



CITY OF BETHLEHEM
OFFICE OF THE CITY SOLICITOR

INTEROFFICE MEMORANDUM

To: Louise M. Kelchner, City Clerk
CC: The Honorable Robert J. Donchez, Mayor; W. Alexander Karras, Chief of Staff
From: Edmund J. Healy, Esquire, First Assistant City Solicitor
Re: proposed amendments to Firemen's Pension Ordinance
Date: November 8, 2017

The City of Bethlehem Pension Fund Board of Managers requests that the attached ordinance be considered by City Council. The ordinance proposes to make several amendments to the Firemen's Pension Ordinance to conform the ordinance to the actual plan already in place:

- To provide an orphan benefit for children under age 18 if the spouse predeceased the paid firefighter or dies after the paid firefighter;
- To provide disability benefits at the rate of 20 years of service for a paid firefighter injured in the line of duty without fault. If the paid firefighter has accrued more than 20 years of service, then the disability benefit shall be paid at the rate of the actual number years of service;
- To provide limited disability benefits to a paid firefighter who becomes physically or mentally incapacitated from circumstances *not* arising from the actual performance of his duties and without fault. In such cases, a paid firefighter with ten (10) but less than fifteen (15) years of continuous service shall receive pension payments equal to thirty percent (30%) of his "annual salary"; for paid firefighters with fifteen (15) years or more of continuous service, the paid firefighter shall receive pension payments based upon 20 years of service.
- In case of an application for disability pension benefits, proof of such physical disability or mental incapacity shall consist of the sworn statement of three (3) practicing physicians.

These amendments will have no adverse effect on the actuarial soundness of the plan because the plan already includes these provisions. Again, these amendments merely conform the ordinance to the actual plan already in place.

Please place this Interoffice Memorandum and proposed ordinance on City Council's agenda for review and appropriate action.

BILL NO. _____ - 201__

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BETHLEHEM,
COMMONWEALTH OF PENNSYLVANIA, AMENDING
VARIOUS PORTIONS OF THE FIREMEN'S PENSION FUND
ORDINANCE TO CONFORM TO THE PLAN

NOW THEREFORE, IT IS HEREBY ORDAINED BY THE CITY OF BETHLEHEM OF
NORTHAMPTON AND LEHIGH COUNTIES, PENNSYLVANIA, AS FOLLOWS:

SECTION 1. That Article 151.02 relating to Maintenance of the Firemen's Pension Fund, of
the Codified Ordinances of the City of Bethlehem, which reads as follows:

The Firemen's Pension Fund shall be invested and merged in joint Funds
for investment purposes under the provisions of Article 156 of the
Codified Ordinances of the City of Bethlehem. The Fund shall charge
against each paid member of the Fire Department of the City an amount
of seven percent (7%) of the pay of such member, and an additional one
percent (1%) to pay benefits to surviving spouses of members retired on
pension or killed or who die in service. Annual appropriations to the
Firemen's Pension Fund by the City shall be made in accordance with
Act 205 of 1984, Municipal Pension Plan Funding Standard and
Recovery Act.

shall be amended to read as follows:

The Firemen's Pension Fund shall be invested and merged in joint Funds
for investment purposes under the provisions of Article 156 of the
Codified Ordinances of the City of Bethlehem. The Fund shall charge
against each paid member of the Fire Department of the City an amount
of seven percent (7%) of the pay of such member, and an additional one
percent (1%) to pay benefits to surviving spouses, or if no spouse
survives or if he/she survives and subsequently dies, then to the child or
children under the age of eighteen years, of members retired on pension
or killed or who die in service. Annual appropriations to the Firemen's
Pension Fund by the City shall be made in accordance with Act 205 of
1984, Municipal Pension Plan Funding Standard and Recovery Act.

SECTION 2. That Article 151.05(d) relating to computation of payments from the Firemen's
Pension Fund, of the Codified Ordinances of the City of Bethlehem, which reads as follows:

(d) In the case of the payment of pensions to members for permanent
injury incurred in service, and to families of members killed or who die
in service, the amount and commencement of the payments of pensions
shall be fixed by regulations of the Board. Such regulations shall not

take into consideration the amount and duration of workmen's compensation allowed by law. Payments to surviving spouses of members retired on pension or killed in the service on or after January 1, 1969, or who die in the service on or after January 1, 1969, shall be equal to the amount payable to the member or which would have been payable had he/she been retired at the time of his/her death.

shall be amended to read as follows:

