

September 21, 2020

SUBJECT: 2021 Minimum Municipal Obligation

For the Conewago Township Uniformed Pension Plan

TO: Conewago Township Board of Supervisors  
GOVERNING BOARD

FROM: Charlotte Shaffer, Chief Administrative Officer  
NAME

Act 205 of 1984 requires that the "chief administrative officer" of the pension plan inform the "governing board" of the municipality of the Minimum Municipal Obligation for the following year by the last business day in September. This memo, provided under the guidance of Beyer-Barber Company (our plan's actuary), is intended to satisfy this legal requirement. Questions on our pension costs can either be addressed to me or Robert J. Hall Company at 717-960-0752.

The calculation of the 2021 Minimum Municipal Obligation requires several assumptions relating to projected payroll. The attached 2021 Minimum Municipal Obligation certification details this determination.

Resolution 2020-V

CONEWAGO TOWNSHIP  
POLICE RETIREMENT PLAN  
WORKSHEET FOR 2021 MMO

1. TOTAL ANNUAL PAYROLL (W-2 payroll for 2020)	\$ 803,167.65
2. TOTAL NORMAL COST PERCENTAGE	15.80%
3. TOTAL NORMAL COST (Item 1 x Item 2)	\$ 126,900.49
4. TOTAL AMORTIZATION REQUIREMENT	\$ 0
5. TOTAL ADMINISTRATIVE EXPENSES (Estimated based on recent experience)	\$ 7,865*
6. TOTAL FINANCIAL REQUIREMENTS (Item 3 + Item 4 + Item 5)	\$ 134,765.49
7. TOTAL MEMBER CONTRIBUTIONS (Member Contribution Rate x Item 1)	\$ 0
8. FUNDING ADJUSTMENT	\$ 35,033.00
9. MINIMUM MUNICIPAL OBLIGATION (Item 6 - Item 7 - Item 8)	\$ 99,732.49

  
\_\_\_\_\_  
Signature of Chief Administrative Officer

  
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Date Certified to Governing Body

**Note: The 2021 Minimum Municipal Obligation is based on the most recent Revised Actuarial Valuation Report on January 1, 2019.**

\* Of this amount, \$1,615 represents an estimate for fiduciary liability insurance.