

**ACT 125 NOTICE TO REHIRED EMPLOYEE OF ALLEGHENY COUNTY WHO HAD
LESS THAN EIGHT YEARS OF PRIOR SERVICE BEFORE REEMPLOYMENT**

This notice is provided to members of the Allegheny County Employees Retirement System (Retirement System) who become reemployed by Allegheny County (or other County institution included in the Retirement System). The purpose of this notice is to provide important information to persons who prior to reemployment had less than eight years of service. This notice does not apply to any person who had already received retirement benefits from the Retirement System. Nor does it apply to any person who had more than eight (8) years of credited service from their prior County employment.

The Retirement System is governed by the Second Class County Code at 16 P.S. 4701-4716 (retirement law). Effective February 21, 2014, parts of the retirement law were amended through Act 125. The effect of these amendments was to change certain requirements and standards for persons hired on or after February 21, 2014. For example, County employees hired after the effective date of Act 125 must have 10 years (as compared to 8 years) of service to vest and are entitled to a full retirement benefit at age 60 with 25 years (as compared to 20 years) of service. Although a full retirement benefit remains 50% of final average salary for all retirees, the calculation for an employee under Act 125 is based on highest 104 pays from the final years of service. By comparison, an employee hired before Act 125 will receive a benefit based on highest 52 pays from the final 4 years of service.

If you previously worked for the County but accrued less than eight (8) of credited service you did not obtain a vested pension interest based on pre-Act 125 standards. Your prior service may be applicable to a future benefit calculation if you did not withdraw your prior contributions and/or purchase your prior service credit. In any event, it is important to understand that your pension will be subject to the requirements of Act 125. The retirement law provides that individuals in this category must re-enter the pension system within six (6) months of becoming re-employed by the County. Upon re-entry, you will have pension contributions withdrawn from your pay and deposited into the retirement fund.

Once you have re-entered the pension system, the retirement law provides that you meet the definition of "County employe." As a new employee, you are subject to the requirements of Act 125. More specifically, you must have 10 years (as compared to 8 years) of service to vest and the service credit required for a full pension benefit is 25 years instead of 20. Additionally, the benefit calculation will be based on the highest 104 pays from the last 8 years of credited service instead of the highest 52 pays taken from the last 4 years.