

Legislation Details (With Text)

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Title:	Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," to provide for additional members of Plan 16, to change contribution rates for certain employees, and to make technical amendments, all under certain terms and conditions.				
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2/8/2017	0	Committee on Labor and Civil Service	HEARING NOTICES SENT		
2/8/2017	0	Committee on Labor and Civil Service	Cancellation of Scheduled Public Hearing		
12/8/2016	0	CITY COUNCIL	Introduced and Referred	Pass	

Amending Title 22 of The Philadelphia Code, entitled “Public Employees Retirement Code,” to provide for additional members of Plan 16, to change contribution rates for certain employees, 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, 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.

* * *

(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 16 includes [all] *certain* employees [represented by AFSCME District Council 33] hired or rehired on or after August 20, 2016; and (ii) certain electing employees; all as set forth in Section 22-201(6) and Section 22-206(2). Plan 16 is a plan within Municipal Division New.

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CHAPTER 22-200. MEMBERSHIP.

* * *

§22-201. Membership Upon Employment.

* * *

(2) Employees hired or rehired on or after January 8, 1987. All employees who are hired, rehired, or first elected on or after January 8, 1987, shall be members of Plan A, Plan B, Plan L, or Plan Y 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) or (5), or are municipal employees covered by subsection (4), (5), or (6), or are elected officials covered by subsection (5) . Of these employees:

* * *

(5) Employees hired or rehired or assuming elected office on or after January 1, 2010. All employees who

* * *

(ii) are hired or rehired or first elected during the period set out below in subparagraphs (a) through (j)

are members of Plan '10 immediately upon employment by the City or upon taking office, except to the extent that they are afforded other options pursuant to §22-203 (Membership After Reemployment) or unless, within thirty (30) days of employment, the employee (except an employee who either (.1) is represented by Lodge No. 5 of the F.O.P. and is an employee of the Register of Wills or (.2) is a guard represented by DC33) makes an irrevocable election to become a member of Plan A or B or Y or L, as applicable.

* * *

(e) For municipal employees in the civil service not represented by a union: [On or after] *From May 14, 2014 through one day prior to the Effective Date.*

* * *

(h) For municipal employees not in the civil service and not represented by a union: [On or after] *From November 14, 2014 through one day prior to the Effective Date.*

* * *

(6) Employees represented by AFSCME District Council 33 first hired or rehired on or after August 20, 2016. All employees represented by AFSCME District Council 33 hired or rehired on or after August 20, 2016 shall be members of Plan 16 of the Retirement System, except to the extent that they are afforded other options pursuant to § 22-203 (Membership After Reemployment).

(7) Municipal employees not represented by a union first hired or rehired on or after the Effective Date shall be members of Plan 16 of the Retirement System, except to the extent that they are afforded other options pursuant to § 22-203 (Membership After Reemployment).

(8) For purposes of subsections (5) and (7) of this Section, the "Effective Date" shall be the adoption date of the Ordinance adding this subsection (8) to the Code.

* * *

§ 22-206. Electing Members of the Retirement System.

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(2) A member of Plan '10 represented by AFSCME District Council 33 may elect to participate in Plan 16 within ninety (90) calendar days of the effective date of this subsection. *A member of Plan '10 who is a municipal employee not represented by a union may elect to participate in Plan 16 within ninety (90) calendar days of the effective date of the Ordinance adding this sentence to the Code.* A member who makes such an election shall automatically become a member of Plan 16 upon payment to the Retirement System of the difference between the contributions made before the election and the amount that would have been contributed if membership had been established in Plan 16 during previous credited service, in accordance with the provisions of § 22-803(1) (Purchase of Prior City Service, Cost of Purchase), except that the interest provided for in § 22-803(1) shall not be charged on the purchase. In such case, all of the member's credited service, including service credited before the election, shall be transferred to Plan 16. For purposes of a member's defined benefit, the member shall be treated as though membership had existed in Plan 16 for the member's entire credited service and the member's retirement rights and defined benefit shall be determined solely by Plan 16. A member's participation and benefits in the DC Plan shall be determined by the applicable provisions of Chapter 22-1400.

CHAPTER 22-300. RETIREMENT BENEFITS.

§22-301. Service Retirement Benefits.

(1) Eligibility.

* * *

(c) * * *

(.5) Municipal employee members of Plan 16 who are both not in the civil service and not represented by a union shall vest their retirement benefits upon attaining seven (7) 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) Amount and calculation of benefits. Annual service retirement benefits may not exceed the member's average final compensation. Annual service retirement benefits are calculated as follows:

* * *

(d) For a member of Plan Y or a *municipal employee* member of Plan 16, two and two-tenths percent (2.2%) of average final compensation multiplied by the amount of credited service (expressed in years and specified to the day) for the first ten (10) years of credited service, plus two percent (2%) of average final compensation multiplied by the amount of credited service (expressed in years and specified to the day) in excess of ten (10) years of credited service.

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CHAPTER 22-800. PURCHASE OF CREDITED SERVICE.

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§22-802. Purchase of Governmental Service.

* * *

(2) Maximum purchase of service; limitation. * * * A member in Plan A, Plan B, Plan L, Plan Y, Plan '10, or Plan 16 must file [applications] *an application* to purchase governmental service with the Board within one (1) year following date of employment for new employees, or within one (1) year following January 13, 1999, for members of the Plan on that date. Provided, however, that members of Plan A, Plan B, Plan L, Y, Plan '10, or Plan 16 who file beyond the one-year deadline, may make such purchase by paying the additional interest provided in Section 22-807. Notwithstanding any other provision in this Title, for persons hired on or after July 1, 2010: service credits purchased pursuant to Section 22-802(1) by a member who is not in the civil service and not represented by a union shall not count toward the vesting requirements set forth in Section 22-301 [unless and until the member has attained a minimum of five years of credited service with the Retirement System other than through the application of Section 22-802(1)].

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CHAPTER 22-900. CONTRIBUTIONS.

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§22-902. Member Contributions.

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(3) Additional contributions. For members represented by AFSCME, District Council 33, *municipal employees not represented by a union, and elected officials*, 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) shall mean the lesser of the

member's annual salary as provided for in Section 22-105(4.1) or the Stacked Hybrid Cap:

* * *

SECTION 2. This Ordinance shall be effective immediately, provided that, with respect to any officer or employee who was elected or appointed to a term of office or hired before the date of adoption of this Ordinance, the amendments set forth in Section 1 of this Ordinance to the contribution rates set forth in Section 22-902(3) of The Philadelphia Code shall not be considered accepted and effective until:

(a) For officers or employees who do not serve a term of office: 30 days after the date certified by the Director of Finance that such officer or employee, subsequent to the date of adoption of this Ordinance, has received an offsetting salary increase.

(b) For officers or employees who serve a term of office: the later of (i) 30 days after the date certified by the Director of Finance that such officer or employee, subsequent to the date of adoption of this Ordinance, has received an offsetting salary increase; and (ii) the commencement of a new term of office, subsequent to the date of adoption of this Ordinance.

Explanation:

[Brackets] indicate matter deleted.

Italics indicate new matter added.