed beyond twenty-five years of Aggregate Service. The service increment shall not exceed five hundred dollars (\$500.00)

Retirement Date.

Each Participant who shall become entitled to a benefit pursuant to this section 4.09 must make application in writing to the Board to receive such a benefit which shall become effective as of the date the application is filed with Board or the date designated on the application, whichever is later. The benefit shall be an amount equal to the actuarial equivalent of the Participant's Accrued Benefit. The actuarial equivalent of the Participant's Accrued Benefit shall be determined by actuarially reducing the Accrued Benefit to reflect that it will commence on the effective date of the Participant's Early Retirement rather than on the date which would have been the date on which the Participant would attain Normal Retirement Date if the Participant continued in Employment to such date. The actuarial assumptions reported in the last actuarial valuation report filed with the Pennsylvania Department of the Auditor General Municipal Pension Reporting Program under the Act shall be the actuarial assumptions used to calculate the actuarial equivalent of the Participant's Normal Retirement Benefit multiplied by a fraction, the numerator of which shall be the years of Aggregate Service completed by the Participant and the denominator of which shall be the years of Aggregate Service the Participant would complete if the Participant remained in Employment until the date on which the Participant would attain Normal Retirement Date.

- 4.10 **One-Time Cost of Living Adjustment** - Effective with the first monthly pension benefit paid after June 30, 2002, the Plan shall provide for a one-time post-retirement adjustment to the eligible retired Participants of the Plan, the eligibility, amount and timing of such adjustment to be as provided in Act 64 of 2002.

ARTICLE V

DISABILITY RETIREMENT

ARTICLE VI
DEATH BENEFITS

6.01 **Death of Participant** - Upon the occurrence of the death of a Participant, there shall be benefits payable in accord with the following sections of this Article VI.

6.02 **Survivor Benefit**

(a) If a Participant shall die prior to April 17, 2002 after commencement of retirement benefit payments under Article IV hereunder or after the Participant is eligible to retire under section 4.01 and before retirement benefit payments commence, a survivor benefit shall be paid in an amount equal to fifty percent (50%) of the Participant's Accrued Benefit as of the date of death. If a Participant shall die while receiving a Disability Retirement Benefit under Article V hereunder, a survivor benefit shall be paid in an amount equal to fifty percent (50%) of the monthly amount paid to the Participant. The survivor benefit shall be paid monthly to the surviving spouse of the Participant, if any, until the date of death of the surviving spouse. Upon the death of the surviving spouse or if there is no surviving spouse, the survivor benefit shall be paid monthly in equal shares to the surviving dependent children of the deceased Participant who have not attained eighteen (18) years of age. The shares payable to the surviving dependent children shall be adjusted as each child ceases to be eligible to receive a share of the benefit hereunder.

(b) In the event a Participant "retires on pension" (within the meaning of Act 30 of 2002) on or after April 17, 2002 and dies, a benefit shall be paid to the surviving spouse or if no spouse survives, or if he or she survives and subsequently dies, then the child or children under the age of eighteen (18) years or if attending college, under or attaining the age of twenty-three (23) years in the case of a child or children, in the amount of fifty percent (50%) of the pension the Participant was receiving or would have been receiving had he been retired at the time of his death. For purposes of this section, a Participant who has attained Normal Retirement Age and dies prior to retiring shall be treated as if he had retired on the day before his death. Notwithstanding anything to the contrary in this Plan, if anyone receives benefits under this Section, no one shall receive any other benefits under this Plan on account of the death or retirement of the Participant.

The phrase "attending college" shall mean the eligible children are registered at an accredited institution of higher learning and are carrying a minimum course load of seven (7) credit hours per semester.

To the extent required by Act 30 of 2002, this section applies to the surviving spouse of a Participant who died on or before April 17, 2002 and who was not remarried as of April 17, 2002.

