



**CHELTENHAM TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA**

ORDINANCE NO. 2444-22

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF CHELTENHAM TOWNSHIP, MONTGOMERY COUNTY, PENNSYLVANIA AMENDING THE CHELTENHAM TOWNSHIP CODE OF ORDINANCES, CHAPTER 40, (PENSIONS), ARTICLE IV (BOARD OF COMMISSIONERS), SECTION 40-45 (RIGHT OF EMPLOYER TO DISCONTINUE OR AMEND PLAN) TO DISCONTINUE THE PLAN AND ALL FUTURE CONTRIBUTIONS TO THE PLAN.

WHEREAS, since January 1981, the Board of Commissioners passed a number of Ordinances bestowing upon themselves Retirement Pension Benefits and Post-Service Retiree Health Insurance coverage, when certain age and service requirements are met. These Retirement Pension Benefits and Post-Service Retiree Health Insurance coverage are funded by the Township's Taxpayers. These enabling Ordinances include the following: Ordinance 1499 passed and effective January 5, 1981; Ordinance 1670 passed and effective May 17, 1988; Ordinance 2017-02 passed and effective October 15, 2002; Ordinance 2176-09 passed and effective January 20, 2009; and Ordinance 2294-14 passed and effective December 17, 2014;

WHEREAS, the Township faces significant financial difficulties and the above-referenced Ordinances, by their own terms, permit the Board of Commissioners to cease funding both the Retirement Pension Benefits and Post-Service Retiree Health Insurance coverage;

WHEREAS, since the Retirement Pension Benefit available under these Ordinance is an annuity purchased at the time when the vested Commissioner reached his Normal Retirement Date, no former Commissioner currently receiving a monthly pension benefit will be affected by this Ordinance; however, Post-Service Retiree Health Insurance coverage will cease with the effective date of this Ordinance;

WHEREAS, the Board of Commissioners of Cheltenham Township now desires to terminate the offer of pension benefits to Township Commissioners;

The Board of Commissioners of Cheltenham Township does hereby ENACT and ORDAIN as follows:

SECTION 1. Discontinuance of Pension Contributions

Pursuant to the Code of Ordinances of the Township of Cheltenham ("Code"), Chapter 40 (Pensions), Article IV (Board of Commissioners), Section 40-45 (Right of Employer to Discontinue or Amend Plan) the Code is hereby amended to read as follows:


1. Effective October 17, 2022, the Township of Cheltenham (the “Employer”) shall permanently discontinue the Retirement Plan for the Board of Commissioners of Cheltenham Township Plan found under Article IV of the Code, (the “Plan”) and all future contributions to the Plan.
2. In accordance with Section 40-46 (A) of the Plan, the Employer shall send written notice of such discontinuance to: (a) all Employees covered under the Plan; and (b) the Insurance Company to which contributions under the Plan are contributed.
3. All retirement benefits due to employees covered by the Plan shall be allocated in accordance with Section 40-46 paragraphs (B), (C), (D) and (E) of the Plan.

SECTION 2. Effective Date.

This Ordinance shall take effect and be enforced 60 days from and after its approval.

ORDAINED AND ENACTED into an Ordinance by the Cheltenham Township Board of Commissioners this 17th day of **August, 2022**.

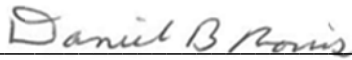
ATTEST:



Robert Zienkowski

Township Manager and Secretary

**TOWNSHIP OF CHELTENHAM
BOARD OF COMMISSIONERS**

By: 
Daniel B. Norris, President