

**LOWER PAXTON TOWNSHIP  
BOARD OF SUPERVISORS**

**RESOLUTION 23-25**

**Minimum Municipal Obligations for Pension Plans**

**RESOLUTION OF THE SUPERVISORS OF LOWER PAXTON TOWNSHIP,  
DAUPHIN COUNTY, PENNSYLVANIA (HEREIN REFERRED TO AS "Township").**

**WHEREAS**, Pennsylvania Act 205 of 1984 requires the Chief Administrative Officer of the Lower Paxton Township Police Pension Plan and Non-Uniformed Employee Pension Plan to certify the financial requirement and Minimum Municipal Obligation (MMO) for each pension plan prior to September 30<sup>th</sup> preceding the start of the next municipal fiscal year, and

**WHEREAS**, the actuary for the above-referenced pension plans, Mockenhaupt Associates, has determined the financial requirement and prepared the Minimum Municipal Obligation for each plan to be used in the preparation of the 2024 municipal budget, and

**WHEREAS**, the Chief Financial Officer of the above-referenced pension plans has reviewed the financial requirement and Minimum Municipal Obligation for each plan and has certified same to be true, accurate, and in conformance with the provisions of Chapter 3, of Act 205.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Supervisors of Lower Paxton Township accepts the statements of Financial Requirement and Minimum Municipal Obligation for the Police Pension Plan and the Non-Uniformed Employee Pension Plan, as certified by the Chief Administrative Officer.

**BE IT FURTHER RESOLVED** that the above referenced statements are attached to and made a part of this resolution.

**ADOPTED** this 19<sup>th</sup> day of September 2023.

**Attest:**

**LOWER PAXTON TOWNSHIP  
BOARD OF SUPERVISORS**

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**Chris Judd, Secretary**

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**Lowman S. Henry, Chairman**

**LOWER PAXTON TOWNSHIP POLICE PENSION PLAN  
FINANCIAL REQUIREMENT AND MINIMUM MUNICIPAL OBLIGATION  
FOR 2024 MUNICIPAL BUDGET**

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**A. Normal Cost**

1. Normal Cost as a Percent of Payroll	17.804%
2. Estimated 2023 Payroll for Active Participants	\$ <u>5,983,374</u>
3. Normal Cost (A1 x A2)	\$ <u><u>1,065,280</u></u>

**B. Financial Requirement**

1. Normal Cost (A3)	\$ 1,065,280
2. Anticipated Insurance Premiums	0
3. Anticipated Administrative Expense	5,983
4. Amortization Payment, if any	<u>1,094,435</u>
5. Financial Requirement (B1 + B2 + B3 + B4)	\$ <u><u>2,165,698</u></u>

**C. Minimum Municipal Obligation**

1. Financial Requirement (B5)	\$ 2,165,698
2. Anticipated Employee Contributions (5.0% of Estimated Payroll)	299,169
3. Funding Adjustment, if any	<u>0</u>
4. Minimum Municipal Obligation (C1 - C2 - C3)	\$ <u><u>1,866,529</u></u>

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**NOTES:**

1. 2024 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, 2024 to avoid an interest penalty.
  3. Any delinquent Minimum Municipal Obligation from prior years must be included in the 2024 budget along with an interest penalty.
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**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, 2023 Valuation.

**LOWER PAXTON TOWNSHIP NON-UNIFORMED EMPLOYEES PENSION PLAN  
FINANCIAL REQUIREMENT AND MINIMUM MUNICIPAL OBLIGATION  
FOR 2024 MUNICIPAL BUDGET**

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**A. Normal Cost**

1. Normal Cost as a Percent of Payroll	11.745%
2. Estimated 2023 Payroll for Active Participants	\$ <u>5,776,198</u>
3. Normal Cost (A1 x A2)	\$ <u>678,414</u>

**B. Financial Requirement**

1. Normal Cost (A3)	\$ 678,414
2. Anticipated Insurance Premiums	0
3. Anticipated Administrative Expense	5,776
4. Amortization Payment, if any	<u>339,600</u>
5. Financial Requirement (B1 + B2 + B3 + B4)	\$ <u>1,023,790</u>

**C. Minimum Municipal Obligation**

1. Financial Requirement (B5)	\$ 1,023,790
2. Anticipated Employee Contributions	187,999
3. Funding Adjustment, if any	<u>0</u>
4. Minimum Municipal Obligation (C1 - C2 - C3)	\$ <u>835,791</u>

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**NOTES:**

1. 2024 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, 2024 to avoid an interest penalty.
  3. Any delinquent Minimum Municipal Obligation from prior years must be included in the 2024 budget along with an interest penalty.
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**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:

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Chief Administrative Officer

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Date

Prepared using the January 1, 2023 Valuation.