

**CHAPTER 207. CERTIFICATION OF MUNICIPAL  
PENSION COSTS**

- Sec.  
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**Authority**

The provisions of this Chapter 207 issued under the Municipal Pension Plan Funding Standard and Recovery Act (53 P. S. §§ 895.101—895.803), unless otherwise noted.

**Source**

The provisions of this Chapter 207 adopted December 18, 1987, effective December 19, 1987, 17 Pa.B. 5234, unless otherwise noted.

**§ 207.1. Procedure for determination of actual financial requirements for municipal pension plans.**

The Commission will determine annually the actual financial requirement for each municipal pension plan based on the data contained in the most recent complete report required to be filed by the municipality under the act or the act of December 5, 1972 (P. L. 1383, No. 293) (53 P. S. §§ 730.1—730.5).

(1) If the financial requirements of the pension plan are determined under section 302 of the act (53 P. S. § 895.302), the actual financial requirement shall be equal to the sum of the normal cost plus the administrative expenses less the amount of member contributions anticipated receivable for the following year plus, if applicable, amortization contribution requirements or funding adjustments. The administrative expenses included in the actual financial requirement shall be equal to one-half of the sum of the prior year's administrative expenses plus the estimated current year's administrative expenses.

(2) If the financial requirements of the pension plan are determined under section 303 or 402(f)(3) of the act (53 P. S. § 895.303 or 895.402(f)(3)), the actual financial requirement shall be equal to the financial requirements less the amount of member contributions anticipated receivable for the following year and, if applicable, funding adjustments.

(3) The actual financial requirement determined for a pension plan may not be less than zero dollars.

**Source**

The provisions of this § 207.1 adopted December 18, 1987, effective December 19, 1987, 17 Pa. B. 5234; amended July 24, 1992, effective July 25, 1992, 22 Pa. B. 3839. Immediately preceding text appears at serial page (123183).

**§ 207.2. Procedure for certifications of actual financial requirements for municipal pension plans.**

The Commission will certify annually to the Auditor General the actual financial requirements for each municipality eligible to receive General Municipal Pension System State Aid and for each regional or joint pension plan.

(1) For a municipality determined by the Commission to be in compliance with the reporting requirements established in Chapter 2 of the act (53 P. S. §§ 895.201—895.208) as of July 15, the Commission will certify the actual financial requirements for the eligible recipient municipality to the Auditor General by August 15.

(2) For a municipality determined by the Commission to be delinquent in complying with the reporting requirements established in Chapter 2 of the act as of July 15, the Commission will certify the actual financial requirements for each eligible recipient municipality to the Auditor General within 30 days of the date the municipality is determined by the Commission to be in compliance with the reporting requirements in Chapter 2 of the act.

**Source**

The provisions of this § 207.2 adopted December 18, 1987, effective December 19, 1987, 17 Pa. B. 5234.

**§ 207.3. Components of annual certification of actual financial requirements.**

The annual certifications of the actual financial requirements for a municipality made to the Auditor General by the Commission will include the actual financial requirement of the pension plan established for police officers, the actual financial requirement of the pension plan established for firefighters and the actual financial requirement of the pension plan established for nonuniformed employees. The actual financial requirement certified for each pension plan shall include the employer normal cost expressed as a percentage of the covered payroll of the members of the pension plan and, if applicable, either the amortization contribution requirement or the funding adjustment expressed as a dollar amount. If a municipality has established more than one pension plan for police officers, firefighters or nonuniformed employees, the aggregated actual financial requirements of the individual pension plans established for police officers, firefighters or nonuniformed employees will be certified by the Commission.

**Source**

The provisions of this § 207.3 adopted December 18, 1987, effective December 19, 1987, 17 Pa. B. 5234.

**§ 207.4. Acceptance of revised actuarial valuation reports.**

The Commission may accept revised actuarial valuation reports when benefit changes are retroactively implemented under a court order or arbitration award and effective as of the date of the actuarial valuation or when the original actuarial valuation report contained a material error or omission regarding demographic data, benefit provisions, financial data or actuarial data other than actuarial assumptions. Revised actuarial valuation reports shall be accompanied by a written statement fully disclosing the cause and nature of the omission or error. If a revised actuarial valuation report is received before July 15 and accepted by the Commission, the revised data will be reflected in the current year's certification of data to the Auditor General. If a revised actuarial valuation report is received on or after July 15 and accepted by the Commission, the revised data will be reflected in the following year's certification of data to the Auditor General.

**Source**

The provisions of this § 207.4 adopted July 24, 1992, effective July 25, 1992, 22 Pa. B. 3839.

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