

NOTICE IS HEREBY GIVEN that the Town Council of the Borough of Chambersburg, Franklin County, Pennsylvania, intends to consider for adoption and to vote upon an enactment of the Ordinance below at the regularly scheduled Chambersburg Town Council Meeting on September 30, 2024, at 7:00 p.m. at the Borough Office, 100 South 2nd Street Chambersburg, Pennsylvania 17201.

ORDINANCE NO. 2024-_____

AN ORDINANCE OF THE BOROUGH OF CHAMBERSBURG, FRANKLIN COUNTY, PENNSYLVANIA, RESTATING THE RETIREMENT PLAN FOR BARGAINING AND ADMINISTRATIVE EMPLOYEES AS ORIGINALLY EFFECTIVE JULY 1, 1960 AS ESTABLISHED BY CHAPTER 60, ARTICLE III OF THE CODE OF THE BOROUGH OF CHAMBERSBURG IN ORDER TO INCORPORATE PLAN PROVISIONS PURSUANT TO THE AFSCME COLLECTIVE BARGAINING AGREEMENT AND PREVIOUSLY ADOPTED AMENDMENTS TO SUCH PLAN

WHEREAS, the Borough of Chambersburg previously established the Borough of Chambersburg Retirement Plan for Bargaining and Administrative Employees (the “Plan”), which Plan is established and continued in accordance with Chapter 60, Article III of the Code of the Borough of Chambersburg; and

WHEREAS, the Borough of Chambersburg has entered into a collective bargaining agreement with the American Federation of State, County, and Municipal Employees, Local 246 (“AFSCME”), which collective bargaining agreement provided for certain changes to the Plan; and

WHEREAS, the Borough of Chambersburg also previously adopted various amendments to the Plan via the adoption of Ordinances approved at public meetings of Town Council; and

WHEREAS, the Borough of Chambersburg now desires to amend the Plan document and restate the Plan to incorporate the provisions pursuant to the AFSCME collective bargaining agreement and the previously adopted amendments into one cohesive document.

NOW THEREFORE, BE IT ENACTED AND ORDAINED by the Town Council of the Borough of Chambersburg, Franklin County, Pennsylvania and it is hereby enacted and ordained by the authority of the same that the Plan Amendment and Restatement attached hereto and incorporated herein by reference, which amends and restates the “Borough of Chambersburg Municipal Retirement Plan for Bargaining and Administrative Employees,” effective September 30, 2024, is hereby adopted and enacted. In addition to the various amendments to the Plan previously approved, the Plan is hereby amended as follows, pursuant to the AFSCME collective bargaining agreement:

1. Section 1.3 – Compensation/Average Monthly Compensation, subsection (a)(2) is amended to exclude the following types of remuneration from the participant’s

compensation: any lump sum payment made upon separation from employment for unused accumulated sick leave of any kind.

2. Section 11.2 – Defined Contribution Provisions, subsection (2) is amended to allow participants hired on or after January 1, 2023, who are automatically enrolled in the Defined Contribution Plan, to have the option to switch to the Defined Benefit Plan once per year during open enrollment, and to allow them to irrevocably switch back to the Defined Contribution Plan during a subsequent open enrollment period.
3. Section 11.2 – Defined Contribution Provisions, subsections (3) and (4) are amended to reduce the vesting period from 12 years to 10 years.
4. Section 11.3 – Definitions, subsection (e) is amended to reduce Normal Retirement age from 65 to 63.
5. Section 11.4 – Contributions, subsection (b) is amended to reduce the vesting period from 12 years to 10 years.
6. Jason H. Cohen, Budget Administrator of the Borough of Chambersburg, is authorized and directed to execute the attached amendment and restatement of the Plan.
7. Repealer: All provisions of previous Ordinances of the Borough of Chambersburg and the Code of the Borough of Chambersburg which are contrary to this Ordinance are expressly repealed.
8. Savings Clause: In all other respects, all other Ordinances of the Borough of Chambersburg shall remain as previously enacted and ordained.
9. Severability: The provisions of this Ordinance are declared to be severable, and if any section, subsection, sentence, clause or part thereof is, for any reason, held to be invalid, unlawful, or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of any remaining sections, subsections, sentences, clauses or part of this Ordinance.
10. Effective Date: This Ordinance shall take effect immediately.

ENACTED, ORDAINED, AND APPROVED this _____ day of September, 2024.

Allen B. Coffman
President of Town Council

ATTEST:

Jamia L. Wright
Secretary of Town Council

Kenneth Hock
Mayor