6.03 **Death of Participant Prior to Retirement** - If a Participant shall die before payment of a benefit has commenced and without eligibility for payment of a survivor benefit under section 6.02, the Beneficiary shall be eligible to receive a

ARTICLE VII

TERMINATION OF EMPLOYMENT

- 7.01 **Rights of Terminated Employees** - A Participant who shall cease to be an Employee except as otherwise hereinbefore provided shall have all interest and rights under this Plan limited to those contained in the following sections of this Article.
- 7.02 **Distribution of Accumulated Contributions** - A Participant whose Employment with the Employer shall terminate for any reason other than death or Total and Permanent Disability prior to attainment of Normal Retirement Age shall be entitled to receive a distribution of Accumulated Contributions. Upon receipt of such Accumulated Contributions, said Participant and Beneficiary shall not be entitled to any further payments from the Plan.
- 7.03 **Deferred Vested Benefit** - A Participant who has completed at least twelve (12) years of Aggregate Service and whose Employment with the Employer shall terminate for any reason other than death or Total and Permanent Disability prior to attainment of Normal Retirement Age shall be entitled to elect, by giving written notice of such election to the Plan Administrator within ninety (90) days following the date that the Participant's Employment terminated, to receive a deferred vested benefit in lieu of a distribution of Accumulated Contributions under section 7.02. Such a deferred vested benefit shall be in an amount equal to the Participant's Accrued Benefit as of the date Employment terminates and shall commence after application pursuant to section 4.06 as of the first day of the month coincident with or next following the date on which the Participant's Normal Retirement Age would be attained if the Participant continued in Employment until such date.
- 7.04 **Forfeiture** - Rights under this Plan shall be subject to forfeiture as provided by the act of July 8, 1978 (P.L. 752, No. 140), known as the Public Employee Pension Forfeiture Act.

- (g) to require from the Employer or any Participant such information as shall be necessary for the proper administration of the Plan; and
- (h) to appoint and retain any individual to assist in the administration of the Plan, including such legal, clerical, accounting and actuarial services as may be required by any applicable law or laws.

The Plan Administrator shall have no power to add to, subtract from or modify the terms of the Plan or change or add to any benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility for benefits under the Plan. Further, the Plan Administrator shall have no power to adopt, amend, or terminate the Plan, to select or appoint any Trustee or to determine or require any contributions to the Plan, said powers being exclusively reserved to the Board.

8.04 **Police Pension Committee Organization** - If the Board appoints a Committee, it may organize itself in any manner deemed appropriate to effectuate its purposes hereunder, subject to the following:

- (a) The Committee shall act by a majority of its members at the time in office and such action may be taken either by vote at a meeting or in writing without a meeting.
- (b) The Committee shall, from time to time, appoint a Chairman, a Secretary who may, but need not, be a Committee member and such other agents as it may deem advisable.
- (c) The Committee may, from time to time, authorize any one or more of its members to execute any document or documents including any application, request, certificate, notice, consent, waiver or direction and shall notify the Board, in writing, of the name or names of the member or members so authorized. In the absence of a designation, the Chairman shall be deemed to be so authorized. Any Trustee or other fiduciary appointed hereunder shall accept and be fully protected in relying upon any document executed by the designated member or members (or the Chairman in the absence of a designation) as representing a valid action by the Committee until the Committee shall file with such fiduciary a written revocation of such designation.
- (d) The Committee or its delegate, shall maintain and keep such records as are necessary for the efficient operation of the Plan or as may be required by any applicable law, regulation or ruling and shall provide for the preparation and filing of such forms or reports as may be required to be filed with any governmental agency or department and with the Participants and/or other persons entitled to benefits under the Plan.

statement of why such material or information is necessary, and (iii) an explanation of the review procedure.

- (c) Upon receipt of Notice denying the claim, the Claimant shall have the right to request a full and fair review by the Board of the initial determination. Such request for review must be made by Notice to the Board within sixty (60) days of receipt of such Notice of denial. During such review, the Claimant or a duly authorized representative shall have the right to review any pertinent documents and to submit any issues or comments in writing. The Board shall, within sixty (60) days after receipt of the Notice requesting such review, (or in special circumstances, such as where the Board in its sole discretion holds a hearing, within one hundred and twenty (120) days of receipt of such Notice), submit its decision in writing to the person or persons whose claim has been denied. The decision shall be final, conclusive and binding on all parties, shall be written in a manner calculated to be understood by the Claimant and shall contain specific references to the pertinent Plan provisions on which the decision is based.
- (d) Any Notice of a claim questioning the amount of a benefit in pay status shall be filed within ninety (90) days following the date of the first payment which would be adjusted if the claim is granted unless the Plan Administrator allows a later filing for good cause shown.
- (e) A Claimant who does not submit a Notice of a claim or a Notice requesting a review of a denial of a claim within the time limitations specified above shall be deemed to have waived such claim or right to review.
- (f) Nothing contained herein is intended to abridge any right of a Claimant to appeal any final decision hereunder to a court of competent jurisdiction under 2 Pa. C.S.A. section 752. No decision hereunder is a final decision from which such an appeal may be taken until the entire appeal procedure of this section 8.08 of the Plan has been exhausted.

limits under Code Section 415(b), and if the aggregated benefits would otherwise exceed the limit under Code Section 415(b), then benefits shall be reduced first under this Plan.

