



City of Philadelphia

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

BILL NO. 180991

Introduced November 15, 2018

**Councilmember Reynolds Brown
for
Councilmember Parker**

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

AN ORDINANCE

Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," to modify the terms of Plan 16, to change certain contribution rates, and to make technical amendments; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 22 of The Philadelphia Code is hereby amended as follows:

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE.

CHAPTER 22-100. GENERAL PROVISIONS.

* * *

§22-105. Definitions.

In addition to the definitions set forth in § 1-103(1) of the Code, the following definitions apply to this Title unless the context plainly requires otherwise:

* * *

(43) Stacked Hybrid Cap.

[(1) Except as provided in paragraph (2), \$50,000, annually on a calendar year basis.

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(2) For members represented by AFSCME, District Council 47, members represented by AFSCME, District Council 33, and municipal employees not represented by a union:] \$65,000, annually on a calendar year basis.

* * *

§ 22-901. Contributions by the City of Philadelphia.

(1) Each year the City shall pay to the Board of Pensions and Retirement, for the account of the fund described in § 22-1001, the City's share of the actuarial cost of financing the Retirement System as required by the Municipal Pension Plan Funding Standard and Recovery Act (1984, Dec. 18, P.L. 1006, No. 205, 53 P.S. §§ 895.101 et seq.) and as may otherwise be required by law, including, without limitation, provisions of USERRA (38 U.S.C. § 4318(b)(1) and (3)) with respect to any liability thereunder of the City, as employer, to the Retirement System. The City shall also contribute the net proceeds of an alternative funding mechanism as defined in 53 P.S. § 895.102 if any alternative funding mechanism is used by the City, for the purposes set forth in 53 P.S. §§ 895.101 et seq. Such contributions shall be made within the time period set forth in 53 P.S. § 895.404.

* * *

(2) Related to the implementation of the Memorandum of Agreement between City of Philadelphia and AFSCME DC 33 ratified August 19, 2016 (including correctional officers); the F.O.P. Lodge 5 arbitration award pursuant to the Act of June 24, 1968, P.L. 237, No. 111 ("Act 111") dated August 15, 2017; the F.O.P. Lodge 5 arbitration award pursuant to the Act of July 30, 1970, P.L. 563, No. 195 ("Act 195") dated March 13, [2018;] 2018, as modified by the Memorandum of Agreement between the City of Philadelphia and F.O.P. Lodge 5 with respect to employees of the Sheriff's Office and the Register of Wills dated on or about November 2018; and [(d)] the I.A.F.F. Local 22 arbitration award pursuant to Act 111 dated May 17, 2018, the Director of Finance is expected to calculate the amount required by subsection (1) without regard to:

- (a) the portion of contributions that exceed five and one-half percent (5.5%) 119.2 of compensation set forth in § 22-902(2)(e)(.1)(B), (C) and § 22-902(2)(e)(.2);
- (b) the additional contributions set forth in § 22-902(2)(g)(.3)(ii) and (iii); and
- (c) the additional contributions set forth in § 22-902(3).

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§22-902. Member Contributions.

* * *

(2) Basic Contribution Rate. Subject to subsection (3), below, member contributions shall be made at the following basic contribution rates:

* * *

(3) Additional contributions. [For members represented by AFSCME, District Council 33; AFSCME, District Council 47; municipal employees not represented by a union; and elected officials; contributions] *Contributions for municipal employees and elected officials* shall be made at the rate set forth in the applicable provisions of subsection (2), above, plus an amount equal to the following, provided that, for members of Plan 16, the term "annual salary" in this subsection (3) shall mean the lesser of the member's annual salary as provided for in Section 22-105(4.1) or the Stacked Hybrid Cap:

(a) for employees earning an annual salary of more than \$45,000 but not more than \$55,000, excluding overtime: one-half percent (.5%) of compensation.

(b) for employees earning an annual salary of more than \$55,000 but not more than \$75,000, excluding overtime: one-and-a-half percent (1.5%) of compensation.

(c) for employees earning an annual salary of more than \$75,000 but not more than \$100,000, excluding overtime: two percent (2%) of compensation.

(d) for employees earning an annual salary of more than \$100,000, excluding overtime: two-and-three-quarters percent (2.75%) of compensation.

[(3.1) Additional contributions. For employees represented by Lodge 5 of the F.O.P. who are employees of the Sheriff's Office or the Register of Wills, effective on the effective date of the ordinance adding this subsection (3.1), contributions shall be made at the rate set forth in the applicable provisions of subsection (2), above, plus an amount equal to the following, provided that, for members of Plan 16, the term "annual salary" in this subsection (3.1) shall mean the lesser of the member's annual salary as provided for in Section 22-105(4.1) or the Stacked Hybrid Cap:

(a) for employees earning an annual salary of more than \$45,000 but not more than \$55,000, excluding overtime; one-half percent (.5%) of compensation.

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(b) for employees earning an annual salary of more than \$55,000 but not more than \$75,000, excluding overtime; one-and-a-half percent (1.5%) of compensation.

(c) for employees earning an annual salary of more than \$75,000 but not more than \$100,000, excluding overtime; two-and-three-quarters percent (2.75%) of compensation.

(d) for employees earning an annual salary of more than \$100,000, excluding overtime; three percent (3%) of compensation.]

* * *

SECTION 2. This Ordinance shall be effective immediately.

Explanation:

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