

Legislation Details (With Text)

<b>File #:</b>	090187	<b>Version:</b>	0	<b>Name:</b>	
<b>Type:</b>	Bill	<b>Status:</b>		LAPSED	
<b>File created:</b>	3/12/2009	<b>In control:</b>	Committee on Finance		
<b>On agenda:</b>		<b>Final action:</b>			
<b>Title:</b>	Amending Section 22-311 of The Philadelphia Code, entitled "Cost-of-Living Measures for Retirees, Beneficiaries and Survivors," by amending the provisions governing when deposits are made into the Pension Adjustment Fund; all under certain terms and conditions.				
<b>Sponsors:</b>	Councilmember Tasco				
<b>Indexes:</b>	RETIREMENT CODE				
<b>Code sections:</b>	22-311 - Cost-of-Living Measures for Retirees, Beneficiaries and Survivors, Title 22 - PUBLIC EMPLOYEES RETIREMENT CODE				
<b>Attachments:</b>	1. Bill No. 09018700.pdf				

Date	Ver.	Action By	Action	Result	Tally
3/12/2009	0	CITY COUNCIL	Referred		
3/12/2009	0	CITY COUNCIL	Introduced (By Request) and Referred	Pass	

Amending Section 22-311 of The Philadelphia Code, entitled "Cost-of-Living Measures for Retirees, Beneficiaries and Survivors," by amending the provisions governing when deposits are made into the Pension Adjustment Fund; 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 to read as follows:

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE.

\* \* \*

CHAPTER 22-300. RETIREMENT BENEFITS.

\* \* \*

§22-311. Cost-of-Living Measures for Retirees, Beneficiaries and Survivors.

\* \* \*

(2) Pension Adjustment Fund.

(a) On July 1, 1999 the Board of Pensions and Retirement (the "Board") shall establish a Pension Adjustment Fund. *The "fund basis" (as defined) shall be certified to the Board by its actuary which shall determine the total funded and unfunded liability of the Municipal Retirement System by valuing the total assets of the Retirement System, using the "adjusted market value of assets valuation method" (as defined) of the Pension Fund's assets.* Effective June 30, 2000 and for each fiscal year thereafter, the Board shall

determine whether *the fund basis has been maintained and whether* there are excess earnings available to be credited to the Pension Adjustment Fund pursuant to the provisions of subsection (3). The Board's determination shall be based upon the actuary's certification of the Pension Fund's *total assets and* prior fiscal year earnings, using the adjusted market value of the Pension Fund's assets. Available assets earnings shall be credited to the Pension Adjustment Fund as of July 1 of the then current fiscal year.\* \* \*

(.1) Definitions. In this subsection the following definitions shall apply:

(A) "Adjusted market value of assets valuation method." For each fiscal year ending just prior to the annual valuation of the Pension Fund, take the market value at the beginning of that year, recognize cash flows of contributions and benefit payment being made on average in the middle of the year and roll those values forward based on the Pension Fund's assumed rate of return to the end of the fiscal year. This end of year value is called the expected market value. Subtract the expected market value from the actual market value at the end of the fiscal year. To the extent this difference is positive, there is an experienced gain on investments and, if negative, an experienced loss. Once the gain or loss is determined, include [one-fifth] *one-tenth* of that amount in the annual valuation and defer [four-fifths] *nine-tenths* of the gain/loss to be recognized in each of the next [four (4)] *nine (9)* fiscal years. Add up all remaining deferred gains and losses over the past [five (5)] *ten (10)* years and subtract them from the market value of assets to get the "adjusted market value of assets valuation method".

(B) "*Fund basis.*" *The actuarial funding level that has been achieved as of July 1, 1999 and which must be maintained in order for excess earnings to be available for credits to the Pension Adjustment Fund.*

(3) Credits to Pension Adjustment Fund. For each fiscal year in which the Board establishes, re-establishes or maintains a Pension Adjustment Fund pursuant to this Section, the Board shall credit the Pension Adjustment Fund pursuant to the following parameters:

\* \* \*

(e) *No credits shall be made to the Pension Adjustment Fund for any fiscal year in which the total fund basis of the Retirement System, as determined by the Board's actuary, using the adjusted market value of assets valuation method, are less than the fund basis established as of July 1, 1999.*

\* \* \*

SECTION 2. This Ordinance shall apply to credits to be made to the Pension Adjustment Fund pursuant to §22-311(3) of The Philadelphia Code, as amended by this Ordinance, for fiscal years 2009 and thereafter.