- (e) **Mandatory Contributions.** Participant Contributions are annual additions, and any benefit attributable to Participant Contributions is not included in the benefit subject to the limits of Code Section 415(b). This subsection does not apply to contributions "picked-up" in accordance with Code Section 414(h).
- (f) **Permissive Service Credit.** Effective as of January 1, 1998, if a Participant makes a purchase of permissive service credit (within the meaning of Code Section 415(n)) under the Plan, the benefit derived from the contributions made to purchase the service credit shall be treated as part of the benefit subject to the limitations under this section.

9.05 **Limit on Annual Additions**

- (a) **Annual Additions.** Except as otherwise provided, annual additions (which include Participant Contributions) under this Plan shall at all times comply with the provisions of Code Section 415(c) and the regulations thereunder, the terms of which are specifically incorporated herein by reference. If an annual addition would otherwise exceed the limit under Code Section 415(c), the excess annual addition will be eliminated in accordance with methods permitted under Rev. Proc. 2008-50 (Rev. Proc. 2006-27 prior to 2009) or its successor.
- (b) **Multiple Plans.** If a Participant also participates in one or more other plans that are required to be aggregated with this Plan for purposes of determining the limits under Code Section 415(c), and if the annual additions would otherwise exceed the limit under Code Section 415(c), annual additions will first be reduced under the other plan. If there is more than one other plan, annual additions will first be reduced under the plan with the greatest amount of annual additions.
- (c) **Effective Date.** The limits under which Code Section 415(c) are adjusted periodically in accordance with changes in the law or cost of living adjustments without the need for a plan amendment. If there is more than one permissible effective date for any required change relating to Code Section 415(c), then the change shall be effective as of the earliest permissible effective date.

9.06 **Direct Rollovers**

- (a) If a distributee is entitled (under other provisions of this Plan) to receive an "eligible rollover distribution" of at least two hundred dollars (\$200), the distributee may elect that the Plan Administrator transfer all or part (provided that the part is at least five hundred dollars (\$500)) to any "eligible retirement plan" capable of accepting such a transfer.
- (b) For purposes of this section, the following definitions shall apply:

(§1.401(a)(9)-1 through §1.401(a)(9)-9) on or after January 1, 2003.

- (a) Distribution of a Participant's benefits shall begin not later than April 1st of the calendar year following the later of:
 - (1) the calendar year in which the Participant attains age seventy-three (73) (or seventy-two (72) if before January 1, 2023, or seventy and one-half (70½) if before January 1, 2020), or
 - (2) the calendar year in which the Participant retires.

Distributions must be made over a period not exceeding the life of the Participant or the joint lives of a Participant and his Beneficiary.

- (b) Distributions to a Participant and his Beneficiaries shall only be made in accordance with the incidental death benefit requirements of Code Section 401(a)(9)(G) and the regulations thereunder. If a Participant receives a joint and survivor annuity and the beneficiary is not the Participant's spouse, life expectancy shall be determined using the Uniform Lifetime Table of Treasury regulation §1.401(a)(9)-9.
- (c) This section does not authorize the payment of any benefit in any form not permitted under another provision of the Plan.

9.08 **Qualified Domestic Relations Orders** - All rights and benefits, including elections, provided to a Participant in this Plan shall be subject to the rights afforded to any "alternate payee" under what is recognized pursuant to State law support provisions or as a "qualified domestic relations order."

9.09 **Credit for Qualified Military Service** - Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance Code Sections 401(a)(37) and 414(u).

9.10 **Vesting Upon Plan Termination** - Upon the termination of this Plan, or complete discontinuance of contributions (within the meaning of pre-ERISA Code Section 401(a)(7)) to this Plan, each Employee (who is not already 100% vested) as of the date of such termination or discontinuance shall become vested to the extent that the Plan is funded.

