

Clarion County Retirement Board Minutes

January 29th, 2020

11:50 AM

Those attending: Mindy Frampton; Tim Cochran; Kristi Amato; Jeffery Smathers; Janice Horn; Nancy Jeannerat; Treasurer McConnell; Ron Wilshire (press); Evanne Gareis (press); Randy Bartley (press).

Call to Order: The meeting was called to order at 11:50 a.m.

Roll Call: Commissioner Brosius-present; Commissioner Tharan-present; Commissioner Heasley-present; Treasurer McConnell- present; Chief Clerk Best- absent

Approval of the Agenda: On a motion made by Treasurer McConnell and second by Commissioner Heasley to approve the agenda as presented, the motion passed without opposition.

Approval of the Minutes dated December 26th, 2019: On a motion made by Commissioner Heasley and a second by Treasurer McConnell to approve the minutes dated 12/26/2019, the motion passed without opposition.

Announcements: There were no announcements this meeting

❖ Clarion County Employee Status Report:

Retirement Status Report

Total Active members contributing: 175

Total retirees receiving a pension: 183

Total funds to be distributed on February 1st: \$137,281.34

** includes \$126,685.92 in county pensions; \$8,662.92 in invoices

Total contributed by employees in December: \$45,548.30

Retirement Fund Portfolio as of December 31st: \$26,226,952

Business:

1. Commissioner Tharan explained how the County Pension is calculated. A handout was provided explaining in detail how pensions are calculated for member portions verses county portion.

**FACTS ABOUT
YOUR CLARION COUNTY RETIREMENT PLAN**

NOTE: The complete summary plan description is available upon request in the Department of Human Resources. In some respects the provisions of the plan differ with respect to elected officials. Elected officials should consult the summary plan description.

Plan Authority and Administration—The retirement plan is governed by the provisions of state law, and may be changed by legislative action. Should there be a conflict between this fact sheet or the Summary Plan description and the provisions of the County Pension Law, as amended, the law is the determining factor.

The retirement system is administered by a retirement board consisting of the three county commissioners, the county treasurer and the chief clerk.

Plan Participation—All appointed fulltime employees and part-time employees hired with the expectation of working 1000 or more hours per year are automatically members of the plan.

Class Basis—The county plan is on a 1/80 class basis. The class basis determines both the rate of member contribution and the basis on which the pension amount is determined.

Determination of Your Pension Amount—Your total retirement pension consists of two parts:

(a) The member's pension. This consists of the contributions you have made to the fund plus interest. The monthly member pension amount is determined by multiplying your accumulated deductions by a "life month factor." This factor is based upon a normal life expectancy and therefore, is determined by your age at the time you retire. You and/or your beneficiaries will always receive as a minimum the full amount in your member account.

(b) The county pension. The annual county pension amount is determined according to the following formula:

1/80 x final salary x years of service + any cost of living increases designated by the retirement board

"final salary" = your average annual salary/wages received for your three highest paid years
"years of service" = the number of years you have participated in the retirement plan

Options: At the time of retirement you will have five options to choose from as to how your pension is paid out. Depending upon the option you choose, you may receive a lesser monthly amount than determined by (a) and (b) above.

(Note: Option 4 allows you to withdraw your accumulated deductions and still receive the county portion of the pension. This is the only time you may withdraw your contributions and still receive a pension from the county.)

Member Contributions—You are required to contribute 7% of your salary/wages. This amount is automatically deducted from your paycheck. The deduction is on a pre-tax basis. You may voluntarily elect to contribute up to an additional 10% more, i.e. to a maximum of 17% of your pay. Voluntary contributions are not pre-tax. If you elect to contribute more than the minimum, your member's portion of your pension will be correspondingly higher. However, the county portion of your pension will not be increased.

Interest—Your contributions receive interest for the entire time the money is in the fund up to the date of retirement, death, or withdrawal. The retirement board determines before January 31 each year the rate of interest to be credited to your member account for that year. State law dictates that the rate of interest may not be less than 4% nor more than 5 1/4%.

County Contributions—The county contributes to the fund the amounts which have been actuarially determined to be sufficient to build up and maintain the necessary reserves to pay the county's obligations under the county portion of the retirement benefit. This amount will vary according to the number and ages of plan participants and the amount of return that is realized on investment of the retirement fund.

Eligibility to Receive Retirement Funds

(a) Normal (Superannuation) Retirement—You are eligible for a superannuation retirement pension if you are:

- (1) 60 years of age or older, regardless of the length of your service; or
- (2) 55 years of age or older with 20 years of credited service.

(b) Early Retirement—early retirement pensions are reduced from normal benefits to account for the expected longer period of payment and the shorter period of time during which interest is accumulated.

- (1) Voluntary—You are eligible for a voluntary retirement pension if you have 20 or more years of credited service and have not reached the age of 55 and your termination from county retirement is voluntary.
- (2) Involuntary—You are eligible for an involuntary retirement pension if you have 8 or more years of credited service and your termination from county employment is not voluntary.

(c) Disability Retirement—You are eligible for a disability retirement pension if you become totally and permanently disabled, have five or more years of credited service and are not eligible for a superannuation retirement pension. Your pension will be 25% of your average salary/wages for your three highest paid years.

(d) Death benefits—If you die while still actively employed by the county after age 60 or after 10 years of credited service, a lump sum benefit equal to the amount your pension would have been had you retired at the time of death will be paid to your designated beneficiary. After reaching the age of 60 or

achieving 10 years of credited service, you may file with the retirement board to have the death benefit paid as a monthly lifetime pension to your beneficiary, rather than a lump sum.

vesting—You are fully vested after completing five years of credited service. This means that if you leave county employment before being eligible to draw your retirement, you may still receive a retirement pension, including the county paid portion, upon reaching superannuation age. However, to receive the pension you must leave your accumulated deductions on deposit in your member account. If you withdraw your contributions, you will forfeit the pension. If after vesting, you die before being eligible for the pension, the full amount of your accumulated deductions, including interest to the time of death, will be paid to your designated beneficiary.

Designation of Beneficiary—You may designate one or more persons as the beneficiary(ies) of your retirement account. Your estate may also be named as beneficiary. It is important that you review your beneficiary designation periodically, especially if there is a change in marital status or death of a previously designated beneficiary.

Other Credits—Under certain circumstances you may receive credit toward your retirement account for any of the following: leave of absence without pay, military service, previous service with the county. Consult the Summary Plan or the Chief Clerk for further information.

Employment after Retirement—Employment with any employer other than the county will not affect your retirement pension. If re-employed by the county after taking retirement, you may not work more than 1000 hours per year without your pension being reduced.

Public:

Randy Bartley: "Is the judge on the retirement plan?"

Commissioner Tharan answered no. They are state.

Randy Bartley: "So, the judge and DA are on the state retirement plan?"

Commissioner Tharan answered no, the DA is on the county pension. There are some court employees that are on the state plan.

Ron Whilsire: "Can you pull your money out and invest it and IRA?"

Commissioner Tharan answered yes. The money you paid in, you can pull out and invest.

Randy Bartley, "What percent of the budget does the retirement plan impact?"

Treasure McConnell answered its not giant, but considerable. I would say 1-5%.

Adjournment: On a motion made by Commissioner Heasley and a second by Treasurer McConnell to adjourn the meeting, the meeting adjourned at 11:02 am.

Clarion County Retirement Board

Commissioner Theodore W. Tharan

Commissioner Wayne R. Brosius

Commissioner C. Edward Heasley

Treasurer Thomas McConnell

Chief Clerk Taylor Best

Attest: Mindy Frampton
Confidential Admin Assistant