CITY OF CORRY

Ordinance

ORDINANCE NO. 1652

COUNCIL BILL NO. 24-03

PRESENTED BY: Mr. Maloney

An Ordinance amending and restating in its entirety Ordinance No. 1639 and to make other changes as are necessary to bring the Firemen Pension into compliance with the Pennsylvania Third Class City Code and the Collective Bargaining Agreement between I.A.F.F. Local 2102 and the City of Corry;

BE IT ORDAINED, by the Council of the City of Corry, Erie County, Pennsylvania, and it is hereby enacted by authority of the same that Ordinance No. 1639; shall be amended and restated to read in its entirety as follows:

Section 1. <u>CREATION OF RETIREMENT SYSTEM:</u>

A. That a Firemen's Pension Fund be, and the same is hereby created and established by the City of Corry, which shall hereafter be referred to in this Ordinance as the Fund.

Section 2. CREATION, MEMBERSHIP AND DUTIES OF PENSION BOARD:

- A. That a Firemen's Pension Board be, and the same is hereby created and established by the City of Corry, which shall hereafter be referred to in this Ordinance as the Board.
- B. That the Board shall direct and administer said Fund, subject, however, to the supervision of the City Council of the City of Corry at all times.

- C. That the members of the Board shall serve without any compensation, and shall be five in number, and shall consist of the Mayor, the City Controller, the Director of Finance and two (2) paid firefighters to be chosen by the employees contributing to the Pension Fund. The representative chosen by the employees shall not serve for a term of more than four (4) years. Said term to run concurrently with the term of the Mayor.
- D. The Board shall meet for organization and to receive written reports from its pension custodian and investment manager quarterly each year at the call of the Chairman, or upon the written request of any two members of the Board presented to the Secretary.

Section 3. <u>DEPOSITORY OF THE FUND:</u>

- A. The depository designated by the City Council of the City of Corry for city funds shall ipso facto become the depository for the Fund.
- B. The Fund shall be maintained entirely separate from all other funds of the City of Corry, and payments for allowances or return of contributions as provided by this Ordinance shall be a charge only on this Fund and not on any other fund in the treasury of the City of Corry or under its control.

Section 4. <u>INVESTMENTS:</u>

A. The Board, or its lawfully designated agent, shall have the authority at all times by majority action to invest the moneys in the Fund in any investments authorized as legal investments for Trustees by the laws of the Commonwealth of Pennsylvania.

Section 5. EXPENSES AND DISBURSEMENTS:

- A. All expenses incidental to the operation both of the Board and of the Fund shall be paid by bill presented and approved by the City Council of Corry from the general funds of the City of Corry.
- B. All disbursements from the Fund shall be by check or order drawn upon the Fund and signed by any two members of the Board.

Section 6. FUND APPLIED TO PAID FIREFIGHTERS:

A. The Fund shall be applied solely for the benefit of the paid firefighters of the City of Corry, since they are the only full-time paid members of the Fire Department, and who shall hereafter be referred to in this Ordinance as "Firefighters." The word "Firefighter" shall not for the purpose of this Ordinance be employed in the ordinary connotation but shall apply only to the firefighters of Corry.

Section 7. CONTRIBUTIONS AND APPROPRIATIONS TO FUND:

- A. All funds presently held by the Firefighter's Pension Fund of the City of Corry, Pennsylvania.
- B. All funds or allocations received by the City of Corry from the State which are allocated for the benefit of the Firefighters or the Fund by the State, which funds or allocations shall hereafter be paid directly into the Fund without any further action by the City Council of the City of Corry.
 - C. All gifts, grants or bequests of any nature or kind given or made to the Fund.
- D. An annual payment to the Fund of a sum of money sufficient to meet the requirements of and to maintain said Firefighters Pension Fund as calculated by the Fund's actuary.

E. Member contributions: Three percent (3%) of the pay of each Firefighter hired prior to January 1, 2018 and four percent (4%) for each Firefighter hired on or after January 1, 2018, and an additional one percent (1%) of the pay of each Firefighter for the benefit of a surviving spouse, or if no spouse survives, or a spouse survives and subsequently dies then to the child or children under the age of 18 years of a Firefighter or a retired Firefighter on pension; and the sum of \$1.00 per month of each Firefighter for service increments and provided such service increments shall not be paid after a contributor reaches the age of 65 years; which percentage shall be deducted from each installment of pay of each Firefighter by the City of Corry who shall pay the monthly total of said contributions to the Fund at the end of each calendar month after the effective date thereof.

