

APPROVED

First Reading: 05/28/14

Passed 8-0: 06/11/14

**COUNTY OF LEHIGH, PENNSYLVANIA
COMMISSIONERS BILL 2014-14
SPONSORED BY COMMISSIONERS MAZZIOTTI, SCHELLER,
DOUGHERTY, CREIGHTON & OSBORNE
REQUESTED DATE: MAY 21, 2014
ORDINANCE NO. 2014 -112**

**ESTABLISHING A NEW 1-70 RETIREMENT CLASS FOR
LEHIGH COUNTY OFFICERS AND EMPLOYEES**

WHEREAS, in 1971 the County of Lehigh (County) established its current retirement system in accordance with the County Pension Law, Act 96 of 1971, 16 P.S. §11651 et seq., and created a 1-60 or 1/60 class for member contributions; and

WHEREAS, the Lehigh County Retirement Board (Retirement Board) is responsible for the administration of the retirement system and has a fiduciary responsibility to manage the fund for the benefit of its members and retirees; and

WHEREAS, on May 8, 2014 the Retirement Board adopted a Resolution recommending that the County establish a second class or tier of retirement fund for newly elected or hired County officers and employees, commencing on January 1, 2015; and

WHEREAS, the new class would be established as a 1-70 or 1/70 class with a required employee contribution rate of five percent (5%) of the employee's salary; and

WHEREAS, applicability of this new 1-70 class to employees hired on or after January 1, 2015 who are members of a collective bargaining unit will be dependent upon the collective bargaining process; and

WHEREAS, section 4 of the County Pension Law, 16 P.S. §11654, requires the commissioners to establish a retirement system for county employees; and

WHEREAS, because retirement benefits are considered compensation under Pennsylvania Law, ordinance approval is required to set the salary and wage levels of County officers and employees pursuant to section 310(a)(11) of the Home Rule Charter.

NOW, THEREFORE, IT IS HEREBY ENACTED AND ORDAINED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF LEHIGH, PENNSYLVANIA, THAT:

1. The foregoing Whereas clauses are incorporated as if set forth in their entirety.
2. There is hereby established a second class of retirement system which shall have a 1-70 class basis. This new system shall be applicable to all employees who are hired on or after January 1, 2015 and to County officers elected after that date who are subject to the County Pension Law. Retirement benefits for employees who are covered by collective bargaining agreements shall continue to be subject to any applicable collective bargaining agreement terms. The County Executive is hereby directed to include this provision in all negotiations with the several unions representing County employees.
3. The proper officers and other personnel of Lehigh County are hereby authorized and empowered to take all such further action, including any necessary transfers of funds, and execute additional documents as they may deem appropriate to carry out the purpose of this Ordinance.

4. The County Executive shall distribute copies of this Ordinance to the proper officers and other personnel of Lehigh County whose further action is required to achieve the purpose of this Ordinance.

5. Any Ordinance or part of any Ordinance conflicting with the provisions of this Ordinance is hereby repealed insofar as the same affects this Ordinance.

6. This Ordinance shall become effective in ten (10) days after enactment.

ADOPTED this 11th day of June, 2014, by the following vote:

<u>Commissioners</u>	<u>AYE</u>	<u>NAY</u>
Geoff Brace	X	
Thomas C. Creighton, III	X	
Percy H. Dougherty	X	
David S. Jones, Sr.	X	
Vic Mazziotti	X	
Brad Osborne	X	
Lisa Scheller	X	
Michael P. Schwart	X	

ATTEST:



Clerk to the Board of Commissioners

APPROVED this 11th day of June, 2014.



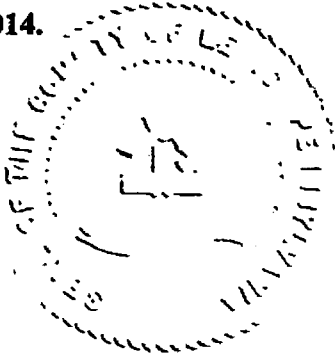
Thomas S. Muller
County Executive

ENACTED this 16th day of June, 2014.

COUNTY OF LEHIGH ORDINANCE 2014 – NO. 112

CERTIFICATION

I, DAVID BARILLA, Clerk to the Board of Commissioners of Lehigh County, do hereby certify that the attached is a true and correct copy of the ordinance adopted at a regular meeting of the Commissioners of Lehigh County held on the 11th day of June, 2014, and approved on the 16th day of June, 2014 by the Lehigh County Executive, and effective on the 26th day of June, 2014.



A handwritten signature in cursive script, appearing to read "David Barilla", is written over a horizontal line.

DAVID BARILLA, Clerk
Board of Commissioners

**RESOLUTION OF THE LEHIGH COUNTY RETIREMENT BOARD
RECOMMENDING CERTAIN CHANGES TO THE LEHIGH COUNTY
RETIREMENT SYSTEM**

WHEREAS, in 1971 the County of Lehigh (County) established its current retirement system in accordance with the County Pension Law, Act 96 of 1971, 16 P.S. §11651 et seq., which created a 1-60 or 1/60 class for member contributions; and

WHEREAS, the Lehigh County Retirement Board (Retirement Board) is responsible for the administration of the retirement system and has a fiduciary responsibility to manage the fund for the benefit of its members and retirees; and

WHEREAS, the Retirement Board has reviewed the future liabilities and potential expenses of the retirement system, and has evaluated the soundness of the system and has concluded that it would be in the long term best interests of the system to establish a second class or tier of retirement fund for newly elected or hired County officers and employees, commencing on January 1, 2015; and

WHEREAS, the new class would be established as a 1-70 or 1/70 class with a required member contribution rate of five percent (5%) of the member's salary.

NOW, THEREFORE, BE IT RESOLVED THAT,

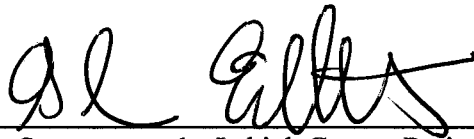
The Lehigh County Retirement Board hereby recommends to the Lehigh County Executive and to the Board of Commissioners of Lehigh County that a two-tier retirement system be established as set forth herein.

ADOPTED this 8th day of May, 2014, by the

following vote:

<u>Members</u>	<u>AYE</u>	<u>NAY</u>
David Bausch	✓	
Glenn Eckhart	✓	
Vic Mazziotti	✓	
Daniel K. McCarthy		Absentee
Tom Muller	✓	
Timothy Reeves	✓	
Lisa Scheller	✓	

ATTEST:



Secretary to the Lehigh County Retirement Board