

ORDINANCE NO. 1329

AMENDMENT TO THE

**BOROUGH OF DONORA POLICE PENSION PLAN
(as amended and restated, effective January 1, 1989)**

AN ORDINANCE OF THE BOROUGH OF DONORA RELATIVE TO THE ESTABLISHMENT AND MAINTENANCE OF EMPLOYEES PENSION, ANNUITY, INSURANCE AND BENEFIT FUND OR FUNDS, TO AMEND CERTAIN PROVISIONS OF THE PENSION PLAN OR PROGRAM APPLICABLE TO THE POLICE EMPLOYEES OF SAID BOROUGH:

WHEREAS, the Borough of Donora (the "Borough") has previously enacted an Ordinance establishing the Borough of Donora Police Pension Plan (the "Plan"); and

WHEREAS, the Plan was totally amended and restated, effective January 1, 1989; and

WHEREAS, the Borough reserved the right to amend the Plan pursuant to section 10.01; and

WHEREAS, the Borough now desires the Plan to be further amended;

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE BOROUGH COUNCIL AND IT IS HEREBY ORDAINED AND ENACTED by authority of the same:

Effective January 1, 2003, sections 1.22, 1.23, 1.24 and 7.04 shall be added to the Plan.

- 1.22 "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 credit hours per semester.
- 1.23 "Member's Salary at the Time the Disability was Incurred" shall mean the fixed, periodic payment for the final completed month of active employment during the year the disability occurred.
- 1.24 "Member's Salary at the Time of Death" shall mean the fixed, periodic payment for the final completed month of active employment.
- 7.04 Killed in Service Survivor Benefit - A survivor benefit shall be payable in the event of the death of a Participant who is killed in service. In the event such a benefit becomes payable, the surviving spouse of the Participant shall receive a benefit in an amount equal to one hundred percent (100%) of the Member's Salary at the Time of Death defined pursuant to section 1.24. 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 until attainment of age eighteen (18) or if Attending College, under or attaining the age of twenty-three (23).

Such death benefit shall be in lieu of any refund of Accumulated Contributions to which the deceased Participant may have been entitled; provided, however, that in the event the amount of the Participant's Accumulated Contributions exceeds the amount of death benefit payable in accordance with the preceding sentence, then such Participant's death benefit shall be equal to the amount of the Participant's Accumulated Contributions.

Effective January 1, 2003 section 7.02 and Article VI are amended in their entirety by deleting the said sections and substituting new section 7.02 and Article VI as follows:

- 7.02 Survivor Benefit - If a Participant shall die after commencement of benefit payments or after becoming eligible to receive benefit payments, a survivor benefit shall be paid to the surviving spouse, if any, of the Participant in an amount equal to fifty percent (50%) of the benefit the Participant was receiving or was eligible to receive as of the date of death. The survivor benefit shall be paid to the surviving spouse until the date of death of the surviving spouse. Upon the death of the surviving spouse, the survivor benefit shall be paid monthly in equal shares to the surviving dependent children of the deceased Participant until attainment of age eighteen (18) or if Attending College, under or attaining the age of twenty-three (23).

ARTICLE V

DISABILITY RETIREMENT

- 6.01 Disability Retirement - A Participant who shall incur a Total and Permanent Disability shall be entitled to a Disability Retirement Benefit as of the Disability Retirement Date.
- 6.02 Disability Retirement Benefits - A Participant who retires due to a Total and Permanent Disability, pursuant to section 6.01 shall be eligible for a disability retirement benefit equal to fifty percent (50%) of the Member's Salary at the Time the Disability was Incurred defined pursuant to section 1.23, provided that any member who receives benefits for the same injuries under social security disability shall have the Participant's disability benefits offset or reduced by the amount of such benefits.
- 6.03 Payment of Disability Benefits - Disability payments shall be made monthly as of the first day of each month, commencing as of the first day of the month coincident with or immediately following the Participant's Disability Retirement Date and continuing until the earlier of the death of the Participant or cessation of Total and Permanent Disability.


A Participant who shall fail to return within three (3) months to Employment as an Employee of the Employer upon cessation of Total and Permanent Disability prior to attainment of Normal Retirement Age shall be deemed to have terminated Employment as of the Disability Date, shall not be entitled to any distribution of Accumulated Contributions pursuant to Section 8.02 to the extent that the total amount of disability payments exceeds the value of the Participant's Accumulated Contributions as of the Disability Date, and shall not be entitled to any other benefits under the Plan on account of any Aggregate Service as of the Disability Date.

- 6.04 Verification of Disability - The Plan Administrator shall in its sole discretion determine whether a Participant shall have incurred a Total and Permanent Disability. The Plan Administrator shall rely on the report of a physician acceptable to the Plan Administrator. If the Plan Administrator shall determine that a Participant who is Totally and Permanently Disabled has recovered sufficiently to resume active Employment as a police officer or if a Participant refuses to undergo a medical examination as directed by the Plan Administrator (such a medical examination may not be required more frequently than once in any given twelve (12) month period), the payment of Disability Retirement Benefits shall cease.
- 6.05 Cessation of Disability - A Participant who is receiving payment of Disability Retirement Benefits under this Plan must notify the Plan Administrator of any change that may cause a cessation of entitlement to receipt of such benefits hereunder. If a Participant fails to provide immediate notice to the Plan Administrator of any such change in status and continues to receive payment of benefits hereunder to which the Participant is not entitled, then the Plan may take whatever action is necessary to recover any amount of improperly paid amounts, including legal action or offsetting such amounts against any future payments of retirement or other benefits under the Plan, including the costs of such actions.

ORDAINED AND ENACTED this 11th day of March, A.D., 2004

ATTEST:

BOROUGH OF DONORA


Michael J. Breen
Secretary of Council

Tony Menendez
President of Council

EXAMINED AND APPROVED this 11th day of March, A.D., 2004.

John Squella
Mayor