



Allegheny County Council

County of Allegheny
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Legislation Text

File #: 8151-14, Version: 1

A Resolution of the County of Allegheny approving certain Inter-Departmental Transfers in the Operating Budget for the fiscal year beginning January 1, 2014 and ending December 31, 2014.

Whereas, the County Council has adopted an Operating Budget for the fiscal year beginning January 1, 2014 and ending December 31, 2014; and

Whereas, the Home Rule Charter of Allegheny County, at Article VII, Section 9, provides that County Council may make transfers within and between departments and agencies; and

Whereas, between April 1, 2009 and December 31, 2013, Prudential was the insurer (known as the "In Force Carrier") for Allegheny County's retirees; and

Whereas, under the coverage provided through Prudential and at earlier dates, Allegheny County specifically represented to retirees that they would receive \$10,000 worth of life insurance coverage upon death, and those retirees received notice as to same; and

Whereas, as of January 1, 2014, Lincoln Financial became the new Life Insurance Carrier for Allegheny County; thereby, assuming all aspects of providing life insurance benefits to Allegheny County retirees; and

Whereas, with this change, retirees were later notified, that they would receive only \$4,000 worth of life insurance coverage, regardless of the terms of their original policy; and

Whereas, 1,024 retirees have suffered a personal loss of as much as \$6,000 in total benefit amount as a result of this policy change, relying upon the representation from Allegheny County that they had earned \$10,000 in life insurance upon retirement; and

Whereas, the Controller recommends that a transfer in the amount of approximately \$200,000 is necessary in order to rectify this devastating loss of benefits for all affected retirees; and

Whereas, \$200,000 represents only two-hundredths of a percent of Allegheny County's total Operating Budget for 2014, which is a minor amount for Allegheny County to pay in order to fulfill its promises made to its dedicated retirees, which they earned and relied upon; and

Whereas, the budget for each department and row office within the County should be reduced by its proportionate share of the total County Operating Budget to fund the said \$200,000 life insurance cost.

The Council of the County of Allegheny hereby resolves as follows:

Section 1. Incorporation of Preamble.

The provisions set forth in the preamble to this Resolution are incorporated by reference in their entirety herein.

Section 2. Approval of Transfers Between Departments and Agencies.

1. Transfer \$200,000, as divided proportionately, from each department and row office budget within the 2014 Operating Budget to the Retiree Life Insurance Account in Non-Departmental Expenditures.

Section 3. Severability. *If any provision of this Resolution shall be determined to be unlawful, invalid, void, or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.*

Section 4. Repealer. *Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.*

PRIMARY SPONSOR: THE HON. CHELSA WAGNER, CONTROLLER