



City of Philadelphia

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

BILL NO. 120388

Introduced May 10, 2012

**Councilmember Jones
for
Council President Clarke**

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

AN ORDINANCE

Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," to expand the scope of "Plan '10" and "DC Plan" to cover additional employees pursuant to an arbitration decision, to change contribution rates, and to make technical amendments, all under certain terms and conditions.

WHEREAS, An Arbitration Panel constituted pursuant to Section 805 of the Act of July 23, 1970, No. 195, 53 P.S. § 1101.805, issued an Award dated March 16, 2012, providing for inclusion of certain municipal employees in Plan '10 and for new contribution rates; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

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

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE.

CHAPTER 22-100. GENERAL PROVISIONS

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§ 22-105. Definitions.

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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:

* * *

(19.1) *Guards represented by DC 33. Members represented by District Council 33 who are “guards” within the meaning of Section 805 of the Public Employe Relations Act, Act 1970-195, P.L. 563, 43 P.S. § 1101.805.*

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CHAPTER 22-200. MEMBERSHIP.

§ 22-201. Membership Upon Employment.

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(5) Employees first hired [or assuming elected office] on or after January 1, 2010. All employees who (i) are *either (a) police or fire employees or [who are] (b) represented by Lodge 5 of the F.O.P. and are employees of the Sheriff’s Office or of the Register of [Wills;] Wills or (c) guards represented by DC 33;* and [who] (ii) are hired or rehired on or after the date set out below are members of Plan ’10 immediately upon employment by the City or upon taking office, unless, with respect to only police employees, fire employees and employees of the Sheriff’s Office, within thirty (30) days of employment, the employee makes an irrevocable election to become a member of Plan A or B or Y, as applicable.

(a) For police employees: January 1, 2010.

(b) For fire employees: October 15, 2010.

(c) For employees of the Sheriff’s Office or of the Register of Wills: January 1, 2012.

(d) *For guards represented by DC 33: March 16, 2012.*

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CHAPTER 22-900. CONTRIBUTIONS.

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§ 22-902. Member Contributions.

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(2) Basic Contribution Rate. Member contributions shall be made at the following basic contribution rates:

(a) Members of Plan J who are not covered under the Federal Social Security Act, as amended, six percent (6%) of compensation, *except as provided in subsection (b.1) below for guards represented by DC 33.*

(b) Members of Plan J who are covered by the Federal Social Security Act, as amended, three and three-quarters percent (3-3/4%) of that portion of compensation which is subject to tax under the Federal Insurance Contributions Act (26 U.S.C. §§ 3101 et seq.) plus six percent (6%) of that portion of compensation which is not subject to such tax, exclusive of that portion of such tax attributable to coverage for hospital insurance benefits, *except as provided in subsection (b.1) below for guards represented by DC 33.*

(b.1) Members of Plan J who are guards represented by DC 33, as provided in subsection (a) or (b), above, provided that, effective July 1, 2013, the contribution shall not be less than fifty percent (50%) of the aggregate normal cost for all members in Plan J.

* * *

(g) Members of Plan A, Plan B, Plan L, or Plan Y, such contributions as the Board shall determine based on the most recent actuarial valuation report, in accordance with the following:

* * *

(.2) For members of Plan L, and Plan Y, the required contributions shall equal such percent of the aggregate normal cost for all members in such plans as set forth in subsections (A) through [(C)] (D) below, including but not

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necessarily limited to, the normal cost for service retirement benefits, separation service retirement benefits; optional early retirement benefits, disability benefits, death benefits, survivor benefits, and expenses; provided, however, that for that portion of the benefits under Plan L which exceeds those available to members of Plan Y, the required Plan L contribution for each employee shall equal a proportionate share of one hundred percent (100%) of the aggregate normal cost of such greater benefits for all such members.

(A) For members of Plan L, [and for members of Plan Y except employees of the Sheriff's Office represented by Lodge 5 of the F.O.P.] thirty percent (30%).

(B) For members of Plan Y who are employees of the Sheriff's Office represented by Lodge 5 of the [F.O.P. and who were] *F.O.P.*:

(.1) For members hired before January 1, 2012, thirty percent (30%).

[[C)] *(.2) For members [of Plan Y who are employees of the Sheriff's Office represented by Lodge 5 of the F.O.P. and who were] hired on or after January 1, 2012, fifty percent (50%).*

(C) For members of Plan Y who are guards represented by DC 33:

(.1) Until June 30, 2013, thirty percent (30%).

(.2) Effective July 1, 2013, fifty percent (50%).

(D) For members of Plan Y other than those covered under subsection (B) or (C) above (relating to certain employees of the Sheriff's Office and certain guards), thirty percent (30%).

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CHAPTER 22-1400. DEFINED CONTRIBUTION PLAN.

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§ 22-1403. Membership in DC Plan.

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(2) Electing members of the Retirement System. If (a) a police or fire employee or (b) an employee represented by Lodge 5 of the F.O.P. who is an employee of the Sheriff's Office or the Register of Wills or (c) a guard represented by DC 33 is a member of any other plan within the Retirement System, such member may elect to participate in the DC Plan. In such case, any credited service rendered by the member, or compensation paid to the member, after the member is enrolled in the DC Plan shall apply solely to the calculation of the member's benefit under the DC Plan and Plan '10 and shall not be considered for purposes of determining the accrued benefit under the member's original plan. Credited service accrued by the member under the original plan shall not be considered for purposes of calculating the member's benefit under DC Plan and Plan '10. The above notwithstanding, in determining the member's credited service for vesting purposes under Section 22-1406, all credited service with the City shall be considered. An election to become a member of the DC Plan must be made within ninety (90) calendar days of the effective date of this Chapter or, with respect to fire employees, within ninety (90) calendar days of the effective date of the ordinance adding fire employees to this subsection or, with respect to municipal [employees,] *employees either represented by Lodge 5 of the F.O.P. who are employees of the Sheriff's Office or of the Register of Wills or guards represented by DC 33*, within ninety (90) calendar days of the effective date of the ordinance adding [this clause] *such employees* to this [subsection.] *subsection*. Prior to enrollment in the DC Plan, the Board shall provide to the member an estimated calculation of the member's projected total pension and retirement benefits determined as of the member's minimum retirement age. Enrollment in the DC Plan is irrevocable.

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SECTION 2. Effective Date. This Ordinance shall be effective immediately.

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Explanation:

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