



# Pennsylvania Municipal Retirement System

Commonwealth of Pennsylvania

June 6, 2002

Mailing Address:

P.O. Box 1165  
Harrisburg, PA  
17108-1165

Building Address:

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Eastgate Center  
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Harrisburg, PA  
17102-1400

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Marshall W. Bond, Municipal Manager  
Municipality of Monroeville, Municipal Center  
2700 Monroeville Blvd.  
Monroeville, PA 15146-2388

Dear Mr. Bond:

We take this opportunity to forward the documents upgrading the Municipality of Monroeville's municipal pension plan. These benefit changes became effective October 1, 2001.

Enclosed, please find a copy of the Ordinance and Agreement which has been executed by the Pennsylvania Municipal Retirement System and the various state attorneys. These documents should be retained in the municipality's files for future reference. The benefits that the employees receive are based on these plan documents. We have also retained an original set in our files for our own purposes.

Should you or any of the employees have any questions on the enclosures or the plan provisions, please do not hesitate to contact our office. We appreciate the opportunity to service your pension needs and thank you for your patience.

Sincerely,

Kimberly A. Gorse-Manfred  
Retirement Technician

KAGM:KMG:kagm

Enclosures: Ordinance No.2194 and Agreement dated September 11, 2001

**RECEIVED**  
JUN 10 2002  
MUNICIPALITY of  
MONROEVILLE

ORDINANCE NO. 2194

AN ORDINANCE OF THE MUNICIPALITY OF MONROEVILLE, ALLEGHENY 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 THE PENNSYLVANIA MUNICIPAL RETIREMENT LAW AS AMENDED AND AS APPLICABLE TO MEMBER MUNICIPALITIES CHANGING BENEFITS UNDER THE PROVISIONS OF THIS ARTICLE: STATING WHICH OF CERTAIN OPTIONS PERMITTED UNDER THE SAID LAW ARE ACCEPTED BY THE MUNICIPALITY. IT IS HEREBY ORDAINED BY THE MUNICIPALITY OF MONROEVILLE, ALLEGHENY COUNTY, AS FOLLOWS:

SECTION I. The Municipality of Monroeville, being a member municipality of the Pennsylvania Municipal Retirement System, hereby elects to change its member benefits in that System as authorized by the Pennsylvania Municipal Retirement Law, Act 15 of 1974, as amended, and does hereby agree to be bound by all the requirements and provisions 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 Pennsylvania Municipal Retirement Law.

SECTION II. Membership in the Pennsylvania Municipal Retirement System shall be mandatory for all permanent, municipal employees of the Municipality. Membership for elected officials and employees hired on a temporary or seasonal basis is prohibited, as is membership for individuals paid only on a fee basis.

SECTION III. Credit for prior service for original members is granted for each year or partial year thereof that the member was employed by the Municipality 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 11, 2001, 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 System and the Municipality of Monroeville shall be made by the Municipality in accordance with the Pennsylvania Municipal Retirement Law and Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act.

SECTION V. As part of this ordinance, the Municipality agrees that the System shall provide the benefits set forth in the agreement between the Board and the

Municipality of Monroeville, dated September 11, 2001. The passage and adoption of this ordinance by the Council of the Municipality of Monroeville is an official acceptance of said agreement and the financial obligations resulting from the administration of said benefit package. The Municipality of Monroeville hereby assumes all liability for any unfundedness created or which may be created due to the acceptance of the benefit structure outlined in the above-referenced agreement.

SECTION VI. The Municipality of Monroeville intends this ordinance to be the complete authorization of the Municipal plan and specifically repeals Ordinance Numbers 2035 and 2113 and therefore the Agreement of May 13, 1997 and the Addendum thereto dated June 8, 1999 and any other ordinances that are inconsistent herewith. This Ordinance and the Agreement dated September 11, 2001, shall become effective either immediately or on October 1, 2001, which is the effective date of the amended Agreement dated September 11, 2001, between the Pennsylvania Municipal Retirement System and the Municipality of Monroeville, whichever is later.

SECTION VII. A duly certified copy of this ordinance and the referenced agreement shall be filed with the Pennsylvania Municipal Retirement System of the Commonwealth of Pennsylvania. Membership for the municipal employees of the Municipality of Monroeville in the Pennsylvania Municipal Retirement System shall be effective the first day of September, 1982, with the revised plan structure reflected in the agreement dated September 11, 2001, effective the first day of October, 2001.