(d) In the case of the payment of pensions to members for permanent injury incurred in service, and to families of members killed or who die in service, the amount and commencement of the payments of pensions shall be fixed ~~by regulations of the Board as follows~~. Such regulations payment shall not take into consideration the amount and duration of workmen's compensation allowed by law. Whenever any paid member of the fire department becomes physically or mentally incapacitated from circumstances or causes arising from the actual performance of his duties and without fault or misconduct on his part, the Pension shall be computed pursuant to this Ordinance based upon 20 years of service. However, in cases where the member has completed 21 or more years of benefit service at the time of such physical or mental incapacity, then pension shall be computed based upon the member's actual years of service. In cases of members killed or who die in service, Payments payments to surviving spouses, or if no spouse survives or if he/she survives and subsequently dies, then to the child or children under the age of eighteen years, of members retired on pension or killed in the service on or after January 1, 1969, or who die in the service on or after January 1, 1969, shall be equal to the amount payable to the member or which would have been payable had he/she been retired at the time of his/her death.

SECTION 3. Article 151.05(f) is hereby added and shall read as follows:

(f) Non-Work-related disability. Whenever any paid member of the fire department becomes physically or mentally incapacitated from circumstances or causes not arising from the actual performance of his duties and without fault or misconduct on his part, then for members who shall have served at least

(1) ten (10) but less than fifteen (15) years of continuous service, the Pension payable to such member shall be equal to thirty percent (30%) of his "annual salary" as defined by this Ordinance; or

(2) fifteen (15) years or more of continuous service, the Pension shall be computed pursuant to this Ordinance based upon 20 years of service.

SECTION 4. That Article 151.10 relating to Board rules for service, age and disability

computation of payments from the Firemen's Pension Fund, of the Codified Ordinances of the City of Bethlehem, which reads as follows:

The Board of Managers shall compile such rules and regulations of the Firemen's Pension Fund deemed necessary for the benefit of such members of the paid Fire Bureau as shall receive honorable discharge therefrom by reason of service, and age or disability, and the families of such as may be killed in the service or retired on pension or who die in service, subject to the provisions of the ordinances of the City and the acts of assembly applicable thereto. Such rules and regulations and all amendments thereto shall be presented to Council for approval. Council may accept or reject such rules and regulations, or if no action is taken within thirty days from the date of presentation, such rules and regulations shall be deemed approved. Such rules and regulations shall then be printed and made available to all interested parties. All pensions as shall be allowed by rules and regulations to those who are retired by reason of disability or of service and age shall conform to a uniform scale. Benefits allowed from the Firemen's Pension Fund to families of members killed in service or retired on pension or who die in service shall take into consideration the member's surviving spouse and his/her minor children under eighteen years of age, if any survive.

shall be amended to read as follows:

The Board of Managers shall compile such rules and regulations of the Firemen's Pension Fund deemed necessary for the benefit of such members of the paid Fire Bureau as shall receive honorable discharge therefrom by reason of service, and age or disability, and the families of such as may be killed in the service or retired on pension or who die in service, subject to the provisions of the ordinances of the City and the acts of assembly applicable thereto. Such rules and regulations and all amendments thereto shall be presented to Council for approval. Council may accept or reject such rules and regulations, or if no action is taken within thirty days from the date of presentation, such rules and regulations shall be deemed approved. Such rules and regulations shall then be printed and made available to all interested parties. All pensions as shall be allowed by rules and regulations to those who are retired by reason of disability or of service and age shall conform to a uniform scale. Benefits allowed from the Firemen's Pension Fund to families of members killed in service or retired on pension or who die in service shall take into consideration the member's surviving spouse and his/her minor children under eighteen years of age, if any survive. In case of an application for disability pension benefits, proof of such physical disability or mental incapacity shall consist of the sworn statement of three (3) practicing physicians, selected by the Association, after examination had by them of the paid fireman, that such paid fireman is in a condition of health which permanently disables him from performing the duties of his position. Such member shall thereafter be subject to physical or mental examinations, at any reasonable time or times, upon

order of the Association. The fees of the three (3) physicians designated by the Association to examine the paid fireman shall be paid by the Fund.

SECTION 5. A duly certified copy of this Ordinance, as enacted, shall be filed with the System.

SECTION 6. That all ordinances and sections thereof that are inconsistent with this Ordinance are hereby repealed.

Sponsored by _____

PASSED finally in Council on the _____ day of _____, 20____.

President of Council

ATTEST:

City Clerk

This Ordinance approved this _____ day of _____, 20____.

Mayor