

BOROUGH OF FREEPORT

ORDINANCE NO. 413

AN ORDINANCE OF THE BOROUGH OF FREEPORT TO AMEND THE CHARTER AGREEMENT BETWEEN THE BOROUGH OF FREEPORT, THE BOROUGH OF FORD CITY, AND THE TOWNSHIP OF GILPIN ESTABLISHING A REGIONAL POLICE DEPARTMENT, AND TO ADOPT THE RESOLUTION OF THE REGIONAL POLICE COMMISSION AMENDING THE PENSION PLAN WHICH WAS ESTABLISHED FOR THE MEMBERS OF THE REGIONAL POLICE DEPARTMENT.

WHEREAS, the Borough of Freeport, Armstrong County, Pennsylvania, with its municipal offices at 414 Market Street, Freeport, Pennsylvania 16229 (“Borough of Freeport”), and the Township of Gilpin, Armstrong County, Pennsylvania with its municipal offices at 589 State Route 66, Leechburg, Pennsylvania 15656 (“Gilpin Township”), under the authority granted by the Pennsylvania Intergovernmental Cooperation Act (53 Pa.C.S.A. Section 2301 et seq.) and Article IX, Section 5 of the Pennsylvania Constitution, executed a Charter Agreement on August 24, 2022 establishing a regional police force called the Southern Armstrong Regional Police Department (“SARPD”) as of October 15, 2022 to be governed by the Southern Armstrong Regional Police Commission (“the Commission”); and

WHEREAS, the Borough of Ford City, Armstrong County, Pennsylvania, with its municipal offices at 1000 4th Avenue, Ford City, PA 16226 (“Borough of Ford City”), enacted Ordinance No. 753 on December 28, 2022 which authorized the Borough to participate in the SARPD effective January 1, 2023, subject to the terms of the Charter Agreement; and

WHEREAS, pursuant to the Charter Agreement, the Commission established the Southern Armstrong Regional Police Pension Plan (“SARPD Pension Plan”) to serve as the pension plan for providing officers of the merged police department with pension benefits under the provisions of Pub. Law 1804, 53 PA Con. Stat. Ann. 767, et seq. (commonly referred to as Act 600), effective October 15, 2022, and resolved and adopted by the Commission on June 19, 2023; and

WHEREAS, the SARPD Pension Plan as originally drafted provided that each municipality would transfer its existing pension funds into the SARPD Pension Plan, thereby combining the assets and liabilities of each municipal plan into a single plan and a single trust fund administered under the terms and provisions of a single plan document adopted by the Commission, to include the administration of benefits for vested and retired officers of the municipalities who did not become employees of SARPD; and

WHEREAS, Gilpin Township had established its retirement program for the benefit of the Township’s police officers and their beneficiaries pursuant to a Pennsylvania Municipal Retirement System (“PMRS”) adoption agreement, effective January 1, 1982; and

WHEREAS, Gilpin Township was unable to obtain the required consent of its retirees to withdraw from the PMRS pension system and, still intending for its active officers as of October 15, 2022 to become members of the SARPD Pension Plan, has therefore agreed to instead transfer

only those assets equal to the actuarial accrued liability of its officers who participate in the merged SARPD Pension Plan as officers of the SARPD effective October 15, 2022; and

WHEREAS, to reflect this departure from the SARPD Pension Plan as originally drafted and adopted, the Commission passed Resolution No. 1-2024, attached as "Appendix A" on January 15, 2024 which amended the terms of the SARPD Pension Plan document; and

WHEREAS, the Borough of Freeport, in cooperation with Gilpin Township and the Borough of Ford City, now adopts Resolution No. 1-2024 of the Commission and hereby amends the Charter Agreement Plan to ensure consistency between those documents.

BE IT ORDAINED AND ADOPTED by the Council of the Borough of Freeport and it is hereby ORDAINED and ADOPTED by authority of the same:

Resolution No. 2024-1 of the Southern Armstrong Regional Police Commission, attached as "Appendix A" is hereby adopted by the Borough of Freeport; and

Effective Immediately, the Borough of Freeport agrees to amend the Charter Agreement as follows:

ARTICLE X

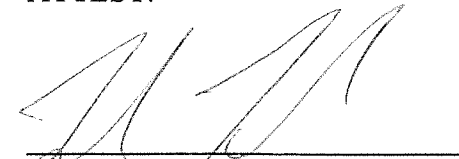
PENSIONS

Section A. The Commission shall establish a pension plan for its uniformed officers in accordance with the provisions of Act 600, as amended, 53 P.S. § 767 et seq. On or before the Effective Date of this Agreement, or as soon as practicable thereafter Freeport Borough shall, after complying with and obtaining any necessary authorizations prescribed by applicable statutory and regulatory law, transfer existing pension funds into the Regional Police Pension Plan. Gilpin Township shall maintain its participation in the Pennsylvania Municipal Retirement System for the benefit of its vested and retired participants, and shall transfer only sufficient assets equal to its liabilities for its active officers employed by the Southern Armstrong Regional Police Department on or after October 15, 2022. Retired and vested members of the Gilpin Township police department as of October 15, 2022 will not be affected by the regionalization, this agreement, or the establishment of the Regional Police Pension Plan.


