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Section 2. This act shall take effect immediately.

APPROVED—The 8th day of June, A. D. 1965.

WILLIAM W. SCRANTON

No. 78

AN ACT

SB 208

Amending the act of June 4, 1937 (P. L. 1625), entitled "An act providing for the creation, maintenance and operation of a county employes retirement system in counties of the third class; and imposing certain charges on counties," regulating the crediting of interest and removing the maximum limitation upon the county annuity.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The first paragraph of section 5, act of June 4, 1937 (P. L. 1625), entitled "An act providing for the creation, maintenance and operation of a county employes retirement system in counties of the third class; and imposing certain charges on counties," amended August 5, 1941 (P. L. 840), is amended to read:

Section 5. County Employes' Retirement Fund.—There is hereby created in each county of the third class, in which a retirement system has been established, a county employes' retirement fund which shall consist of all moneys arising from appropriations made by the county and from contributions made by the members of the county employes' retirement system and all interest earned by the investments or moneys of the fund created by this act. The moneys contributed by the county shall be credited to a county annuity reserve account and those contributed by the members shall be credited to a members' annuity reserve account. Upon the granting of a retirement allowance to any contributor, whether as a superannuation retirement allowance, an involuntary retirement allowance or a total disability retirement allowance, as hereinafter provided, the amount of such contributor's accumulated deductions in the members' annuity reserve account shall lose their status as accumulated contributions and shall be transferred to a retired members' reserve account, and the actuarial equivalent of the county annuity shall be similarly transferred from the county annuity reserve account to the retired members' reserve account. [The interest earnings shall be

apportioned] Regular interest shall be credited to the members' annuity and county annuity and retired members' reserve accounts. The actuary shall determine the present value of the liability on account of all county annuities payable to original members and the percentage of such liability which shall be contributed by the county each year over a period of fifteen years from the time the system is established until the accumulated reserve equals the present value of said liability. All such contributions shall be credited to the county annuity reserve account. The actuary shall also determine the amount which shall be contributed by the county into the fund periodically for credit to the county annuity reserve account on account of service of all new and original members subsequent to the time the retirement system is established.

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Section 2. The second paragraph of section 11 of the act, amended August 28, 1959 (P. L. 769), is amended to read:

Section 11. Superannuation Retirement Allowance.—

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On retirement for superannuation, a beneficiary shall receive a retirement allowance which shall consist of, (a) a member's annuity which shall be the actuarial equivalent of his accumulated deductions standing to his credit in the members' annuity reserve account, and (b) a county annuity equal to one one-hundred-twentieth (1-120) of his final salary multiplied by each year of total service and in addition thereto in the case of an original member one one-hundred-twentieth (1-120) of his final salary multiplied by each year of prior service. At any time the board by rule may, by increasing the county annuity, authorize the payment of a minimum retirement allowance of one hundred dollars (\$100) per month to every beneficiary who shall thereby retire for superannuation after twenty (20) years service. [but the total county annuity shall never exceed fifty per centum of the final salary.]

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Section 3. This act shall take effect immediately.

APPROVED—The 8th day of June, A. D. 1965.

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