9.11 **Mandatory Lump Sum Distributions** - Effective as of January 1, 2006, no lump-sum distribution in excess of one thousand dollars (\$1,000) may be made to a Participant prior to the Participant's attainment of Normal Retirement Age unless the Participant consents to the distribution.

9.12 **Non-Spousal Rollover** - Effective January 1, 2007, if a Beneficiary who is not a surviving spouse is entitled to receive what would otherwise be an "eligible rollover distribution", the Beneficiary may, in accordance with Code Section 402(c)(11), make a trustee-to-trustee transfer of that amount to an IRA or individual retirement annuity (other than an endowment contract); provided that:

- 9.18 **Retroactive Effective Date for Certain Internal Revenue Code Provisions** - Notwithstanding the effective date of this restatement, any provision required by EGTRRA is effective as of January 1, 2002 and any provision that is required by GUST is effective as of the effective dates set forth herein.
- 9.19 **Vesting at Normal Retirement Age** - Effective September 1, 1974, upon attainment of Normal Retirement Age a Participant shall be 100% vested in his Normal Retirement Benefit.
- 9.20 **Consent for Lump-Sum Distributions** - Effective January 1, 2006, notwithstanding any other provision of the Plan, any distribution to a Participant made prior to the earlier of age 62 or Normal Retirement Age of an amount in excess of \$1,000 that is an eligible rollover distribution as set forth in the Plan and the Code shall be made only upon consent of the Participant.

- (e) To exercise all conversion and subscription rights pertaining to property held in the fund.
- (f) To exercise all voting rights with respect to property held in the fund and in connection therewith to grant proxies, discretionary or otherwise.
- (g) To place money at any time in a deposit bank deemed to be appropriate for the purposes of this Plan no matter where situated, including in those cases where a bank has been appointed to serve as trustee hereunder, the savings department of its own commercial bank.
- (h) In addition to the foregoing powers, the Employer shall also have all of the powers, rights, and privileges conferred upon trustees by the Pennsylvania Fiduciaries Investment Act, or as the same may be subsequently modified or amended, and the power to do all acts, take all proceedings and execute all rights and privileges, although not specifically mentioned herein, as the Employer may deem necessary to administer the Pension Fund.
- (i) To maintain and invest the assets of this Plan on a collective and commingled basis with the assets of other pension plans maintained by the Employer, provided that the assets of each respective plan shall be accounted for and administered separately.
- (j) To invest the assets of the Pension Fund in any collective commingled trust fund maintained by a bank or trust company, including any bank or trust company which may act as a trustee hereunder. In this connection, the commingling of the assets of this Plan with assets of other eligible, participating plans through such a medium is hereby specifically authorized. Any assets of the Plan which may be so added to such collective trusts shall be subject to all of the provisions of the applicable declaration of trust, as amended from time to time, which declaration, if required by its terms or by applicable law, is hereby adopted as part of the Plan, to the extent of the participation in such collective or commingled trust fund by the Plan.
- (k) To make any payment or distribution required or advisable to carry out the provisions of the Plan, provided that if a trustee is appointed by the Employer, such trustee shall make such distribution only at the direction of the Employer.
- (l) To compromise, contest, arbitrate, enforce or abandon claims and demands with respect to the Plan.
- (m) To retain any funds or property subject to any dispute without liability for the payment of interest thereon, and to decline to make payment or delivery thereof until final adjudication is made by a court of competent jurisdiction.
- (n) To pay, and to deduct from and charge against the Pension Fund, any taxes which may be imposed thereon, whether with respect to the income, property or transfer thereof, or upon or with respect to the interest of any person therein, which the Fund is required to pay; to contest, in its discretion, the validity or amount of any tax, assessment, claim or demand which may be levied or made

effected by the trustee during the period covered by the accounting, based on fair market values prevailing as of such date.

- 10.06 **Value of the Pension Fund** - All determinations as to the value of the assets of the Pension Fund, and as to the amount of the liabilities thereof, shall be made by the Employer or its appointed trustee, whose decisions shall be final and conclusive and binding on all parties hereto, the Participants and Beneficiaries and their estates. In making any such determination, the Employer or trustee shall be entitled to seek and rely upon the opinion of or any information furnished by brokers, appraisers and other experts, and shall also be entitled to rely upon reports as to sales and quotations, both on security exchanges and otherwise as contained in newspapers and in financial publications.

All other assets attributable to the terminated Plan shall be distributed and disposed of in accordance with the provisions of applicable law and the terms of any instrument adopted by the Employer which affects such termination.

