



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 020622

Introduced October 10, 2002

**Councilmembers DiCicco, Nutter, Kenney, Council President Verna,
Councilmembers Cohen, Tasco and Ortiz**

**Referred to the
Committee on Labor and Civil Service**

AN ORDINANCE

Amending Section 22-310 of The Philadelphia Code, entitled "Deferred Retirement Option Plan (DROP)," by increasing the number of years an employee may remain in the DROP before being required to separate from City service; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 22-310 of The Philadelphia Code is hereby amended to read as follows:

§22-310. Deferred Retirement Option Plan (DROP).

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(2) Basic Concept of a DROP. Eligible employees who elect to participate in the DROP make an irrevocable commitment to separate from City service and retire upon ceasing participation in the DROP, which they must do no later than [four (4)] *ten (10)* years after entering the DROP. Such employees remain employees of the City for all other purposes (except that deductions for employee pension contributions cease and the employee no longer accrues additional service credit for City pension) and are not treated as separated from the City during their participation in the DROP. However, the determination of the retirement benefit amount is made and payment begun upon entry into the DROP, except that payments of that benefit are credited to a special DROP account subject to certain conditions, rather than to the employee directly.

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(5) Benefit Requirements and Calculation.

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(c) Credits to a member’s DROP account begin on the effective date of the member’s participation in the DROP and continue until the DROP participant separates from active service with the City, provided that such separation must be no later than [four (4)] *ten (10)* years after the DROP entry date. Credits may not be made to a member’s DROP account for a period that occurs after the member separates from active service with the City.

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Explanation:

[Brackets] indicates matter deleted.
Italics indicate new matter added.