

ORDINANCE
CITY OF CORRY

ORDINANCE NO. 1663

COUNCIL BILL NO. 25-02

PRESENTED BY MR. HAMMOND

An Ordinance amending and restating in it's entirety Ordinance No. 1638 establishing an Employees Pension Fund under the Act of 1945, May 23, P.L. 903 which permits Cities of the Third Class to establish an Optional Retirement System for Officers and Employees (commonly known as Non-Uniform Employees); providing for the creation, membership and duties of a Pension Board; imposing duties on certain officers and officials; defining the manner in which money shall be paid into and be disbursed from the Pension Fund; defining the rights and duties of the members of the Retirement System and repealing all Ordinances inconsistent herewith.

BE IT ORDAINED by the Council of the City of Corry and it is hereby ordained by authority of the same.

Section 1. DEFINITIONS.

The following words and phrases, unless a different meaning is plainly required by the context, shall have the following meanings:

"Person", an officer or employee of the City.

"Employee", a person in the service of the City, except police officers, firefighters and part-time or occasional workers, who is either or who is not now adequately protected under all circumstances by pensions authorized by the laws of the Commonwealth and in force at the time of the passage of this Ordinance.

"Officer", a person elected or appointed to City Service.

"Board", Officers and Employees Pension Board.

"City", City of Corry, Pennsylvania.

"Fund", Officers and Employees' Pension Fund.

"Pension Benefits", shall be that retirement allowance fixed by the Act of 1945, May 23, P. L 903, as amended, and this Ordinance.

"He", the masculine and feminine pronouns.

"Member", a person who is a member of the Retirement System.

Section 2. CREATION OF RETIREMENT SYSTEM.

There is hereby created a Retirement System for officers and employees in active service of the City of Corry, Pennsylvania, except police officers, firefighters, and part-time or occasional employees.

Section 3. CREATION, MEMBERSHIP AND DUTIES OF PENSION BOARD.

A. There is hereby created a Board to be known as the "Non-Uniform Employees' Pension Board", consisting of the Mayor, the City Controller, the Director of Finance and two (2) employees to be chosen by the employees contributing to the Pension Fund.

B. 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.

C. A vacancy occurring during the term of the person or persons chosen by the employees shall be filled for the unexpired term by an employee or employees chosen by the employees contributing to the Pension Fund.

D. The members of the Non-Uniform Employees' Pension Board shall serve without compensation.

E. It shall be the duty of said Board to register all persons employed by the City, except police officers, firefighters, and part-time or occasional employees, and to administer the collection

and distribution of the Fund herein provided for, and make such reasonable rules as the Board may deem necessary to carry into effect the provisions of this Ordinance.

Section 4. CONTRIBUTION TO FUND.

A. All officers and employees of the City, who are members of the Fund shall contribute to the Board an amount equal to five (5) per centum of each member's gross earnings. Gross earnings shall include all earnings paid by the City directly and earnings paid by the City but reimbursed to the City by other entities.

B. All officers and employees of the City shall contribute to the Board an additional amount equal to one (1%) per centum to provide sufficient funds for payments to widows and widowers of members who were retired on pension or killed in service.

C. No person holding a position in the City as a laborer, at a per diem wage, shall be compelled to pay or contribute toward the fund herein provided for, but such laborer shall have the option or choice of so doing, and shall only, upon electing to contribute to the Fund, become entitled to the compensation provided by this Ordinance: Provided, however, that such laborer shall be required to contribute the same rates as required of other officers and employees.

D. Such contributions shall be regularly deducted by the City from each member's compensation and shall be paid over to the Fund.

Section 5. RIGHT TO RETIRE AND PENSION UPON RETIREMENT.

A. (1) Each eligible member who attains the age of sixty (60) years and upwards who shall have so served as an officer or employee of City for a period of twenty (20) years, or more, shall, upon application to the Board, be retired from service, and shall during the remainder of his life receive the pension benefits prescribed.

