

RETIREMENT BOARD OF ALLEGHENY COUNTY

542 Forbes Avenue Room 106 County Office Building Pittsburgh PA 15219
Phone 412-350-4674 FAX 412-350-3923 pension@allegHENYcounty.us



JOHN WEINSTEIN
President, Treasurer

TED PUZAK
Vice-President, Elected Member

CHELSEA WAGNER
Secretary

RICH FITZGERALD
Member

JENNIFER LIPTAK
Member

WALT SZYMANSKI
Member

FRANK DICRISTOFARO
Elected Member

TIMOTHY H. JOHNSON
Executive Director

RICHARD MILLER, ESQ.
Solicitor

BOARD APPROVES 2015 COLA AND POLICY

The Pension Board being sensitive to the needs of the retirees, as well as the employees, has done extensive research work formulating policy for Cost of Living Adjustment or COLA. While consideration of a COLA is important, the vital goal is to maintain preservation of a healthy fund for all retirees and employees.

At the start 2015 the Allegheny County pension fund is projected to be indefinitely solvent and capable of paying benefits to every vested member of the plan. Thus, the Board is proud to announce that the fund has attained this status and finds it appropriate at this time to grant a COLA as well as announce a policy addressing future COLAs.

There have been a variety of initiatives instituted by the Board in preparation of approving a COLA and formulating a policy for COLA consideration. These initiatives include but are not limited to: changes made to the investment policy and manager performance, in depth financial analysis and rebalancing of the portfolio, as well as, Act 125 legislation for pension reform created for consistency within the fund and preservation of the fund.

Therefore, beginning with the February 26, 2015 pension check retirees will receive a \$20 per month increase in their benefit.

Additionally, a policy has been developed to evaluate future COLAs and the effect on the fund. The criteria for consideration include: Frequency, Affordability, Solvency and Discretion. COLA consideration will occur no more often than every two years. With the COLA granted in 2015 the next consideration of a COLA will be in January 2017.

Motion to approve the 2015 COLA and policy was made by the Ted Puzak – the longest serving retired member of the Board. Upon approval, Board President John Weinstein thanked every member of the Board along with the Executive Director, Tim Johnson and Actuary, Brad Rigby from Cowden Associates, for their help in the formulation of this policy.