Section 8. ELIGIBILITY REQUIREMENT AND RETIREMENT BENEFIT:

- A. If hired prior to January 1, 2012, each eligible Firefighter may retire from active service up on having served as a member of the Fire Department for a minimum period of continuous service of twenty (20) years. Each eligible Firefighter hired after January 1, 2012 may retire from active duty upon having served as a member of the Fire Department for a minimum period of continuous service of twenty (20) years and having attained the minimum age of fifty (50) years.
- B. During the lifetime of any retired member, he shall be entitled to receive from the Fund as pension benefits an amount equal to fifty per centum (50%) of the higher of the highest average annual salary or wages which he earned during any five (5) years of his service for the City, or the rate of the monthly pay of such person at the date of retirement plus, if eligible, any service increments provided for in Section 8H.

- C. If hired prior to January 1, 2012, each eligible Firefighter who shall have served for twelve (12) years or more and whose office or employment shall be terminated with or without his voluntary action prior to having obtained twenty (20) years of service shall be eligible to receive, commencing upon the date when twenty (20) years of service would have been obtained (as if employment had continued) a monthly benefit payable for the remainder of his life equal to his pension benefit multiplied by a fraction where the numerator of the fraction is the eligible Firefighter's full years of service prior to termination and the denominator of the fraction is twenty (20) years.
- D. If hired after January 1, 2012, each eligible Firefighter who shall have served for twelve (12) years or more and whose office or employment shall be terminated with or without his voluntary action prior to having obtained (20) years of service shall be eligible to receive, commencing upon the date which is the later of age fifty (50) or when twenty (20) years of service would have been obtained (as if employment had continued) a monthly benefit payable for the remainder of his life equal to his pension benefit multiplied by a fraction where the numerator of the fraction is the eligible Firefighter's full years of service prior to termination and the denominator of the fraction is twenty (20) years.
- E. Any Firefighter who has served for twelve (12) years or more of service, but less than twenty (20) years of service, and his employment is terminated for any reason, then he shall have the option of having the total amount of the contributions paid into the pension fund by such employee refunded to him in full, without interest, or receiving a portion of the annual pension set forth above.

However, a Firefighter who withdraws the contributions made by him to the Firefighter's Pension Fund prior to his termination, shall forfeit his vested monthly benefit.

- F. If for any cause any Firefighter contributing to the pension fund shall cease to be a member of the Fire Department before the Firefighter becomes entitled to a pension, the total amount of the member's contribution into the pension fund shall be refunded to the member in full without interest. If subsequent to receiving the full refund of the member's contributions, the member shall again become employed as a member of the Fire Department, the member shall not be entitled to a pension designated until twenty (20) years after the member's re-employment, unless the member shall return to the pension fund the amount withdrawn, in which event the period of twenty (20) years shall be computed from the time the member first became a member of the Fire Department, excluding therefrom the period during which the member was not employed by the Fire Department.
- G. Cost-of-living adjustment: Firefighters who retire after January 1, 2002, shall, beginning with January 1, 2003 and on each subsequent January 1st, receive an annual cost-of-living adjustment added to the monthly retirement allowance paid by the Firefighter's Pension Fund, pursuant to Section 8B, which adjustment shall be in an amount equal to the change in the Consumer Price index (CPI-W, CPI for Urban Wage Earners and Clerical Workers, Revised CPI-W (1982-84 = 100) as published by the U.S. Department of Labor) for the prior calendar year period (December 1st to November 30th), The cost-of-living adjustment shall be capped so that the pension allowance of any retired individual including the cost-of-living adjustment, shall not at any time exceed one-half of the current salary being paid firefighters of the highest pay grade. Additionally, for Firefighters hired after January 1, 2012, the annual cost-of-living adjustment is also capped at five percent (5%).
- H. <u>Service Increments</u>: in addition to the retirement allowance which is authorized to be paid from the Firefighter's Pension Fund by this Ordinance, and notwithstanding

the limitations therein placed upon such retirement allowances and upon contributions, every Firefighter who shall become entitled to the retirement allowances shall also be entitled to the payment of "service increments" in accordance with and subject to the conditions hereinafter set forth.

- (1) Service Increments shall be the sum obtained by computing the number of whole years after having served the minimum required by this Ordinance, during which a Firefighter has been employed by the City of Corry and paid out of the City Treasury and multiplying the said number of years by an amount equal to 1/40th of the retirement allowance which has become payable to the Firefighter in accordance with the provisions of this Ordinance. No service increment shall be paid in excess of \$100.00 per month and no service after the attainment of age 65 shall be included.
- I. <u>Subject to Service</u>: All Firefighters who are retired from active duty shall be subject to service, from time to time, as a Firefighter's relief until unfit for such service, when they may be finally discharged by reason of age or disability.
- Section 9. <u>PERMANENT DISABILITY:</u> Disability pensions shall be paid from the Fund to any Firefighter who shall become permanently disabled before he reaches retirement age, according to the following regulations:
- A. Any eligible Firefighter suffering from a permanent disability resulting from injuries received during the performance of his duties as a Firefighter shall be entitled to full retirement pension as set forth in Section 8B.
- B. Any eligible Firefighter with 12 years of continuous service in the Fire Department of the City of Corry who is disabled for a cause other than those hereinabove set forth shall, upon application and approval of the Board, may receive a monthly benefit payable for the

remainder of his life equal to his pension benefit multiplied by a fraction where the numerator of the fraction is the eligible Firefighter's full years of service prior to disablement and the denominator of the fraction is twenty (20) years.

