

**Greencastle Borough
Non-Uniform Pension Plan
(Defined Benefit)**

Eligibility & Entry

You may begin to participate in the plan if you:

Eligibility – Must be 18 years of age.

Entry – Date of hire.

Pay/Compensation

Total compensation from Greencastle Borough.

Member Contributions

None

Vesting

Years	Less than 3	3	4	5	6	7 or more
Vesting	0%	20%	40%	60%	80%	100%

Expenses

Plan administrative expenses are paid by Greencastle Borough

Normal Retirement Benefit *

- *Age:* Attained at age 62 and 10 years of vesting service.
 - Employees who become inactive prior to 1/1/2000 (65 and 10 years of vesting service).
 - Employees who become inactive after to 1/1/2000 (62 and 10 years of vesting service).
- *Form of payment:* For married participants paid in 50% joint and survivor annuity, for single participants, a monthly annuity payable for life. (That is what the plan is funded on).
- *Amount (accrued benefit):*
 - 1.3% of average compensation multiplied by years of service through 12/31/2019.
 - 2.0% of average compensation multiplied by years of service earned after 01/01/2020.

Early Retirement Benefit *

- *Age:* Attained at Age 55 and 20 years or service.
- *Form of payment:* Same as Normal Retirement Benefit.
- *Amount (accrued benefit):* Accrued benefit on early retirement date reduced by 6 2/3% for each year up five and 3 1/3% for each year between five and ten that the early retirement date precedes normal retirement date.

Late Retirement Benefit *

- *Age*: No maximum age.
- *Form of payment*: Same as Normal Retirement Benefit.
- *Amount (accrued benefit)*: Greater of accrued benefit on normal retirement date actuarially increased to late retirement date or accrued benefit on late retirement date.

*** Must cease employment to receive this benefit.**

Disability Benefit

- *Form of payment*: Monthly income payable until normal retirement, death or recover and deferred annuity payable at normal retirement.
- *Amount (accrued benefit)*: Accrued benefit on date of disability. (Minimum \$20)

Death Benefit (Survivor Annuity Death Benefit)

- *Eligibility*: Married participant fully or partially vested in an accrued benefit.
- *Form of payment*: Immediate monthly annuity payable to spouse.
- *Amount*: If death occurs, the amount paid to surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his earliest retirement, retire with a qualified joint and 50% survivor annuity in effect then died the next day.

****Must be married for one year prior to date of death.****

Definitions:

- *Average compensation*: The monthly average of total pay received for the three latest years prior to normal retirement date.

NOTICE TO PLAN PARTICIPANTS AND BOROUGH RESIDENTS

To all Plan Participants and Borough Residents of Greencastle Borough.

A recent Amendment to the plan document was adopted to change the benefit multiplier from 1.3% times years of service through December 31, 2019 to 2.0% times years of service from January 1, 2020 forward.

This plan change is only available for all current full-time employees and those hired after January 1, 2020.

The Borough's overfunded status of their Police and Non-Uniformed Pension Plans allowed for this occurrence. By raising the yearly multiplier, the Borough is now taking full advantage of all available state funding.

Not only is this a benefit to the employees of the Borough, but also the resident's ensuring continuity of employment.

This benefit can be adjusted at any point in the future at the discretion of the Borough.