

ORDINANCE NO. 394

**AN ORDINANCE OF THE TOWNSHIP OF LOWER  
MAKEFIELD, BUCKS COUNTY, PENNSYLVANIA,  
ESTABLISHING A DEFINED CONTRIBUTION PLAN  
APPLICABLE TO ALL NEW FULL-TIME NON-  
UNIFORMED EMPLOYEES OF THE TOWNSHIP HIRED  
AFTER JANUARY 1, 2012**

WHEREAS, the Board of Supervisors of Lower Makefield Township, at its public hearing, has determined that it is in the public interest to establish a Defined Contribution Retirement Plan for all full-time non-uniformed employees of the Township hired after January 1, 2012.

NOW, THEREFORE, be it ORDAINED and ENACTED by the Board of Supervisors of Lower Makefield Township as follows:

Section 1. Lower Makefield Township hereby establishes the Lower Makefield Township Non-Uniformed Defined Contribution Pension Plan in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust ("MPP01/01/06).

Section 2. Effective Date. The Effective Date of the Plan shall be January 1, 2012.

Section 3. Normal Retirement Date. The normal retirement date shall be the first day of the month coincident with or next following the date in which the eligible employee attains sixty (60) years of age.

Section 4. Eligibility Requirement. The only group of employees eligible to participate in this Plan, are all non-uniform full-time employees hired on or after January 1,

2012. An employee shall be eligible to participate at the completion of six (6) months of full-time employment. Commencing after the completion of six (6) months of full-time employment, employees shall begin to make contributions to the Plan and the Township's contribution shall be made in accordance with Section 5 after the completion of six (6) months of continuance service.

Persons hired full-time on or after January 1, 2012, shall not be permitted to participate in the existing Township's Defined Benefit Pension Plan for non-uniformed employees.

Section 5. Contributions. The Township shall contribute, on behalf of each employee, a match equaling the contribution made by the employee up to a maximum of six percent (6%) of earnings. Employees shall have no minimum obligation with respect to contributions.

Employer contributions for a Plan Year shall be contributed on behalf of participants remaining employed by the Township on the December 31<sup>st</sup> of each Plan Year but the contribution by the Township will be made on or before January 31<sup>st</sup> of the following year based upon earnings, as defined in Section 6, for the prior year. Participant contributions for a Plan Year shall be contributed on a monthly basis.

Section 6. Earnings. Earnings, as defined in the Plan, shall include overtime and any bonuses paid to a participant.

Section 7. Rollover. Rollover contributions in accordance with Section 4.11 of the Plan shall not be permitted.

Section 8. Vesting. A participant is fully vested following the completion of five (5) years of full-time employment with the Township. If a participant's employment by the Township terminates prior to becoming fully vested, the participant's own contribution shall be refunded to the participant, plus interest on said contributions. The Township's contributions and interest accrued on same shall be returned to the Township. If an employee leaves the employ of the Township after being fully vested but prior to attaining the age of sixty (60) years, the employee shall have an option to withdraw his/her funds and be taxed accordingly or the employee may rollover his/her account balance into an individual retirement account or other appropriate account.

Section 9. Loans. Loans are not permitted under the Plan.

Section 10. In-Service Distributions. In-Service Distributions are not permitted under the Plan even after a participant attains normal retirement age.



Section 11. Retirement Options. Upon attaining the age of sixty (60) and being eligible to retire, the employee may select payment options then available from ICMA Retirement Corporation or available through a successor Plan Administrator.

Section 12. Spousal Protection. The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the beneficiary, unless he or she consents to the participant's naming another beneficiary.

Section 13. Final Pay Contributions. The Plan will provide for final pay contributions for accrued unpaid vacation and sick leave, if applicable, and the employer will contribute on behalf of the participant up to six percent (6%) of final pay to the Plan, subject to the limitations as set forth in Article 5 of the Plan. It is understood and agreed that the Township's obligation shall be limited to matching the percentage contributed by the employee up to a maximum of six (6) percent. Each Participant eligible to participate in the Plan shall be given the opportunity to enroll at enrollment to irrevocably elect to contribute six (6%) percent of final pay to the Plan. Once elected, a Participants election shall remain in force and may not be revised or revoked.

Section 14. Accrued Leave Contributions. No contributions shall be made by a Participant or be required to be made by the Township during periods when a participant is on an unpaid leave status such that the Township does not pay wages to the participant.

Section 15. ICMA. The Township herein appoints ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust. By adoption of this Ordinance, the Township agrees to the provisions of the Plan & Trust. The Plan Administrator agrees to inform the Township of any amendments to the Plan made pursuant to Section 14.05 of the Plan or to the discontinuance or abandonment of the Plan.

Section 16. The Township Manager is authorized to complete the Adoption Agreement and execute any and all other documents as may be necessary to effectuate the intent of this Ordinance.

Section 17. Severability and Repealer.

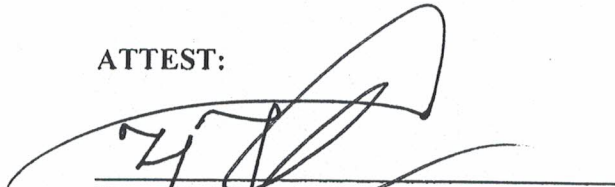
A. The provisions of this ordinance are severable and if any section, subsection, clause, sentence or parcel of shall be held or declared illegal, invalid, or unconstitutional by any court of competent jurisdiction, the decision shall not affect or impair any of the remaining sections, subsections, clauses, sentences, or parts thereof, of this ordinance; it is hereby declared to be the intent of the Board of Supervisors that this ordinance would have been adopted if such illegal, invalid, or unconstitutional section, subsection, clause, sentence or part thereof had not been included herein.

B. Any existing ordinance is hereby repealed to the extent that it is inconsistent with the terms of this ordinance.

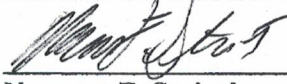
Section 18. This Ordinance shall become effective five (5) days after enactment.

DULY ORDAINED AND ENACTED this 15<sup>th</sup> day of January, 2014.

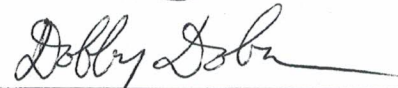
ATTEST:


  
Terry S. Fedorchak,  
Township Manager

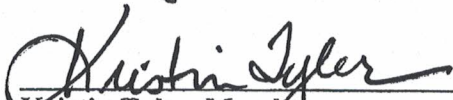
LOWER MAKEFIELD TOWNSHIP  
BOARD OF SUPERVISORS

BY:   
Norman F. Stainthorpe, Jr., Chairman

BY:   
Daniel McLaughlin, Vice-Chairman

BY:   
Dobby Dobson, Secretary

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Jeffrey Benedetto, Treasurer

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Kristin Tyler, Member