

A RESOLUTION OF CALN TOWNSHIP
CHESTER COUNTY, PENNSYLVANIA

RESOLUTION NO. 2022-30

A RESOLUTION ACKNOWLEDGING THE RECEIPT OF 2023 MINIMUM MUNICIPAL
OBLIGATION WORKSHEETS FOR INCLUSION OF SAID OBLIGATION FOR THE
POLICE PENSION PLAN IN THE 2023 CALENDAR YEAR BUDGET

WHEREAS, Act 205 and 189 of the Commonwealth of Pennsylvania stipulate requirements for the inclusion of minimum obligations for employees' pension funds in the budgeting process; and

WHEREAS, the Township of Caln has retained Mockenhaupt Benefits Group to prepare an actuarial evaluation of the Police Pension Plan including the preparation of 2023 minimum municipal obligation for the plan; and

WHEREAS, the minimum municipal obligation for the plan has been calculated by Mockenhaupt Benefits Group. Based on the most current Valuation Report and estimated W-2 payroll data pursuant to the requirements of Act 189; and

WHEREAS, the Township Manager has certified such calculation has been transmitted to the Board of Commissioners on September 8, 2022.

NOW, THEREFORE BE IT RESOLVED that the Board of Commissioners of Caln Township does hereby acknowledge receipt of the minimum obligation calculation for the Caln Township Police Pension Fund and agrees to include such obligation for the plan in the 2023 calendar year General Fund Budget for the Township of Caln.

DULY ADOPTED, by the Board of Commissioners of Caln Township, this 8th day of September 2022.

ATTEST:

CALN TOWNSHIP
BOARD OF COMMISSIONERS

Kristen Denne,
Township Secretary

Paul Mullin, President

Jane Kennedy, Vice President

Joshua B. Young, Member

Lorraine Tindaro, Member

Mark Evans, Member

**CALN TOWNSHIP POLICE PENSION PLAN
FINANCIAL REQUIREMENT AND MINIMUM MUNICIPAL OBLIGATION
FOR 2023 MUNICIPAL BUDGET**

A. Normal Cost

1. Normal Cost as a Percent of Payroll	21.119%
2. Estimated 2022 Payroll for Active Participants	\$ <u>1,511,185</u>
3. Normal Cost (A1 x A2)	\$ <u>319,147</u>

B. Financial Requirement

1. Normal Cost (A3)	\$ 319,147
2. Anticipated Insurance Premiums	0
3. Anticipated Administrative Expense	58,936
4. Amortization Payment, if any ^	<u>222,561</u>
5. Financial Requirement (B1 + B2 + B3 + B4)	\$ <u>600,644</u>

C. Minimum Municipal Obligation

1. Financial Requirement (B5)	\$ 600,644
2. Anticipated Employee Contributions (5.0% of Estimated Payroll)	75,559
3. Funding Adjustment, if any	<u>0</u>
4. Minimum Municipal Obligation (C1 - C2 - C3)	\$ <u>525,085</u>

^The amortization payment from the January 1, 2021 valuation was adjusted to reflect amortization base(s) that have since expired. The amortization payment decreased by \$25,478.

NOTES:

1. 2023 General Municipal Pension System State Aid may be used to fund part or all of the municipal obligation and must be deposited within 30 days of receipt. Any remaining balance must be paid from municipal funds.
2. Deposit into the Plan's assets must be made by December 31, 2023 to avoid an interest penalty.
3. Any delinquent Minimum Municipal Obligation from prior years must be included in the 2023 budget along with an interest penalty.

I hereby certify that the above calculations, to the best of my knowledge, are true, accurate, and conform with the provisions of Chapter 3 of Act 205 of 1984.

Certified By:

Chief Administrative Officer

Date

Prepared using the January 1, 2021 Valuation.