

COUNCIL OF THE CITY OF PHILADELPHIA
COMMITTEE ON LABOR AND CIVIL SERVICE

Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, June 6, 2019
1:46 p.m.

PRESENT:

COUNCILWOMAN CHERELLE L. PARKER, CHAIR
COUNCILMAN ALLAN DOMB
COUNCILMAN DEREK S. GREEN
COUNCILWOMAN HELEN GYM
COUNCILMAN BRIAN J. O'NEILL
COUNCILWOMAN MARIA D. QUINONES-SANCHEZ
COUNCILMAN AL TAUBENBERGER

BILL 190461 - An ordinance amending Section
3(f) of an ordinance approved March 1, 1963,
as amended, relating to agreements to
administer employee retirement benefits for
certain quasi-public agencies...

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2 COUNCILWOMAN PARKER: Good
3 afternoon, everyone. This hearing is
4 called to order. This is a public
5 hearing of the City Council Committee on
6 Labor and Civil Service. The purpose of
7 this public hearing is to hear testimony
8 on Bill No. 190461.

9 I also want to recognize the
10 presence of a quorum of the Committee
11 members. To my left, Vice Chair
12 Councilman O'Neill, Councilmembers
13 Taubenberger and Green. To my right,
14 Councilwoman Sanchez, Councilwoman Gym,
15 and Councilmember Domb.

16 Councilmember O'Neill or any of
17 the members of the Committee, do any of
18 you have any opening remarks?

19 (No response.)

20 COUNCILWOMAN PARKER: Seeing
21 none, the Clerk will now read the title
22 of the bill being considered today.

23 THE CLERK: Bill No. 190461, an
24 ordinance amending Section 3(f) of an
25 ordinance approved March 1st, 1963, as

1 6/6/19 - LABOR - BILL 190461
2 amended, relating to agreements to
3 administer employee retirement benefits
4 for certain quasi-public agencies, under
5 certain terms and conditions.

6 COUNCILWOMAN PARKER: Will the
7 Clerk please call the first panel of
8 witnesses to testify on this bill.

9 THE CLERK: Cathy Califano.
10 (Witnesses approached witness
11 table.)

12 COUNCILWOMAN PARKER: Good
13 afternoon. Please state your name for
14 the record and feel free to proceed with
15 your testimony.

16 MS. CALIFANO: Good afternoon,
17 Councilwoman Parker and members of the
18 Labor and Civil Service Committee. I am
19 Catherine Califano, First Deputy of the
20 Department of Planning and Development
21 for the City of Philadelphia, and I am
22 here today with Jackie Dunn, Chief of
23 Staff for the Office of the Director of
24 Finance, to testify in support of Bill
25 190461.

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2 Under this bill, current
3 vesting PRA employees that become PHDC
4 employees as of July 1, 2019 will
5 continue to participate in the PRA
6 pension program. Existing PHDC employees
7 and future new hires will continue to
8 participate in the City's pension system
9 in accordance with the pension code.

10 This amended bill is supported by the
11 Philadelphia Housing Development
12 Corporation, Philadelphia Redevelopment
13 Authority, and Department of Planning and
14 Development.

15 I conclude my testimony, and I
16 am happy to answer your questions.

17 COUNCILWOMAN PARKER: Thank
18 you, Ms. Califano. Very quickly for the
19 record, how many PRA employees are going
20 to be impacted by the legislation?

21 MS. CALIFANO: There are 27
22 employees that are enrolled in the
23 defined benefit program that will remain
24 in the PRA pension. There are seven
25 employees that will move from the defined

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2 contribution plan at PRA to the City of
3 Philadelphia pension plan.

4 COUNCILWOMAN PARKER: And
5 that's the stacked hybrid you're
6 referencing?

7 MS. CALIFANO: Yes.

8 COUNCILWOMAN PARKER: Thank
9 you.

10 And from what I understand,
11 there are some PRA employees who are
12 currently in the DC plan and they will
13 now become PHDC employees who become
14 enrolled in the City's new stacked hybrid
15 program? I just want to make sure I'm
16 accurate.

17 MS. CALIFANO: That's correct,
18 Councilwoman.

19 COUNCILWOMAN PARKER: Okay.
20 And so is that when you reference the
21 seven who are moving --

22 MS. CALIFANO: Yes,
23 Councilwoman.

24 COUNCILWOMAN PARKER: -- who
25 will be impacted by that change?

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2 MS. CALIFANO: Correct.

3 COUNCILWOMAN PARKER: Okay.

4 Thank you.

5 Are there any other questions
6 from any members of the Committee?

7 Councilmember Domb.

8 COUNCILMAN DOMB: Thank you,
9 Madam Chair member. Get that correct.

10 And good afternoon. Just a
11 quick question. Do you have any kind of
12 financial analysis if there's any impact
13 to the City, positive or negative,
14 financially with this change?

