



2023 PENSION STATE AID DISTRIBUTION

Background:

On September 27, 2023, Exeter Township received Pension State Aid in the amount of \$497,744.61.

The Township must distribute these funds to the pension plans within 30 days of receipt.

Exeter Township established Minimum Municipal Obligations (MMOs) for each of the pension plans for 2023 and included these amounts in the 2023 budget.

2023 Minimum Municipal Obligation:

- Police Pension Plan - \$217,160.00
- Employee (Non-Union) Pension Plan - \$114,544.80
- Employee (Union) Pension Plan - \$129,720.00

The Pension State Aid received exceeds the MMO by \$36,319.81. These excess funds are also required to be distributed to the pension plans.

The excess funds are being split between the Police Pension Plan and the Employee (Non-Union) Pension Plan. The Police Pension Plan represents 92.5% of the Township's pension funds and the Employee (Non-Union) Pension Plan represents 7.5% of the Township's pension funds. The excess funds were allocated with the same percentages, resulting in an additional contribution of \$33,595.83 to the Police Pension Plan and an additional contribution of \$2,723.98 to the Employee (Non-Union) Pension Plan.

The Employee (Union) Pension Plan is billed by Central PA Teamsters and contributions are made monthly.

Recommendation:

Approve Resolution #2023-41 authorizing the distribution of the State Aid.

Distributions to the pension plans are included in the Disbursements for October 23, 2023.

- Exeter Township Police Pension Plan for \$250,755.83
- Truist Institutional Advisory Services for \$117,268.78

**EXETER TOWNSHIP
RESOLUTION #2023-41**

WHEREAS, UNDER Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, the Municipalities have been given the responsibility to distribute the annual state allocation to Municipal Pension Plans; and

WHEREAS, such distribution of State allocation must be authorized by Resolution of the governing body; and

WHEREAS, the sum of \$497,744.61 was received from the Commonwealth of Pennsylvania, Office of the Auditor General under date of September 27, 2023 and deposited into the Exeter Township General Fund Account.

THEREFORE, BE IT RESOLVED that the Township's Chief Administrative Officer be authorized and directed to distribute the State Allocation as follows:

<u>TOWNSHIP PLAN</u>	<u>ALLOCATION</u>
Police Pension Plan	\$ 255,755.83
Employee (Non-Union Pension Plan)	\$ 117,268.78
Employee (Union Pension Plan)	\$ 129,720.00
Total Distributed	\$ 497,744.61

AND, BE IT FURTHER RESOLVED that the Chief Administrative Officer will be directed to report to the Office of the Auditor General, the manner in which the State Allocation has been distributed.

ADOPTED, this 23rd day of October 2023

**EXETER TOWNSHIP
BOARD OF SUPERVISORS**


Chairman

ATTEST:

Secretary