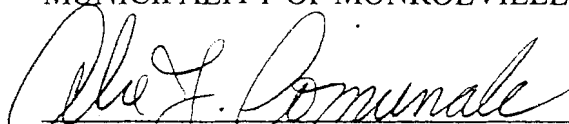
ORDAINED this 11th day of September, 2001.

TALLY OF VOTES - YEAS 6 NAYS 1

ATTEST:

  
Municipal Manager

MUNICIPALITY OF MONROEVILLE

  
Mayor

LAP:JBA:kagm

ENTERED INTO LEGAL BOOK: September 21, 2001

THE MUNICIPALITY OF MONROEVILLE MUNICIPAL EMPLOYEE  
PENSION PLAN AGREEMENT

AN AGREEMENT, dated this 11th day of September, 2001,  
by and between the Municipality of Monroeville (the Municipality) and the Pennsylvania  
Municipal Retirement Board (the Board);

WHEREAS, Article IV, Section 401 of the Act of February 1, 1974, No. 15,  
states:

“401. This article shall provide for the enrollment of those  
municipalities in the Pennsylvania Municipal Retirement System  
which want to offer retirement benefits to their employees . . .”;  
and,

WHEREAS, Article IV, Section 413 of the Act also provides:

“413. Procedures for Amending Contracts. Any municipality  
which has joined the System under this Article IV may, with the  
approval of the Board, amend the contract to increase any of the  
benefits enumerated in Article IV to its members. . .”; and,

WHEREAS, the Municipality of Monroeville has enrolled its municipal  
employees in the Pennsylvania Municipal Retirement System and  
desires to amend its pension plan for the municipal employees:

NOW THEREFORE, the Pennsylvania Municipal Retirement Board and  
the Municipality of Monroeville hereby agree to the following  
retirement pension plan for the municipal employees:

1. Coverage: This plan shall cover all permanent municipal employees,  
hereinafter referred to as member, of the Municipality. Membership for elected officials  
and employees hired on a temporary or seasonal basis is prohibited as is membership for  
individuals paid only on a fee basis. Individual membership shall be effective as of the  
date the Municipality entered into the Pennsylvania Municipal Retirement System or  
upon the expiration of the individual's probationary status, whichever is more recent.

Credited service shall accrue from the original member's date of hire or the  
expiration of the member's probationary period if one so existed. Credited service time  
earned prior to the enrollment of the Municipality into the System shall be known as prior  
service.

No credited service time shall be granted for time employed in a status other than  
active employee of the municipality excluding credit for purchased military service,  
reinstatement of previous service or service earned and credited under Section 12, the  
portability section of this agreement.

2. Superannuation Retirement: Eligibility for a superannuation retirement shall occur upon the member's attainment of sixty-five (65) years of age or older or the completion of at least twenty (20) years of credited service.

3. Basic Benefit: The basic annual benefit shall be equal to two percent (2%) of the member's final salary multiplied by all years of credited service. Provided however, in no event shall the basic benefit exceed sixty-five percent (65%) of the member's final salary.

4. Final Salary: The final salary shall be the average annual compensation earned and paid during the member's final three (3) consecutive years of employment, or if not so long employed, then the average annual compensation earned and paid during the whole period of such employment.

5. Retirement Window: Effective only for the period beginning October 1, 2001 through and including December 31, 2001, a member who separates from employment and who has either attained age sixty-five (65) or who has credited service of twenty-five (25) years or more shall receive the following basic benefit in lieu of the basic benefit provided for in Section 3. During this limited time period only, a member who meets the foregoing requirements shall receive a basic benefit equal to two and five tenths percent (2.5%) of the member's average annual compensation earned and paid during the final one (1) year of employment multiplied by all years of credited service. Provided, however, in no event shall the basic benefit authorized in this proposal exceed seventy-five percent (75%) of the member's average annual compensation earned and paid during the final one (1) year of employment. In order to be eligible to take advantage of this retirement window a qualified employee must complete and submit an application for retirement benefits not later than October 31, 2001.

6. Early Retirement: There is no provision in this agreement for an early retirement benefit.

7. Permanent Disability Benefits: A member who has ten (10) or more years of credited service may, upon application or on application of one acting in the member's behalf, or upon application of a responsible official of the municipality, be retired by the Pennsylvania Municipal Retirement Board on a disability allowance if the physician designated by the Board, after medical examination of the member shall certify to the Board that the individual is unable to engage in any gainful employment and that said member ought to be retired. When the disability of a member is determined to be service-connected, as defined in Act 15 of 1974, no minimum period of service shall be required for eligibility.