- 11.05 **Residual Assets** - If all liabilities to vested Participants and any others entitled to receive a benefit under the terms of the Plan have been satisfied and there remain any residual assets in the Pension Fund, such residual assets remaining shall be returned to the Employer insofar as such return does not contravene any provision of law, and any remaining balance, in excess of Employer contributions, shall be returned to the Commonwealth.
- 11.06 **Exclusive Benefit Rule** - In the event of the discontinuance and termination of the Plan as provided herein, the Employer shall dispose of the Pension Fund in accordance with the terms of the Plan and applicable law; at no time prior to the satisfaction of all liabilities under the Plan shall any part of the corpus or income of the Pension Fund, after deducting any administrative or other expenses properly chargeable to the Pension Fund, be used for or diverted to purposes other than for the exclusive benefit of the Participants in the Plan, their Beneficiaries or their estates.

by an approved Actuary, which estimate shall disclose to the Board the impact of the proposed benefit plan modification on the future financial requirements of the Plan and the future Minimum Municipal Obligation of the Employer with respect to the Plan.

- (i) active membership in the retirement Plan;
- (ii) any growth in the salary base used for calculating the regular retirement benefit;
- (iii) any additional benefit accrual for retirement purposes;

The IROP Participant shall be required to provide any other information required by the Township.

- 13.04 **Effective Dates of IROP Participation** - An IROP Participant's effective date of participation in an IROP shall begin the day following the effective date of the IROP Participant's regular retirement and shall end on the last day of the participation period specified in the resolution establishing the IROP based on the effective date of the retired Employee's participation in the IROP which shall also be the IROP Participant's termination of employment date.
- 13.05 **IROP Participation Termination** - An IROP Participant may change the IROP termination date to an earlier date within the limitations of section 13.03. No penalty shall be imposed for early termination of IROP participation. Upon either early or regular termination of IROP participation, the IROP Participant shall be separated from employment by the Township of Hopewell and the retirement Plan shall pay the balance in the IROP Participant's subsidiary IROP Participant account to the terminating Participant as provided in section 13.09.
- 13.06 **IROP Participation Effect on Participant Contributions** - An IROP Participant's participation in the IROP shall suspend the IROP Participant's obligation to make contributions to the Township of Hopewell Police Pension Plan.
- 13.07 **Fixed retirement Benefits, Retirement Date and IROP Dates** - Effective with the date of retirement, which must be the day before the effective date of IROP participation, the IROP Participant's Normal Retirement Benefit under the pension Plan, the Employee's effective date of retirement and the Employee's effective dates of beginning and terminating employment as an IROP Participant shall be fixed.
- 13.08 **Normal Retirement Benefit Payments and Accruals** - The IROP Participant's monthly Normal Retirement Benefit, together with supplemental amounts provided to a Participant after retirement as cost-of-living increases and interest on that benefit, at an annual rate of two percent (2%) per annum, shall be credited to the IROP Participant's subsidiary IROP Participant account in the pension trust fund as of the Participant's Retirement Date and the first day of each month thereafter during the Participant's IROP participation. A separate accounting of the IROP Participant's Normal Retirement Benefit accumulation under the IROP shall be calculated annually and provided to the Participant.
- 13.09 **Payment of IROP Benefits** - On the effective date of an IROP Participant's termination of employment with the Township of Hopewell as an IROP Participant, participation in the IROP shall cease, and the retirement Plan shall calculate and pay to the Participant the Participant's total accumulated IROP benefits in the IROP Participant's subsidiary IROP Participant account subject to the following provisions:

- (c) Rights under this IROP shall be subject to attachment in favor of an alternate payee as set forth in a domestic relations order.
- (d) Under section 13.09, a distributee may elect to have an eligible rollover distribution paid directly to an eligible retirement Plan by way of a direct rollover. As used in this paragraph, the following words and phrases have the following meanings:
 - (i) "Distributee" shall include an IROP Participant, an IROP Participant's designated Beneficiary and an IROP Participant's former spouse who is an alternate payee under a domestic relations order.
 - (ii) "Eligible retirement plan" in the case of an eligible rollover distribution to a surviving spouse shall include an "individual retirement account" as defined in section 408(a) of the Internal Revenue Code of 1986 or an "Individual retirement annuity" as defined in section 408(b) of the Internal Revenue Code of 1986.
 - (iii) "Eligible rollover distribution." As defined in section 402(f)(2)(A) of the Internal Revenue Code of 1986.

