



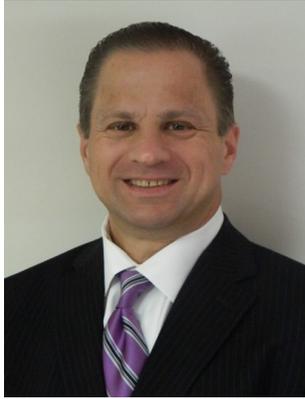
ALLEGHENY COUNTY EMPLOYEES' RETIREMENT SYSTEM

NEWS FOR ACTIVE AND RETIRED MEMBERS – NOVEMBER 2014

System Welcomes New Trustee

We welcome Frank J. Dicristofaro following his June 27, 2014 election to the Retirement Board of Allegheny County.

In accepting this Board position Frank commented that he is grateful to the retirees and employees of Allegheny County for their support.



"I look to roll-up my sleeves and work with the other members of the Retirement Board for the overall good of the members and plan."

Frank has been a Probation Officer for Allegheny County Court of Common

Pleas and Shuman Juvenile Detention Center since 1985. He also is

second term Vice President of the Allegheny County Association of Professional Court Employees. He has a BA in Criminal Justice from Duquesne University and an Associates Degree in Business from the Community College of Allegheny County.

Frank is married for 25 years and has an 11 year old son, who he coaches in youth soccer and enjoys taking fishing. Frank's term began July 1, 2014 and ends June 30, 2018.

Senators Vulakovich and Costa Help RBAC Reform Benefit

On Wednesday, February 12, 2014 an extraordinary event occurred in the Gold Room of the Courthouse - Governor Corbett's ceremonial signing of HB 546/Act 125 of 2013.

It marked the successful completion of years of hard work by the Retirement Board, PA Legislature and many others which resulted in four historic reforms to our Retirement System.

For County employees hired on or after February 21, 2014, HB 546/Act 125:

- Eliminates overtime compensation in excess of 10% of base pay from the pension calculation;
- Changes the final pay formula to the highest 48 months of the final 8 years of service;

- Increases vesting from 8 years to 10 years; and
- Reduces the annual benefit accrual to 2.0% which increases the length of service required to receive an unreduced retirement allowance.

Combined, these changes are projected to reduce the Plan's unfunded liability \$1.113 billion over a 50-year period. Furthermore, these changes help sustain a fiscally sound retirement system, so that every member of the plan can anticipate that the benefit they've earned will be there throughout their retirement.

This legislation would not have been possible without the support of Representatives Mike Turzai, Frank Dermody, Thomas R. Caltagirone, Rick Saccone, Mark Rozzi,

Mark Mustio, Dom Costa, Maureen Gingrich, Anthony M. DeLuca, Adam Ravenstahl, Harry Readshaw, Daniel J. Deasy, Jesse White, Dan Moul, Seth M. Grove, Matt Gabler, Florindo J. Fabrizio, Gordon Denlinger and Garth D. Everett
(cont. on page 3)

"This new legislation saves the Plan more than \$1 Billion over the next 50 years and ensures our Members receive the benefit that they are entitled!"

**John K. Weinstein
County Treasurer
and Board President**

Evaluating Survivorship Vs. Life Insurance



Sara wants to make sure her spouse has income upon her death, but should she elect survivorship or protect her spouse with life insurance? If Sara is in good health and insurable, she will want to get life insurance quotes to compare the monthly cost of using the pension to provide a benefit to her spouse versus the cost of purchasing her own outside (term) life insurance. Buying outside life insurance involves additional risk, as premiums can be missed due to illness, moving, and/or age related decisions, and the life insurance would then be cancelled. To look into life insurance, Sara may want to get life insurance quotes online, talk to a life insurance agent, or use the services of a fee-only life insurance agent, or fee only financial advisor. Sara will also want to weigh out the pros and cons of taking a

lump sum distribution versus taking her pension as an annuity. Sara may also want to consider her and her spouse's life expectancy when making a final decision. (Source: Money Over 55. About.com <http://moneyover55.about.com/od/preretirementplanning/a/pensionbenefitpouseoptions.html>)

