

Legislation Text

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Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," by making certain corrections to address problems in the Code due to typographical errors, oversights, or inconsistencies, by clarifying the definition of various plans, addressing various issues raised by the new 5-year vesting program, refining the DROP program, and correcting inconsistencies with respect to refunds and purchases of certain types of service credit, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," is hereby amended as follows:

TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE

CHAPTER 22-100. GENERAL PROVISIONS

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§22-104. Continuation of Divisions and Plans.

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(2) Plans. The several plans of benefits that form part of the City of Philadelphia Public Employees Retirement System are designated and assigned to the foregoing divisions thereof as follows:

* * *

Plan J includes all current and former employees of the City who on the effective date of this Title are members, or who upon reemployment are entitled to be members, of Municipal Revised Coverage Plan 60, established by an ordinance of City Council approved April 27, 1967 (Bill No. 2318), who are not

included in the Police Division Old or in the Fire Division Old,
and in addition:

(a) all employees represented by AFSCME District Council 47 Local 2186 who were hired by the City between January 8, 1987 and [September 30,] *October 1*, 1992, and who contribute to the Retirement System, an amount equal to the difference between the contribution that the employee has previously made to the Retirement System, and what the employee contribution would have been under Plan J during the term of the employee's employment; and

(b) all employees represented by AFSCME District Council 47 Local 2187 who were hired by the City between January 8, 1987 and [September 30,] *October 1*, 1992[.] ; and

(c) *all employees represented by AFSCME District Council 33 who were hired by the City between January 8, 1987 and October 1, 1992.*

Plan J is a plan within the Municipal Division Old.

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§22-105. Definitions

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(6) Average Final Compensation.

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(b) For a member of Plan D or Plan X, average final compensation shall be the highest of:

(.1) the average compensation upon which contributions have been made on behalf of the member during the five (5) calendar years of employment in which such compensation is highest;

(.2) the *average* compensation is received by the member during the twelve (12) consecutive months of the member's employment in which such compensation is highest; or

(.3) the annual compensation of the member, calculated from the final pay period, *and as defined in Section 22-105(9)(a)(.1), except that such compensation shall exclude longevity payments.*

(c) For a member of Plan A or Plan B, average final compensation shall be the average of the

member's two (2) highest annual compensations calculated for either two (2) calendar years or two (2) anniversary years.

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CHAPTER 22-200. MEMBERSHIP

§22-201. Membership Upon Employment.

(1) Employees first hired before January 8, 1987. All employees who were hired, rehired or first elected before January 8, 1987, shall be members of [Plan A, Plan B, Plan L, or Plan Y] *Plan D, Plan J, or Plan X* of the Retirement System, except to the extent that they are afforded other options pursuant to §22-203 (Membership After Reemployment) or are Police or Fire employees covered by subsection (3). Of these employees:

(a) All municipal employees are members of Plan J which covers members of the Municipal Division Old, except

(.1) an employee appointed to a part-time or nonsalaried position with a board or commission and who was not a compensated member of such board or commission on May 18, 1978.

(b) All police employees are members of Plan D which covers members of the Police Division Old.

(c) All fire employees are members of Plan X which covers members of the Fire Division Old.

* * *

(4) Municipal employees first hired between January 8, 1987 and [September 30, 1992] *October 1, 1992*.

(a) A municipal employee first hired between January 8, 1987 and [September 30] *October 1, 1992* and

represented by AFSCME District Council 47 Local 2186 or Local 2187 or AFSCME District Council 33 is a member of Plan J, which covers members of the Municipal Division Old, provided that such employee contribute to the Retirement System an amount equal to the difference between the contribution that the employee has previously made to the Retirement System, and what the employee contribution would have been under Plan J during the term of the employee's employment.

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CHAPTER 22-300. RETIREMENT BENEFITS.

§22-301. Service Retirement Benefits.

(1) Eligibility.

* * *

(c)(1) After the effective date of this Title (*January 13, 1999*), members of Plan A, Plan B or Plan Y who hold positions that are both exempt from civil service and who are not entitled to be represented by a union and who are employed [or reemployed] after the effective date of this Title shall vest their retirement benefits upon attaining five (5) years of credited service. During such vesting period, such employees shall each contribute, in addition to the employee contribution as determined in §22-902, a proportionate contribution equal to one hundred percent (100%) of the member's share of the aggregate normal cost of the additional benefit, over the cost of 10-year vesting, afforded by such earlier vesting period.

* * *

(3) After the effective date of this Title (January 13, 1999), members of Plan A, Plan B or Plan Y who hold positions that are both exempt from civil service and who are not entitled to be represented by a union and who have prior City service and are reemployed after the effective date of this Title may elect to vest their retirement benefits upon attaining five (5) years of credited service. Such election shall be irrevocable and must be made in writing on forms provided by the Board and filed with the Board within one hundred and

eighty (180) days following either the date of the member's reemployment or the effective date of the ordinance adding this subsection, whichever is later. Such employees who make an election for a five (5) year vesting period shall each be charged for the additional benefit afforded by such earlier vesting period a proportionate contribution equal to one hundred percent (100%) of the member's share of the aggregate normal cost of the additional benefit, over the cost of 10-year vesting, afforded by such earlier vesting period.

(.4) Any members of Plan A, Plan B or Plan Y who currently hold positions (both exempt from civil service and not entitled to be represented by a union) that would have made them eligible for 5-year vesting under subsection (c)(.2) above if they had held that position on the day immediately preceding the effective date of this Title (January 13, 1999) and who were currently employed on the day immediately preceding the effective date of this Title but who were not in such an eligible position at the time and who subsequently transferred positions without any break in service may elect to vest their retirement benefits upon attaining five (5) years of credited service. Such election shall be irrevocable and must be made in writing on forms provided by the Board and filed with the Board within one hundred and eighty (180) days after the effective date of the amending ordinance adding this subsection.

(d)(.1) After the effective date of this Title (January 13, 1999), members of Plan L who take office after the effective date of this Title shall vest their retirement benefits upon attaining credited service which shall be the lesser of two full terms in their elected office or eight (8) years. During such vesting period, such elected officials shall each contribute, in addition to the employee contribution as determined in §22-902, a proportionate contribution equal to one hundred percent (100%) of the member's share of the aggregate normal cost of the additional benefit, over the cost of 10-year vesting, afforded by such earlier vesting period. Provided, however, that any such elected officials who, upon taking elected office, have any prior credited City service, shall not be required to vest in less than ten (10) years and pay the additional contributions, but shall have the option to elect to vest th