



**TOWNSHIP OF SOUTH FAYETTE  
ALLEGHENY COUNTY, PENNSYLVANIA**

**ORDINANCE No. 3 of 2015**

SOUTH FAYETTE TOWNSHIP  
ALLEGHENY COUNTY

ORDINANCE NO. 3 of 2015

**FIRST AMENDMENT TO THE TOWNSHIP OF SOUTH FAYETTE  
POLICE PENSION PLAN**  
(as amended and restated, effective January 1, 2010)

AN ORDINANCE OF THE TOWNSHIP OF SOUTH FAYETTE RELATIVE TO THE ESTABLISHMENT AND MAINTENANCE OF TOWNSHIP EMPLOYEES PENSION, ANNUITY, INSURANCE AND BENEFIT FUND OR FUNDS, TO AMEND CERTAIN PROVISIONS OF THE PENSION PLAN OR PROGRAM APPLICABLE TO THE POLICE OF SAID TOWNSHIP.

WHEREAS, the Township of South Fayette (the "Township") has previously enacted an Ordinance establishing the Township of South Fayette Police Pension Plan (the "Plan"); and

WHEREAS, the Plan was totally amended and restated, effective January 1, 2010; and

WHEREAS, the Township reserved the right to amend the Plan pursuant to section 10.01; and

WHEREAS, the Township now desires the Plan to be further amended to include certain changes to the Plan benefits;

BE IT ORDAINED AND ENACTED by the Board of Commissioners of the Township of South Fayette and it is HEREBY ORDAINED AND ENACTED by authority of the same:

**Sections 1.13 and 1.18 shall be amended in their entirety by deleting said sections and substituting new sections 1.13 and 1.18 in their place as follows, which new sections shall be considered effective as of January 1, 2014:**

**1.13 "Compensation" shall mean:**

For Participants hired before January 1, 2014, the total remuneration paid to an Employee by the Employer, whether salary or hourly wages including overtime pay, holiday pay, longevity pay and any other form of compensation paid by the Employer for police services rendered; and

For Participants hired on or after January 1, 2014, base salary and longevity pay paid to an Employee by the Employer; Compensation shall exclude all other forms of remuneration including but not limited to overtime, holiday pay and expense reimbursements; and

Compensation shall also include fixed, periodic amounts paid for periods during which the Participant is not actively employed as a member of the Employer's regular full-time police force, which amounts are paid directly by the Employer or through a program to which the Employer has made contributions on behalf of the Employee, other than under

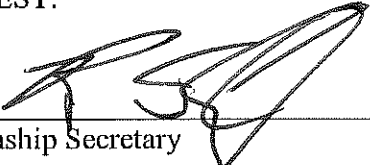
this Plan (including a worker's compensation program or payments made under the Pennsylvania Heart and Lung Act), to the extent that such payments replace the otherwise includible items described before. Compensation shall be limited on an annual basis to the amount specified for government plans under the Code.

**1.18 "Final Monthly Average Salary"** shall mean the average of a Participant's Compensation over the final thirty-six (36) months immediately preceding termination of active Participation. Final Monthly Average Salary (for all Participants regardless of hire date) shall exclude single sum payments for accumulated unused leave or back pay damage awards to the extent such payments are not applicable to the averaging period or are otherwise excludable from Compensation as that term is defined in section 1.13

Final Monthly Average Salary shall be calculated by taking into account only those periods during which an Employee receives Compensation, as that term is defined in section 1.13. Therefore, for example, the Final Monthly Average Salary for a Participant who receives disability benefits from this Plan or who is voluntarily or involuntarily serving in the United States armed forces during the final thirty-six (36) months of active Participation shall be based on the period during which the Employee last received Compensation from the Employer. Compensation used to determine Final Monthly Average Salary shall be limited on an annual basis to the amount specified for government plans in accordance with Code Section 401(a)(17), as adjusted under Code Section 415(d).

ORDAINED AND ENACTED INTO LAW, this 16<sup>th</sup> day of September, 2015.

ATTEST:

  
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Township Secretary

TOWNSHIP OF SOUTH FAYETTE

  
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President, Board of Commissioners