Congratulations 2014 Retirees

<u>January</u>	Peitzman, Hal	Schallenger, Wendell	Weis, Don	Omalley, Margaret	McWilson, Frank
Crabbe, Barry	Persichetti, Joann	Wendell	<u>June</u>	Ondek, Richard	Muscarella, Margaret
Davis, Gwendolyn	Porter, Rhona	Smarra, August	Acrie, Mamie	Orlando, Louise	Pilewski, Carolyn
Dayton, Thomas	Ross, Jo Lynne	Smith, Harvey	Beckwith, Clair	Parrilla, Donna	Riggle, Brian
Fassinger, David	Sabatos, Bernard	Smith, Maurita	Bergamasco, Judith	Penrod, Bradley	Robinson, Betty
Gujski, Donna	Sappie, Gayle	Squires, Bonnie	Biggs, Elnora	Reagan, Maragret	Strimlan, Edward
Howard, Richard	Scarborough, Penny	Whittaker, Sharon	Caparelli, Henry	Rethage, Russell	Sturdivant-Anderson, Marcia
Mascari, William	Schillinger, Andrew	<u>April</u>	Festor, Robert	Richardson, William	Suchan, Kenneth
Massimiani, Janet	Sieminski, Rita	Fockler, Judith	Figas, Richard	Rizzo, Joseph	Surmacz, Andrew
McGuane, Harold	Smith, Lois	Gallagher, Patricia	Good, Bruce	Roberson, Ruby	Yalch, Stephen
Oberfield, Warren	Storm, Kathy	Jones, George	Kincaid, Daniel	Robinson, William	<u>September</u>
Phillips, George	Vargo, Joseph	Martin, Rosalie	Leshen, Eddy Lynn	Rohach, John	Bartholomew, Janice
Rowry, Clara	Warren, Dorthea	McBurney, Terrence	McFeaters, Linda	Sansotta, Nick	Dixon, Wanda
Simmons, William	Werner, Marie	McConnell, Mark	Moore, Jacqueline	Tabor, Richard	Dudley, Elaine
Trbovich, Theodore	Wickline, Allan	Pozycycki, Audrey	O'Donnell, Daniel	Wilson-Clark, Mary	Filipic, Catherine
Wolf, Peggy	Williams, Cassandra	Rowan, Theresa	Palaoro, Georgianne	<u>August</u>	Grigassy, Gretchen
Wylie, Terry	Williams, Kevin	Shaffer, Diane	Przygucki, Chester	Boucher, Richard	Grogan, Alan
<u>February</u>	<u>March</u>	Smither, Lawrence	Robertson, Venessa	Allen, Dabora	Higginbotham, Donald
Bruno, Stephen	Arnold, Mattie	Stewart, Alan	Scott, Nicholas	Arnold, Virginia	Hurney, Robert
Cestra, Phil	Barczy, Timothy	Walter, Richard	Steingart, Steven	Barker, Joseph	Jackson, Helen
Chicchi, Elaine	Bower, Allen	<u>May</u>	Tate, Gwendolyn	Bettinelli, Jane	Kanterman, Larry
Dailey, Dennis	Butler, William	Bates, Morris	Thomas, Kathleen	Botsford, Dawn	Kelly, Wayne
Damato, Vincent	Cerminara, Arthur	Berlinsky, Steven	Troiano, Daniel	Brattina, Steven	King, Donna
Duncan, Denise	Costa, Guy	Carlson, Keith	Walden, Marcella	Brown, LaVaughn	Kochirka, Georganne
Fenton, Nancy	D'Amato, Ronald	DeFazio, Marsha	Wilson, Cheryl	Bryant, Natalie	LaFrankie, Gerald
Gaydos, Joseph	Ferraro, Mary	Fuller, Anne	<u>July</u>	Carragher, James	Marmo, Michael
Gobel, Linda	Gehry, Doris	Horvath, Lynn	Burton, Judith	Chichwak, Michael	Moore, Ellen
Kahkonen, Raymond	Graham, Donald	Lesic, Luke	Clemens, John	Coleman, Demont	Moses, Mary
Kiser, Kathleen	Isherwood, Geraldine	McFall, Barbara	Comis, Jon	Gholston, Lawrence	Muller, Barbara
Lang, Nancy	Joyce, Patricia	Merks, Thomas	Gethen, Karen	Goetz, Gwynne	Orpen, Susan
Leheny, Patrick	Kalkbrenner, Mary	Schmitt, Nikki	Halferty, William	Harshman, Lucinda-	Pace, Sylvia
McNally, Daniel	Levine, Robert	Sedota, Laurie	Lochinski, Nancy	Higgins, Patricia	Patrizio, Roberta
Meyers, Thomas	Lindy, Thomas	Smith, David	Lynn, Dennis	Hoover, Dasha	Siniawski, Edward
Michel, Leanne	Lucarelli, Deborah	Solock, Richard	Miller, Thomas	Huetter Stephenie	Szczublewski, Carolyn
Moore, Kathy	Podgorski, Joanne	Stoddard, Randall	Moore, Joseph	Ingram, Carol	Young, Gearldean
Morton, Denise	Richardson, Veronica	Wagner, Peter	Nelson, Ronald	Jordan, Morris	Yurko, Richard
Palochko, Diane	Scalise, James	Watts, David	Norkus, Janet	Kushner, Jacqueline	

Marriage Equality and Survivorship

On May 20, 2014, The United States District Court for the Middle District of Pennsylvania ruled that Pennsylvania's prohibition on same-sex marriage is unconstitutional. In *Whitewood v. Corbett*, the Court determined that the statutory ban contained in Pennsylvania's Marriage Laws (23 P.S. 1102 and 1104), enacted in 1996, violates the Due Process and Equal Protection clauses of the United States Constitution.

Recognition of same-sex marriage in the employment and pension context has moved quickly from discussion to fact. One day after the ruling, Governor Corbett announced that his legal team would not appeal the decision.

The direct impact for the Retirement System is that the option of electing a spousal Survivorship benefit is available to all married members.

Understanding the Retirement Process

In April, the Retirement Office kicked off quarterly Pre-Retirement Seminars for employees that are within 6-9 months of retiring. These small group sessions focus on benefit options that need to be made at the time of Retirement and covers the paperwork and processes that are used to determine eligible benefits.

This session was developed in response to the overwhelming demand for benefit information and is held in the Conference Center of the Human Services Building, One Smithfield Street. Additional seminars are currently being designed to provide enhanced information for employees that are farther away from retirement, such as vesting, military service and other benefit options. Upcoming Pre-Retirement Seminars: February / May / August 2015. Registration opens 30 days prior to seminar.

Pensionomics 2014: *Measuring the Economic Impact of DB Pension Expenditures*

Benefits paid by state and local pension plans support a significant amount of economic activity in the state of Pennsylvania.

Pension benefits received by retirees are spent in the local community. This spending ripples through the economy, as one person's spending becomes another person's income, creating a multiplier effect.

In 2012, expenditures stemming from state and local pensions supported...

- 121,615 jobs that paid \$5.8 billion in wages and salaries

- \$17.5 billion in total economic output
- \$2.3 billion in federal, state, and local tax revenues

Each dollar paid out in pension benefits supported \$1.80 in total economic activity in Pennsylvania.

Each dollar "invested" by Pennsylvania taxpayers in these plans supported \$8.30 in total economic activity in the state.

Source: *National Institute on Retirement Security—Key Findings*

Reform (cont. from page 1)

Kerry A. Benninghoff, Phyllis Mundy and the entire Allegheny County Delegation. And, Senators Jay Costa, Matt Smith, Jim Ferlo, Wayne D. Fontana, James R. Brewster, Timothy J. Solobay, Randy Vulakovich, Mike Brubaker and John P. Blake. These leaders recognized the importance of sustaining this great defined benefit into perpetuity so that every employee of Allegheny County can anticipate that the benefit they've earned will be there when they need it. They fought for a solution that considered the needs of all stakeholders and reached across the aisle, in sincere bipartisanship, to secure a unanimous vote in the Senate and a near unanimous vote in the House.

Survivorship Benefit Election

Survivorship designates the spouse to receive a reduced monthly pension benefit in the event the member predeceases them in death; whether while employed or in retirement. After age 50 the election of Survivorship is irrevocable.

Vested members can elect Survivorship at any time during their employment with the County. It cannot be rescinded, even at retirement, once you reach age 50.

There is a cost for Survivorship; calculated based on the ages of the member and spouse. Depending on circumstance, it may make sense for certain couples to use term life insurance instead of Survivorship in retirement planning.

Visit the Retirement Office for a cost estimate. Then talk with an Insurance Professional to determine what is right for you.

Questions on your retirement benefit?