A disability annuity shall be payable from the total disability reserve account which, together with the municipal annuity and the member's annuity, if any, shall be sufficient to produce a retirement allowance of thirty percent (30%) of the member's final salary. Where the disability of the member is determined to be service-connected, the disability allowance shall equal fifty percent (50%) of the member's final salary. The disability annuity shall be reduced by the amount of any payments for which the member shall be eligible under the Act of June 2, 1915 (P.L. 736, No. 338), known as "The Pennsylvania Workmen's Compensation Act" or the Act of June 21, 1939 (P.L. 566, No. 284), known as "The Pennsylvania Occupational Disease Act."

Should a disability annuitant die before the total disability retirement allowance received equals the amount of the member's accumulated deductions at the time of disability retirement, the Board shall pay to the named beneficiary (if living, or if the named beneficiary predeceased the annuitant, or no beneficiary was named, then the annuitant's estate) an amount equal to the difference between such total retirement allowance received and the annuitant's accumulated deductions. If such difference is less than one hundred dollars (\$100) and no letters have been taken out on the estate within six (6) months after the disability annuitant's death, such difference may be paid to the undertaker or to any person or municipality who or which shall have paid the claim of the undertaker.

8. Death Benefit: A member who is entitled to a superannuation retirement allowance because of meeting either of the superannuation retirement requirements found in Section 2 of this agreement may file a written application for retirement requesting that such retirement become effective at the time of death. The application must be filed with the Pennsylvania Municipal Retirement Board on a PMRB-8 form.

When applying for retirement, the member may elect one of the options provided in Section 13 and nominate a beneficiary. The application shall be held by the Board until (1) the member files a later application (PMRB-8) for a retirement allowance or (2) the death of the member while in municipal service.

If a member entitled to a retirement allowance dies while in municipal service, benefits become effective as if the member had retired on the day immediately preceding death. The beneficiary receives the annuity option elected before the member's death. If an option was not filed with the Board, it shall be considered that the member elected Option 1 as provided in Section 13 of this agreement. In such event, payment under Option 1 shall be made to the beneficiary designated in the nomination of beneficiary form (PMRB-2) on file with the Board.

9. Military Service: Any member employed by the Municipality who enters the uniformed services as defined by the 1994 Uniformed Services Employment and Re-Employment Rights Act (P.L. 103-353) and returns to the Municipality to again be a member of the plan within the authorized time period of the law, shall have the authorized time spent in such service credited to the member's employment record for pension or retirement benefits if the individual makes the required employee contributions.

An active member may also purchase credit for other than intervening military service performed for the United States in times of war, armed conflict or national emergency, so proclaimed by the President of the United States, for a period not to exceed five (5) years, provided the member has completed five (5) years of service to the municipality subsequent to such military service. An active member may file an application with the Board for permission to purchase credit for nonintervening military service upon completion of five (5) years of subsequent service to the municipality.

The amount due from the member shall be certified by the Board in accordance with methods approved by the actuary. It may be paid in a lump sum within thirty (30) days or it may be amortized with additional interest through salary deductions in amounts agreed upon by the member and the Board.

The rate of interest to be charged to a member on purchase of credit for nonintervening military service shall be the rate being credited by the System to members' accounts in effect on the date of the member's application, compounded annually.

A member may purchase credit for intervening or nonintervening military service only if discharge or separation from the service was granted under other than dishonorable conditions. A member may not purchase military credit for any service that is covered by another retirement system administered and wholly or partially paid for by any other government agency or private employer.

10. Contributions by Members: Members shall contribute six percent (6%) of their total compensation. Payment shall be made by payroll deductions and transmitted to the System in accordance with established System procedures.

Any mandatory member contributions made on or after April 1, 1985 shall be treated as the employer's contributions in determining tax treatment under the United States Internal Revenue Code for federal tax purposes. For all other purposes, such pick-up contributions shall be treated as contributions made by the member.

If a member terminates prior to becoming eligible for any benefit or the member elects not to receive a benefit, that individual shall be entitled to all accumulated

contributions, interest and any excess investment monies allocated to the member's account.