ORDAINED AND ENACTED THIS 24 DAY OF April, 2024

ATTEST:

BOROUGH of Freeport




Secretary

By: 

President
Borough of Freeport Council

Examined and approved this 24 day of April, 2024



Mayor

APPENDIX A

**ATTACH RESOLUTION OF COMMISSION
UPDATING PENSION PLAN
AS APPENDIX A**

OFFICIAL
SOUTHERN ARMSTRONG REGIONAL POLICE COMMISSION
ARMSTRONG COUNTY, PENNSYLVANIA

RESOLUTION NO. 1-2024

A RESOLUTION OF THE SOUTHERN ARMSTRONG REGIONAL POLICE COMMISSION AMENDING THE SOUTHERN ARMSTRONG REGIONAL POLICE DEPARTMENT POLICE PENSION PLAN TO REFLECT THAT GILPIN TOWNSHIP WILL REMAIN A PARTICIPANT IN PMRS FOR ITS VESTED AND RETIRED MEMBERS WHILE TRANSFERRING ASSETS EQUAL TO ITS ACTUARIAL LIABILITY FOR ACTIVE OFFICERS PARTICIPATING IN THE SOUTHERN ARMSTRONG POLICE PENSION PLAN.

WHEREAS, the Borough of Freeport and the Township of Gilpin, by ordinance, executed a Charter Agreement on August 24, 2022 to disband their respective police departments and establish a regional police force as of October 15, 2022 called the Southern Armstrong Regional Police Department ("SARPD"), governed by the Southern Armstrong Regional Police Commission ("the Commission"); and

WHEREAS, the Borough of Ford City enacted Ordinance No. 753 in December 28, 2022 which disbanded the Ford City Police Department and Commission and appointed SARPD as the police force of the Borough, effective January 1, 2023, subject to the terms of the Charter Agreement; and

WHEREAS, pursuant to the terms of the Charter Agreement, the Commission established and adopted a Police Pension Plan on June 19, 2023 to provide police officers of SARPD with pension benefits under the provisions of Pub. Law 1804, 53 PA Con. Stat. Ann. 767, et seq. (commonly referred to as Act 600), effective October 15, 2022; and

WHEREAS, the initial intention of SARPD and the Commission was for each municipality to fully merge its pension plan into the SARPD Police Pension Plan; and

WHEREAS, Gilpin Township was unable to secure its withdrawal from the Pennsylvania Municipal Retirement System to effectuate the merger of the plan as initially drafted, but still intends for its former members who became employees of the SARPD effective October 15, 2022 to participate in the SARPD Plan.

NOW, THEREFORE, it is hereby resolved that the Commission is authorized to execute an amendment to the SARPD Police Pension Plan reflecting the fact that Gilpin Township will remain in PMRS but will transfer sufficient assets for its current active members who will serve on the Regional Police force effective October 15, 2022 to the Police Pension Plan. To that end, the Police Pension Plan is hereby amended as follows:

PREAMBLE

(¶6) WHEREAS, pursuant to the Charter Agreement and subsequent amendments, Freeport Borough and the Borough of Ford City shall merge all assets and liabilities of their individual police pension plans, and Gilpin Township, in order to maintain its participation in PMRS for its retired and vested members, will merge assets equal to the actuarial accrued liability of its former officers who participate in the merged plan as officers of the SARPD after October 15, 2022, with such merged plan serving as the ongoing plan for providing officers of the merged police department with pension benefits under provisions of Pub. Law 1804, 53 PA Con. State. Ann. 767, et seq. (commonly referred to as Act 600); and

(¶7) WHEREAS, the merger of the police pension plans shall be accomplished through the combining of all assets and liabilities of the Borough of Freeport Police Pension Plan and the Borough of Ford City Police Pension Plan, and assets equal to the actuarial accrued liability of the former participants of the Gilpin Township Police Pension Plan who participate in the merged plan as officers of the SARPD after October 15, 2022 into a single plan and single trust fund administered under the terms and provisions of a single plan documented adopted by the Commission; and

(¶10) WHEREAS, benefits due to be paid to retirees of the Borough of Freeport Police Pension Plan on or after October 15, 2022, and to the Borough of Ford City Police Pension Plan on or after January 1, 2023, shall be the obligation of the merged plan in the same amount and form of payment that was payable before such dates; and

ARTICLE IV

RETIREMENT BENEFITS

4.12 Retired Participants – Any Participant who shall have retired or terminated with entitlement to a Deferred Vested Benefit prior to the effective date of this plan under a pension plan administered by a Predecessor Employer shall not have the benefit altered in any way by the provisions of this Plan, except where otherwise expressly provided herein. Such retired or terminated vested Participants shall continue to have their benefits governed by the terms of the plan in effect on the day their employment with the Predecessor Employer terminated, but their payments and any applicable payments to their survivors shall be payable from the Fund as they become due. Participants of the Gilpin Township Pension Plan who retired or separated from service prior to the effective date of this plan shall remain participants of the PMRS retirement plan. All applicable payments shall be payable from PMRS and will not be provided whatsoever by this Plan.

RESOLVED THIS 15th day of January, 2024 by the Southern Armstrong Regional Police Commission.

ATTEST:

SARPD COMMISSION:

