

**LOWER MAKEFIELD TOWNSHIP,
BUCKS COUNTY,
COMMONWEALTH OF PENNSYLVANIA**

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWNSHIP OF LOWER MAKEFIELD, BUCKS COUNTY, PENNSYLVANIA, AMENDING CHAPTER 34 - "PENSIONS," ARTICLE I - "POLICE PENSION PLAN," SECTION 2 - "DEFINITIONS."

WHEREAS, the Township of Lower Makefield is a township of the second class (hereinafter sometimes referred to as the "Township"), organized and operating in accordance with the laws of the Commonwealth of Pennsylvania; and

WHEREAS, pursuant to the Second Class Township Code of the Commonwealth of Pennsylvania, the Board of Supervisors of Lower Makefield Township (hereinafter referred to as the "Board of Supervisors") has the authority to enact, amend, and repeal the provisions of the Lower Makefield Township Code of Ordinances (hereinafter referred to as the "Code"); and

WHEREAS, the Board of Supervisors has determined that it is necessary to amend the Code to provide for amended definitions within the Police Pension Plan.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Township of Lower Makefield, Bucks County Pennsylvania, and it is hereby **ORDAINED** and **ENACTED** by the authority of the same as follows:

1. The Code of the Township of Lower Makefield is hereby amended by repealing the definition of "Compensation" in Chapter 34—Pensions, Article I, Police Pension Plan, Section 2, Definitions. The definition of "Compensation" is hereby replaced with the definition set forth as follows:

COMPENSATION

Compensation shall be generally defined as reportable as wages, tips, and other compensation on Federal Form W- 2, as required by Sections 6041, 6051 and 6052 of the Internal Revenue Code, including all gross reportable base wages, overtime pay, holiday pay, shift differential, standby pay, education pay, longevity pay and accrued vacation. Excluded from compensation at this time shall be: severance pay, accrued sick day pay, or other similar, nonrecurring compensation. Irrespective of the foregoing sentence, for a Police Command Officer who was promoted to the rank of Lieutenant, Captain, Deputy Chief, or Chief Police prior to September 1, 2024, who is not currently retired or participating in the Deferred Retirement Option Plan on the effective date of this Ordinance, and who retires on or prior to January 1, 2025, severance pay shall be included as compensation for pension calculation purposes. For officers hired after January 1, 2010, accrued vacation time shall not be

included as compensation for pension calculation purposes. Compensation shall include only that compensation which is actually paid to the participant during the applicable period (last 36 months). "Compensation" shall also mean employee contributions made to deferred compensation plans (i.e., Section 457 plans) as applicable by code sections of the Internal Revenue Service and regulations related to same. In addition, "compensation" shall also mean employee contributions made pursuant to a salary reduction agreement which are not currently includible in the participant's gross income by reason of the application of code Sections 125, 402(a), 402(h)(1)(B) or 457(a). The annual compensation of each participant taken into account for determining all benefits provided under the plan for any plan year shall not exceed \$200,000, as adjusted for increases in the cost-of-living in accordance with Section 401(a)(17)(B) of the Internal Revenue Code. The cost-of-living adjustment in effect for a calendar year applies to any determination period beginning in such calendar year. If a determination period consists of fewer than 12 months, the annual compensation limit is an amount equal to the otherwise applicable annual compensation limit multiplied by a fraction, the numerator of which is the number of months in the short determination period, and the denominator of which is 12.

2. The Code of the Township of Lower Makefield is hereby amended by repealing the definition of "Police Command Officer" in Chapter 34—Pensions, Article I, Police Pension Plan, Section 2, Definitions. The definition of "Police Command Officer" is hereby replaced with the definition set forth as follows:

POLICE COMMAND OFFICER

Any individual employed by the employer in the capacity of a police officer who is in a command position and has the rank of Lieutenant, Captain, Deputy Chief of Police, or Chief of Police.

3. All other ordinances, portions of ordinances, or any section of the Code inconsistent with the Ordinance are hereby repealed.
4. The provisions of this Ordinance are severable. If any section, clause, sentence, part, or provision thereof shall be held illegal, invalid, or unconstitutional by a court of competent jurisdiction, such decision of the court shall not affect or impair any of the remaining sections, clauses, sentences, parts, or provisions 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, clause, sentence, part or provision had not been included herein.
5. This Ordinance shall be effective five (5) days after enactment.

ENACTED AND ORDAINED BY THE TOWNSHIP OF LOWER MAKEFIELD THIS
____ DAY OF _____, 2024.

ATTEST:

LOWER MAKEFIELD TOWNSHIP
BOARD OF SUPERVISORS:

Township Manager

Chair