Contact Allegheny County Employees' Retirement System

106 County Office Building · 542 Forbes Avenue · Pittsburgh, PA 15219
412.350.4674 or Pension@AlleghenyCounty.US



THE TIDE

The tide recedes,
 but leaves behind bright seashells on the sand.
 The sun goes down,
 but gentle warmth still lingers on the land.
 The music stops,
 yet echoes on in sweet, soulful refrains.
 For every joy that passes, something beautiful remains.

Author: Unknown

With Sympathy

The Retirement Board and Staff acknowledge those retirees who have passed earlier this year.

JANUARY

Cheski, Raymond A
 Ellenberger, Floyd D
 Froehlich, Donald F
 Herleman, Frances
 Holtzman, Tracey
 LynnSoltis, Francis J
 Martino, Mario CSyx,
 Theodore C
 Vlastic, Nickolas A
 Zalavary, Angela

FEBRUARY

Alberts, Walter J
 Cross, Mildred B
 Edwards, John G
 Eustace, Margaret M
 Foster, Alice
 Frazier, James W
 Kennedy, Mary H
 Liska, Arnold J
 Luke, Edward S
 Phillips, Richard J

Posa, Mario
 Sabatos, Bernard
 Skweres, Leo J
 Srokacs, Mary R
 Verri, Frank J
 Zunic, Theresa F

MARCH

Blandino, Carl J
 Boyd, Deborah P
 Conoran, Irene T
 Gehring, Lucy
 Gilmore, Opal B
 Golembeski, Henry
 Hawk, Alvin L
 Mc Dowell, Agnes J
 Nagel, Barbara A
 Ovesney, Anthony
 Papp, Edward E
 Ross, Thomas E
 Vallas, James M
 Williams, Mildred J
 Wilson, Marlyn E

Zekler, Irene

APRIL

Barrick, Marion E
 Berger, Mary M
 Butler, William H
 Carson, Helen
 Corsello, Mary M
 Heglas, Joseph A
 House, Clyde R
 Koziarz, Rose M
 Misura, Edwin
 Pusateri, Agatha C
 Ridinger, Laura L
 Smith Jr, Richard E
 Weaver, Herbert C

MAY

Berardelli, John A
 Blair, Miriam
 Calabro, Michael F
 Cox, Mary Ellen
 Gaines, Thomas J

Gorham, George E
 Holt, Mary K
 Mcginn, Francis R
 Morwitz, Hymen
 Pennington, Dorothy G
 Schneider, William H
 Tolbert, Raymond S
 Williams, Donna P

JUNE

Bryan, Rita Mae
 Caparelli, Francis J
 Chambliss, Toni R
 Fitzgerald, James J
 Goldring, Terry L
 Iwanoski, Ronald
 Lacher, Richard
 Lebeda, Fredrick M
 Lopez, Donna L
 Matuszeski, Frank A
 Norton, Kathleen G
 Robinson, Mildred F
 Smith, Richard W

Wylie, Terry D

JULY

Grzywinski, Edmund
 Jones, Richard D.
 Kiger, Joan C
 Langston, Jeannette
 May, Edythe
 Nerone, F. ReganRay,
 Edward D
 Roll, Mary
 Snaith, Janet A
 Springer, Charles P
 Tafelski, Alice
 Utzig, Edwin
 Williams, Harry
 Zurawka, Robert F

AUGUST

Bunda, Frank T
 Colamarino, Eugene
 Dailey, June L
 Davis, Pinkie L

Fekete, George E
 Gordon, Marjorie C.
 Hudec, John D.
 Masloff, Sophie F
 O'bryon, Lloyd
 Plish, Charles
 Ritter, Dorothy C
 Salopek, John A.
 Short, Mary Gale
 Torbin, Lee I

SEPTEMBER

Bradstreet, Florence
 Buel, William C
 Cerra, Mary Jane
 Corey, John R
 Gasior, John W
 Greenawald, M E
 Kelly, Nicholas J
 Lendis, Bianca
 Petrelli, Daniel D
 Roney, John M
 Steinmiller, Helen



Retirement Board

Standing L to R: County Executive Rich Fitzgerald,
 Jennifer Liptak, Frank DiCristofaro and
 Walter Szymanski

Seated L to R: Controller Chelsa Wagner,
 Treasurer John Weinstein and Ted Puzak

For all the latest Retirement News, go to www.alleghenycounty.us/retirement/news.aspx