

RESOLUTION No. 2022-

A RESOLUTION OF THE BURGESS AND TOWN COUNCIL OF THE BOROUGH OF POTTSTOWN, MONTGOMERY COUNTY, PENNSYLVANIA, ACKNOWLEDGING THE 2023 MINIMUM MUNICIPAL OBLIGATION (MMO) AND ESTABLISHING THE CONTRIBUTION FOR MEMBERS OF THE POTTSTOWN POLICE PENSION PLAN FOR THE CALENDAR YEAR 2023, ENDING DECEMBER 31, 2023.

WHEREAS, it has been determined by the plan actuary that member contributions for calendar year 2023 should be established at five percent (5%); and

WHEREAS, the Pottstown Police Pension Board has formally acted to recommend to Borough Council a contribution to the plan consistent with the actuary's recommendation;

WHEREAS, it is further required that the Minimum Municipal Obligation ("MMO") for 2023 as calculated by the plan actuary be presented to Council prior to September 30th of the preceding year.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Burgess and Town Council of the Borough of Pottstown in lawful session this _____ day of September 2022, as follows:

1. The annual member contribution is established for the calendar year 2023 at five percent (5%) which shall begin January 1, 2023 and shall remain in effect through December 31, 2023.
2. The 2023 MMO, as calculated by the plan actuary, is One Million, Seven Hundred Thirty Thousand and Six Hundred and Seventy-Seven dollars (\$1,730,677.00).

THE BURGESS AND TOWN COUNCIL
OF THE BOROUGH OF POTTSTOWN

BY: _____
President

ATTEST: _____
Secretary

Borough of Pottstown Police Pension Plan
2023 Minimum Municipal Obligation

1 Normal Cost Percentage ¹	<u>19.9%</u>
2 Administrative Expense Percentage ¹	<u>1.4%</u>
3 Total Percentage (1 + 2)	<u>21.3%</u>
4 Estimated 2022 Total Gross W-2 Payroll	<u>\$ 4,968,777</u>
5 Annual Cost (3 x 4)	<u>\$ 1,058,350</u>
6 Amortization Contribution Requirement ¹	<u>\$ 912,807</u>
7 Financial Requirements (5 + 6)	<u>\$ 1,971,157</u>
8 Member Contributions Anticipated	<u>\$ 240,480</u>
9 10% of Negative Unfunded Liability ¹	<u>\$ 0</u>
10 Minimum Municipal Obligation (7 - 8 - 9) (Due Before 12-31-2023)	<u><u>\$ 1,730,677</u></u>

Authorized Signature

Date

¹ Based upon 01/01/2021 Actuarial Valuation