11. Vesting: After ten (10) years of credited service, a member may vest by filing an application with the Board within ninety (90) days of separation from employment. Upon attainment of the superannuation age requirement found in Section 2 of this agreement, a basic benefit will be calculated in accordance with Section 3 of this agreement.

12. Portability: When a member leaves the employ of the Municipality and enters within one year of separation into the employ of another municipality that has joined the System, the member's service credits shall remain unimpaired. Should a member from the employ of another municipality that has joined the System separate from service and within one year of separation join the pension plan, the member's service credits will remain unimpaired. In such cases, the municipal liability for past service shall be prorated by the System between the municipalities on an equitable basis.

13. Options on Superannuation or Vesting: At the time a member elects to receive a retirement benefit allowance, the benefit may be payable throughout the member's life, in which case, the benefit is known as a Single Life Annuity. The member may alternatively elect at the time of retirement to receive the equivalent actuarial value in a lesser allowance, payable throughout life with provisions that:

- (a) Option 1. If the member dies before receiving in payments the present value of the retirement allowance as it was at the time of retirement, the balance, if less than five thousand dollars (\$5,000), shall be paid in a lump sum to the designated beneficiary if living, or if the named beneficiary predeceased the member or if no beneficiary was named, then to the member's estate. If the balance is five thousand dollars (\$5,000) or more, the beneficiary may elect, by application duly acknowledged and filed with the Board, to receive payment of such balance according to any one of the following provisions in:
  - (i) a lump-sum payment, or
  - (ii) an annuity having a present value equal to the balance payable, or
  - (iii) a lump-sum payment and an annuity. Such annuity shall be of equivalent actuarial value to the balance payable less the amount of the lump-sum payment specified by the beneficiary.
- (b) Option 2. Upon the annuitant's death, the retirement allowance shall be continued throughout the life of and paid to the survivor annuitant, if then living.



- (c) Option 3. Upon the annuitant's death, one-half of the retirement allowance shall be continued throughout the life of and paid to the survivor annuitant, if then living.

Should a member who has elected a Single Life Annuity die before receiving in annuity payments the full amount of the total accumulated deductions standing to their credit in the member account on the effective date of retirement, the balance shall be paid to the designated beneficiary.

14. Social Security Offset: There shall be no offset for Social Security retirement benefits received by a member.

15. Determination of Municipal Liability: The Board will actuarially determine the normal cost of the plan and any liability associated with the plan's actuarial experience which shall be contributed annually by the municipality for the service credits of the members. If applicable, any additional amount which shall be contributed annually toward a reserve account for the disability allowances which may be payable in accordance with this agreement shall also be determined and charged the municipality.

The amounts so determined shall be computed in accordance with the requirements of Act 205 of 1984, the Municipal Pension Plan Fund Standard and Recovery Act, and Act 15 of 1974, the Pennsylvania Municipal Retirement Law, and subsequent amendments to either Act.

16. Procedure: Matters or procedure not covered in this agreement shall be as set forth in Act 15 of 1974 and as found in Act 205 of 1984, as they shall, from time to time, be amended.

Should any change or mistake in records result in any member, beneficiary or survivor annuitant receiving from the System more or less than the individual would have been entitled to receive had the records been correct, then regardless of the intentional or unintentional nature of the error and upon the discovery of such error, the Board will correct the error and so far as practicable adjust the payments which may be made for and to such person in such a manner that the actuarial equivalent of the benefit to which the individual was correctly entitled shall be paid.

17. Unfunded Liability: Any unfunded liability incurred by the creation of benefits under this agreement shall be borne by the Municipality of Monroeville.

18. Effective Date: This agreement shall be effective the first day of October, 2001, with the acceptance of the same by the Municipality of Monroeville and the Pennsylvania Municipal Retirement Board. Termination of this agreement shall be in accordance with Section 412 of Act 15 of 1974.

IN WITNESS WHEREOF, we have hereunto set our hands and seal the day, month and year above written.

ATTEST:

THE MUNICIPALITY OF MONROEVILLE,  
ALLEGHENY COUNTY

BY: Marshall W. Bond  
Municipal Manager

BY: Alvin J. Comunale  
Mayor

ATTEST:

PENNSYLVANIA MUNICIPAL  
RETIREMENT BOARD

BY: James B. Allen  
Secretary

BY: [Signature]  
Chairman

Approved as to form and legality:

BY: [Signature]  
Office of Attorney General

BY: [Signature] 5/11/02  
Office of General Counsel

BY: [Signature]  
Chief Counsel