

ORDINANCE NO. 15931

FILE OF CITY COUNCIL

BILL NO. 69 – 2023

JULY 19, 2023

AN ORDINANCE

Amending the Employees' Retirement and Pension System Ordinance amending the board membership to meet a quorum as there are no active members.

WHEREAS there are no remaining employees actively contributing to the Employee's Retirement and Pension System (O&E) Fund requiring the board membership to be revised to meet a quorum.

SECTION ONE: That Chapter 75 Article I Section 75-3 Retirement Board; powers and duties of the Codified Ordinances of the City of Allentown is amended as follows:

ARTICLE I

Employees' Retirement and Pension System

[Adopted as Article 141 of the 1962 Codified Ordinances]

§ 75-3. Retirement Board; powers and duties. [Amended 5-1-1946 by Ord. No. 5419]

A. Composition. Council establishes an Officers' and Employees' Retirement Board, which shall consist of the following:

[Amended 3-16-1988 by Ord No. 12834; 6-20-1988 by Ord. No. 12858; 5-4-2000 by Ord. No. 13834]

- (1) Mayor;
 - (2) City Controller;
 - (3) Director of Finance; **[Amended at time of adoption of Code (see Ch. 1, General Provisions, Art. I)]**
 - ~~(4) Representative selected by the employees contributing to the fund;~~
 - ~~(5) Representative selected by the employee contributing to the fund;~~
 - (6) A retired member of the fund or an Allentown resident appointed by the Mayor with the advice and consent of City Council who shall serve concurrently with the mayor's term.
 - ~~(7) One representative of City Council; provided, however, that any member of City Council participates in the Retirement Fund and is a member of the Fund. Said Council representative shall be chosen by City Council.~~
- ~~B. Vacancies. A vacancy occurring during the term of the persons named in Subsection A(4) or (5) shall be filled for the unexpired term by a person chosen by the employees contributing to the Retirement Fund.~~
- ~~C. Terms: representatives from different departments. The representatives elected by the members shall~~

~~be elected for four year terms, to run concurrently with each four year term of any Mayor. The representatives elected must be from two different departments of the City government. Members of the Officers' and Employees' Retirement Board shall serve for the term for which they are elected or designated and until their successors are elected or designated.~~

- D. Officers. The Mayor shall be the Chairman of the Retirement Board. The Retirement Board shall elect from membership a secretary and such other employees as may be necessary. The Board shall also elect a treasurer who need not be a member of the Board. **[Amended 4-5-1978 by Ord. No. 12299]**
- E. Compensation. The members of the Retirement Board shall serve without compensation, but shall be reimbursed for any necessary expenditures. No contributor shall suffer loss of salary or wages through serving on the Retirement Board.
- F. Duties generally. It shall be the duty of the Board to register all persons employed by the City, other than firemen and policemen, and to administer the collections and distribution of the Fund herein provided for, and make such reasonable rules in the premises as the Board may deem necessary to carry into effect the provisions of this article.
- G. Oath. Each member of the Retirement Board shall take an oath of office that they will, so far as it devolves upon them, diligently and honestly administer the affairs of the Board, and that they will not knowingly violate, or permit to be violated, any of the provisions of law applicable to retirement systems for officers and employees of cities of the Third Class. Such oath shall be subscribed by the member making it and shall be filed in the office of the City Clerk.
- H. Record. The Retirement Board shall keep a record of all its proceedings, which shall be open to inspection by the public.
- I. Manner of making payments from fund. All payments from funds created by this article shall be made by voucher or check only, upon warrant signed by the Chairman of the Retirement Board and countersigned by the Director of Finance or designee. No warrant shall be drawn except by order of the Retirement Board, duly entered in the record of its proceedings. **[Amended 10-4-1978 by Ord. No. 12319]**
- J. Disqualifications of members. No person connected with the Retirement Board shall have any interest, direct or indirect, in the gains or profits of any investment made by the Retirement Board, nor, as such, directly or indirectly, receive any pay or emoluments for his services. No person connected with the Retirement Board, directly or indirectly, for themselves, or as an agent or partner of others, shall borrow any of its funds or deposits, or in any manner use the same, except to make such current and necessary payments as are authorized by the Retirement Board. No person connected with the Retirement Board shall become surety or become, in any manner, an obligor for monies loaned by or borrowed from the Retirement Board.
- K. Name by which business transacted. By the name of "Allentown Officers' and Employees' Retirement Board," all of the business of the system shall be transacted, all of its funds invested, all warrants for money drawn and payments made, and all of its cash, securities and property shall be held.

	Yea	Nay
Candida Affa	X	
Ce-Ce Gerlach	X	
Cynthia Y. Mota	X	
Santo Napoli	X	
Natalie Santos	X	
Ed Zucal	X	
Daryl Hendricks, Pres.	X	
TOTAL	7	0

I hereby certify that the foregoing Ordinance was passed by City Council on August 2, 2023 and signed by the Mayor on August 3, 2023.



CITY CLERK

Legislative Template

Please email this form to Legislation@allentownpa.gov when ready to submit

- What department or bureau is this bill originating from? Where did the initiative for the bill originate?

Department of Finance, Finance Administration & Budget

The last contributing member of the Employees' Retirement and Pension System (O&E) Fund retired in March of 2023. The ordinance states that employees contributing to the fund must nominate board representation from across City departments. As there are no longer active employees to nominate or serve as representatives, the board composition rules must be revised to reflect the current status of only retired members.

- Summary and facts of the bill.

This ordinance amends the O&E Pension board composition by reducing the size of the board from (7) members down to (4) members to reflect the current pension membership and allows for a City resident to be appointed to the board in the future should no retired members of the Fund be available to serve on the pension board.

- Purpose – Please include the following in your explanation:
 - a. What does the bill do? What are the specific goals or tasks the bill seeks to accomplish?

Allows for a City resident to be appointed to the O&E Pension board in place of a retired member.

Removes items 75-3, A. 4-5 Representatives selected by the employees contributing to the fund as there are no remaining active employees contributing to the O&E pension fund.

Removes item 75-3, A. 7. Representative of City Council requiring that the Council member participate in and be a member of the O&E Pension fund.

Removes section 75-3 B and C regulating the term length of representatives chosen by active employees contributing to the fund.

- b. What are the benefits of doing this? What are the drawbacks?

Amending the ordinance will allow for a greater candidate pool from both retired members and City residents.

- c. How does this bill relate to the City's vision/mission/priorities?

It is the City's mission to maintain a quorum at quarterly pension board meetings.

- Financial Impact – Please include the following in your explanation:

- a. Cost (initial and ongoing)

There is no financial impact to this amendment.

- b. Benefits (initial and ongoing)

- Funding Sources – Please include the following in your explanation:

- a. If transferring funds, please make sure to give specific account names and numbers. If appropriating funds from a grant, please list the agency awarding the grant.

There is no financial impact to this amendment.

- Priority status – Are there any deadlines to be aware of?

The next scheduled meeting of the pension board is August 15, 2023.

- Why should Council unanimously support this bill?

only Revising the board composition to reflect the current status of the O&E Pension fund as having retired members will allow for a quorum to be met in the future when necessary.