(2) Any member who was hired by the City before March 17, 2025, who shall have served twenty (20) years and voluntarily retires shall, by continuing his contributions until the age of fifty-five (55) years, be entitled to begin receipt at age of fifty-five (55) years of the pension benefits prescribed. Any member who was hired by the City on or after March 17, 2025, who shall have served twenty (20) years and voluntarily retires shall, by continuing his contributions until the age of fifty-five (55) years, be entitled to begin receipt at age of sixty (60) years of the pension benefits prescribed.

(3) Any member who shall have served twenty (20) years and shall be terminated without his voluntary action, shall, by continuing his contributions until the age of fifty-five (55) years, be entitled to begin receipt, at the age of fifty-five (55) of pension benefits prescribed.

B. During the lifetime of any retired member he shall be entitled to receive annually from the Fund as pension benefits a sum equal to fifty per centum (50%) of the amount which would constitute the highest average annual salary or wages which he earned during any five (5) years of his service for the City, or which would be determined by the rate of the monthly pay of such person at the date of retirement, whichever is the higher. The pension benefits are to be paid in monthly payments.

C. If a member 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 and in that event, he will 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 the portion of the annual pension set forth below.

D. Where an officer or employee shall have served for twelve (12) years, or more, and shall have attained the age of sixty (60) years and his tenure of office or employment shall be terminated without his voluntary action before the expiration of twenty (20) years of service, he shall, in such event, during the remainder of his life, be entitled to receive such portion of the full compensation as the period of his service up to date of its termination bears to the full twenty-year period of service.

E. Where an officer or employee shall have served for twelve (12) years, or more, and shall not have attained the age of sixty (60) years, and his tenure of office or employment shall be terminated without his voluntary action before the expiration of twenty (20) years of service, he shall, in such event, during the remainder of his life, after attaining the age of sixty (60) years, be entitled to receive such portion of the full compensation as the period of his service up to date of its termination bears to the full twenty-year period of service.

Section 6. LIMITED VESTING BENEFIT.

A. A member who has completed twelve (12) years or more of full-time continuous service but shall not have attained the minimum age and minimum period of continuous service required for retirement eligibility may be entitled to vest his retirement benefits subject to all of the following conditions:

- (1) the member must file with the management board of the fund a written notice of his intention to vest;
- (2) the member must include in the notice the date the member intends to terminate his service;
- (3) the termination date shall be at least thirty (30) days later than the date of notice to vest;

(4) the member must be in good standing with the City on the date of notice to vest; and

(5) the Board shall indicate on the notice to vest the rate of the monthly pay of the member as of the date of the notice to vest or the highest average annual salary which the member received during any five (5) years of service preceding that date, whichever is higher.

B. Upon reaching the date which would have been the member's retirement date had the member continued employment with the City, the member shall notify the Board in writing that the member desires to collect his pension. The amount of retirement benefits the member is entitled to receive under this section shall be computed as follows:

(1) the initial determination of the member's base retirement benefits shall be computed on the salary indicated on the notice to vest; and

(2) the portion of the base retirement due the member shall be determined by applying to the base amounts the percentage that his years of service actually rendered bears to the years of service which would have been rendered had the member continued to be employed by the City until his minimum retirement date.

C. A member who is eligible for a benefit under this Limited Vested Benefit Section and under Part E of Section 5 should follow the above procedure to have their benefit determined under the Limited Vested Benefit provision OR notify the Board that they want to have their benefit determined pursuant to Part E of Section 5, whichever deem to be in their best interest. Such member may request that a determination be made of their benefit entitlement under both provisions.

Section 7. PERMANENT DISABILITY.

A member who becomes permanently disabled to an extent as to render him unable to perform the duties of his position or office, which member has completed fifteen (15) years of service, and has not attained the age of fifty-five (55) years, shall be entitled to full pension benefits during such disability. Proof of such disability shall consist of the sworn statement of a practicing physician, designated by the Board that the employee is in a condition of health which permanently disables him from performing the duties of his position or office. Members receiving disability benefits shall thereafter be subject to physical examination at any reasonable time or times, upon order of the Board, and upon his refusal to submit to any such examination, his compensation shall cease.

Section 8. EFFECT OF SOCIAL SECURITY.