- C. Such disability shall have existed thirty (30) days before any disability pension payment shall have been made to the Firefighter.
- D. Proof of disability shall be by competent medical evidence provided by the Firefighter. The proof of disability shall be filed with the Board certifying that a total disability exists, what its cause may be, and that it will last for an indefinite period of over at least one (1) year in duration. The Board of the City may, at any time, have the Firefighter examined by its own physician.
- E. The Board shall have the right, at any 30-day interval, to have the disabled Firefighter examined by a practicing medical doctor appointed by the Board, and the refusal of the disabled Firefighter to permit such examination if persisted in by him for a period of 30 days, shall at the end of that time automatically terminate his disability pension and permanently end all disability pension payments from the Fund to him.
- F. If a physician shall certify in writing to the Board, whether or not he shall have been appointed by the Board, that any theretofore disabled Firefighter shall have recovered so that he is able to work half time or more steadily at any paying job, then his disability pension shall automatically terminate and all disability pension payments from the Fund to him shall be permanently ended for that specific disability; subject, however, to an appeal from the disabled Firefighter to the Board, if made in writing by him within 30 days after he shall have received notice of the termination of his disability pension, in which case, the Board, or a majority thereof, shall hold a public hearing and give such disabled Firefighter an opportunity to produce evidence

and testimony as to the continuance of his disability, and an opportunity for him to cross-examine opposing witnesses, and such disabled Firefighter shall have the right to be represented by an attorney at law at such a hearing; and the Board shall within 30 days after such hearing hand down a decision as to the cessation or continuance of such Firefighter's disability, which decision shall be final and not subject to appeal.

G. In the event of the cessation of any disability pension theretofore paid to any disabled Firefighter, then one-third of the total disability pension payment paid from the Fund to the Firefighter shall be deducted from the total amount of his contributions or deductions paid to the Fund and the balance, if any, shall be paid such Firefighter from the Fund.

SECTION 10. DEATH OF A MEMBER:

A. For a Firefighter who retired on or after January 1, 1960, his surviving spouse or if no spouse survives or if the spouse survives and subsequently dies, then the child or children under the age of 18 years of a member of the Fire Department or a member who retires on pension who dies, shall during the remainder of the surviving spouse's lifetime in the case of the spouse or until reaching the age of 18 years in the case of the child or children, be entitled to receive a pension calculated at the same rate the member was receiving or would have been receiving had he been retired at the time of the Firefighter's death.

B. In the event of the death of any Firefighter resulting directly from the performance of his duties as a Firefighter for the City of Corry on or after January 1968, his surviving spouse, or if no spouse survives, or if the spouse survives and subsequently dies, then the Firefighter's child or children under the age of 18 years shall, during the remainder of the surviving spouse's lifetime in the case of a spouse or until reaching the age of 18 years in the case

of a child or children, be entitled to receive a pension calculated at the same rate the member was receiving or would have been receiving had he been retired at the time of his death.

Section 11. MILITARY SERVICE:

- A. Any member of the Fire Department who has been a regularly appointed employee of the City of Corry for a period of at least six months and who thereafter shall heretofore or hereafter be drafted in the Military Service of the United States in time of war, armed conflict or national emergency as proclaimed by the President of the United States, shall have credited to his employment record, for pension or retirement benefits, all of the time spent by him in such Military Service during the continuance of such war, armed conflict, or national emergency if such person returns or has heretofore returned to his employment with six months after his separation from the service.
- B. With the approval of Council, a member of the Firemen's Pension Fund shall be entitled to have full credit for each year or fraction of a year, not to exceed five years, of service upon:
- (1) the member's payment to the Firemen's Pension Fund of an amount equal to that which the member would have paid had the member been a member during the period for which the member desires credit; and
- equivalent of the contributions of the city plus the interest the city would have been required to pay on the contributions on account of the military service. To be eligible under this paragraph, the member must be a contributor who served in the armed forces of the United States after September 1, 1940, and was not a member of the Firemen's Pension Fund prior to the military service.

Section 12. <u>EFFECTIVE DATE</u>: This Ordinance shall be effective upon its final passage.

Section 13. <u>REPEAL:</u> All Ordinances or parts of Ordinances inconsistent herewith are hereby repealed to the extent of such inconsistency.

ORDAINED AND ENACTED into law by the Council of the City of Corry this 15th day of July, 2024, in lawful session regularly assembled.

Michael E. Baker, Mayor

ORD 1652, Page 11