- 13.11 **Pre-Retirement Benefits** - Except for those benefits specified in section 13.03(b) as forgone by the member, an IROP Participant shall be eligible for any employee benefits provided to active employees before retirement by the Township of Hopewell and those otherwise provided by law, including but not limited to, benefits under the act of June 2, 1915 (P.L. 736, No. 338), known as the Workers' Compensation Act; the act of June 28, 1935 (P.L. 477, No. 193), referred to as the Enforcement Officer Disability Benefits Law; the act of December 5, 1936 (2nd Sp. Sess., 1937 P.L. 2897, No. 1), known as the Unemployment Compensation Law; the act of June 24, 1976 (P.L. 424, No. 101), referred to as the Emergency and Law Enforcement Personnel Death Benefits Act; and the Public Safety Officers' Benefit Act of 1976 (Public Law 94-430, 42 U.S.C. § 90 stat. 1347).
- 13.12 **Disability Pension Benefits** - If an IROP Participant becomes eligible for a disability pension benefit from the Township of Hopewell Police Pension Plan the monthly Normal Retirement Benefit of the IROP Participant shall terminate upon commencement of disability pension benefit payments.
- 13.13 **Service Increments** - An IROP Participant's service during the IROP participation period will not count as service for purposes of determining entitlement to or the amount of any Service Increment benefit that may be provided by the Plan.
- 13.14 **IROP Benefits for Designated Beneficiary** - If an IROP Participant dies, the Participant's designated Beneficiary shall be entitled to apply for and receive the benefits accrued in the IROP Participant's subsidiary IROP Participant account as provided in section 13.09.
- 13.15 **Final Credited Monthly Retirement Benefit** - The monthly retirement benefit accrued in the IROP Participant's IROP Participant account during the month of an

- 13.20 **Existing IROPs** - The Township of Hopewell Police Pension Plan IROP in existence on the effective date of future IROP legislation which does not conform to the provisions of future IROP legislation shall amend its Plan within one hundred eighty (180) days of the effective date of this legislation or when the current labor-management contract creating the Plan expires, whichever is later, to conform with the provisions of this legislation or as mandated in future legislation.
- 13.21 **Noncompliance** - If the Township of Hopewell which established this IROP by enacting a Resolution fails to comply within ninety (90) days with a finding by the Auditor General of noncompliance or, if the finding is appealed, within ninety (90) days of the conclusion of the appeal process, the failure to comply shall be deemed sufficient refusal by the Township to comply with its duty antecedent to the commencement of a mandamus action and the Auditor General shall refer the finding to the Attorney General. Upon receipt of the finding from the Auditor General, the Attorney General, following an administrative proceeding in accordance with 2 Pa C.S. (relating to administrative law and procedure), shall proceed in the name of the Commonwealth to institute a legal proceeding for mandamus and no other remedy at law shall be deemed to be sufficiently adequate and appropriate to bar the commencement of this action.
- 13.22 **Suspension of IROP** - In no case shall the Township be obligated to continue the IROP in the event that the existence of the IROP requires the Township to make any additional payments into any pension plan at any time. Should it be determined that the existence of the IROP causes the Township to make additional payments into any of its pension plans, no Participant shall be permitted to enter the IROP after the date of determination. Upon the expiration of the IROP Participation period for IROP Participants who were participating in the IROP at the time that it was determined that the existence of the IROP would cause the Township to make additional payments into any of its pension plans, the IROP shall be suspended and shall not be reinstituted until an actuarial study performed by the Plan's Actuary demonstrates that the IROP can be reinstituted without requiring the Township to make additional payments into any of its pension plans.

For the purposes of determining whether the existence of the IROP causes the Township to make any additional payments into any pension plan at any time a comparison of actuarial studies will be done yearly which will compare actuarial studies without the IROP and compare the results and the ultimate Township contribution generated therein to an actuarial study done with the IROP included. For the purposes of the actuarial study that includes the IROP, any change in actuarial assumptions necessitated by the existence of the IROP as well as actuarial experience gains or losses associated with the existence and participation in the IROP will be considered.

RESOLVED AND ADOPTED this ____ day of _____, 2023.

ATTEST:

HOPEWELL TOWNSHIP

Secretary

President, Board of Commissioners