15 MS. DUNN: Good afternoon.

16 Jackie Dunn with the Finance Department.

17 We don't anticipate that there
18 will be a meaningful impact. If any PRA
19 employees choose to move over, they'll be
20 included in the actuarial census, and any
21 impact would be calculated into our
22 future contributions, and those employees
23 would also be paying additional funds
24 into the pension fund. And just as we've
25 anticipated, any new hires are going into

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2 Plan 16, which is already part of our
3 actuarial projection.

4 COUNCILMAN DOMB: So let me
5 just make sure I'm clear. Is the
6 financial impact to the City no impact
7 basically?

8 MS. DUNN: Yes. Correct.

9 COUNCILMAN DOMB: Okay. Thank
10 you very much.

11 Thank you.

12 COUNCILWOMAN PARKER: Thank
13 you.

14 Any other questions?

15 (No response.)

16 COUNCILWOMAN PARKER: Is there
17 anyone else here to testify -- I'm sorry.
18 Councilwoman Gym.

19 COUNCILWOMAN GYM: Though this
20 wasn't submitted, could you share with us
21 the diversity breakdowns of PIDC's hires
22 and all the hires for the different
23 entities that are enrolled with this?

24 MS. CALIFANO: I don't have the
25 information today, but we can get back to

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2 you with the demographics.

3 COUNCILWOMAN GYM: If you could
4 just share that with us, I'd like to see
5 the diversity hires, particularly for new
6 entrants into this agreement.

7 MS. CALIFANO: Correct. These
8 are not new employees. This is
9 integrating existing employees. There's
10 no new hires at this time.

11 COUNCILWOMAN GYM: Right. No;
12 I understand. But as an entity, PIDC
13 coming in, I would like to see the
14 diversity hires.

15 MS. CALIFANO: Correct.

16 COUNCILWOMAN GYM: Thank you.

17 MS. CALIFANO: We're happy to
18 provide that.

19 COUNCILWOMAN PARKER: Thank
20 you, Council Lady.

21 Any other questions?

22 (No response.)

23 COUNCILWOMAN PARKER: Is there
24 anyone else here to testify on this bill?

25 (No response.)

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2 COUNCILWOMAN PARKER: We want
3 to thank you so very much for your
4 testimony.

5 This concludes the public
6 hearing. We will now go into the public
7 meeting to consider action to be taken on
8 the bill heard today.

9 We are now in a public meeting
10 and will be accepting motions for Bill
11 No. 190461.

12 The Chair recognizes
13 Councilmember O'Neill for a motion on the
14 amendment to Bill No. 190461.

15 COUNCILMAN O'NEILL: Thank you,
16 Madam Chair. I offer an amendment to
17 Bill No. 190461. A copy of the amendment
18 has been circulated to all members of the
19 Committee, and I move that the amendment
20 to Bill No. 190461 be approved.

21 (Duly seconded.)

22 COUNCILWOMAN PARKER: It's been
23 moved and properly seconded that the
24 amendment to Bill No. 190461 be approved.

25 All those in favor of the

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2 motion will signify by saying aye.

3 (Aye.)

4 COUNCILWOMAN PARKER: Those
5 opposed?

6 (No response.)

7 COUNCILWOMAN PARKER: The ayes
8 have it and the motion carries, and the
9 amendment to Bill No. 190461 has been
10 approved.

11 The Chair recognizes
12 Councilmember O'Neill for a motion on
13 Bill No. 190461, as amended.

14 COUNCILMAN O'NEILL: Thank you,
15 Madam Chair. I move that Bill No.
16 190461, as amended, be reported from this
17 Committee with a favorable recommendation
18 and further move that the rules of
19 Council be suspended to permit first
20 reading of this bill at the next session
21 of Council.

22 (Duly seconded.)

23 COUNCILWOMAN PARKER: It has
24 been moved and properly seconded that
25 Bill No. 190461, as amended, be reported

1 6/6/19 - LABOR - BILL 190461
2 from this Committee with a favorable
3 recommendation and further moved that the
4 rules of Council be suspended to permit
5 first reading of this bill at the next
6 session of Council.

7 All those in favor of the
8 motion will signify by saying aye.

9 (Aye.)

10 COUNCILWOMAN PARKER: Those
11 opposed?

12 (No response.)

13 COUNCILWOMAN PARKER: The ayes
14 have it and the motion carries. Bill No.
15 190461, as amended, will be reported from
16 this Committee with a favorable
17 recommendation with a request that the
18 rules of Council be suspended to permit
19 first reading at the session of Council.

20 This concludes the business of
21 the Committee on Labor and Civil Service
22 today. I want to thank all of my
23 colleagues for their patience, and thank
24 you all for your attendance. Have a good
25 day.

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2 (Committee on Labor and Civil

3 Service concluded at 1:53 p.m.)

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CERTIFICATE

I HEREBY CERTIFY that the
proceedings, evidence and objections are
contained fully and accurately in the
stenographic notes taken by me upon the
foregoing matter, and that this is a true and
correct transcript of same.

MICHELE L. MURPHY
RPR-Notary Public

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