In accordance with Section 4 (c.1) of PA Act 362 of 1945 as amended (Optional Retirement System for Officers and Employees Article of the Third Class City Code), the City elected provide benefits without reduction for the Social Security Offset provision in Section 4 (c) of Act 362.

Section 9. COMPUTATION OF TIME OF SERVICE

The time of service herein specified shall be computed from the time of the first or original service to the City, and need not be continuous. Time of Service shall include any time not exceeding six (6) years spent by the employee on active duty with the armed forces of the United States after becoming a member of the plan, providing that the employee received an honorable discharge or a certificate of satisfactory service and the employee pays to the board an amount equal to the contributions the employee would have paid during such service based on the employee's last monthly salary or wage prior to entering active duty for each. Notwithstanding the

preceding, all employees shall be afforded the rights and options mandated by the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

Section 10. PERSONS ENTITLED TO BENEFITS OF ORDINANCE.

The benefits conferred by this Ordinance shall apply to all persons regularly employed on or after the effective date of this Ordinance, in any paid capacity by the City, except police officers, firefighters and part-time or seasonal workers.

Section 11. RECEIPT AND INVESTMENT OF FUNDS; PAYMENTS.

It shall be the duty of the Board to receive, retain, invest and reinvest the fund created by virtue of this Ordinance and the Statutes of the Commonwealth of Pennsylvania and to pay over by warrant or check, signed by two (2) Board members, the amounts due to members or their beneficiaries.

Section 12. EXEMPTION FROM ATTACHMENT OR EXECUTION; NON-ASSIGNABILITY.

The compensation herein provided for shall not be subject to attachment or execution, and shall be payable only to the beneficiary designated by this Ordinance, and shall not be the subject of assignment or transfer.

Section 13. TERMINATION OF EMPLOYMENT.

If for any cause any member contributing to the pension fund shall cease to be an employee of the City before the said employe becomes entitled to a pension, the total amount of the contributions paid into the pension fund by such employe shall be refunded to him in full, without interest.

Section 14. RE-ENTRY INTO SERVICE OF THE CITY.

If any member shall have returned to him the amount contributed as aforesaid, and shall afterward reenter the employ of the City, said member shall not be entitled to the previous pension service designated, unless he shall return to the pension fund the amount withdrawn, in which event pension service shall be computed from the time the employee first enters the service of the city.

Section 15. DEATH OF MEMBER.

A. In the event of the death of any member (except as noted in Section 15-B) before becoming entitled to any pension benefit, the total amount of contributions paid into the fund by such member shall be paid to their designated beneficiary, or if there is no designated beneficiary, over to their estate without interest.

B. The widow or widower of a member of the fund who retires on pension or being eligible for pension but is still employed full time, dies or is killed in the performance of his duties as a City employee, shall, during his or her lifetime, or so long as such person does not remarry, be entitled to receive a pension calculated at the rate of fifty percent (50%) of the pension the member was receiving or would have received had such member retired at the time of their death.

Section 16. SEVERABILITY.

The provisions of this Ordinance shall be severable, and if any of its provisions shall be held to be unconstitutional, illegal or invalid, such decisions shall not affect the validity of any of the remaining provisions of this Ordinance. It is hereby declared as a legislative intent that this Ordinance would have been adopted had such unconstitutional, illegal or invalid provision not been included herein.

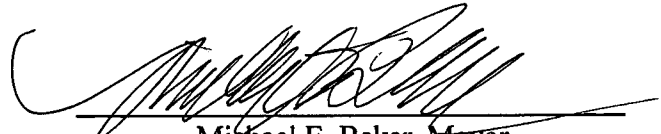
Section 16. EFFECTIVE DATE.

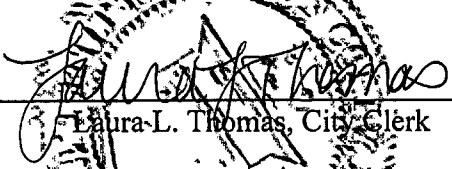
This Ordinance shall be effective upon its final passage.

Section 17. REPEAL.

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 17th day of March, 2025, in lawful session regularly assembled.


Michael E. Baker, Mayor

ATTEST

Laura L. Thomas, City Clerk
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