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COUNCIL OF THE CITY OF PHILADELPHIA

3

COMMITTEE ON LABOR AND CIVIL SERVICE

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Room 400, City Hall
Philadelphia, Pennsylvania
Thursday, April 2, 2009
4:20 p.m.

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PRESENT:

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COUNCILMAN BILL GREEN, CHAIR

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COUNCILMAN FRANK DiCICCO

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COUNCILMAN WILLIAM GREENLEE

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COUNCILMAN CURTIS JONES, JR.

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BILL 080747 - An ordinance amending Section
17-107 of The Philadelphia Code, entitled
"Contractors: Labor-Management
Relationships," to transfer certain
occupational classifications from the
definition of Service Contracts...

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BILL 080930 - An ordinance amending Title 22
of The Philadelphia Code, entitled "Public
Employees Retirement Code," by amending
Section 22-202, entitled "Membership after
Transfer of Employment"...

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Eleven Penn Center
1835 Market Street, Suite 600
Philadelphia, Pennsylvania 19103
215.561.2220 215.567.2670

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COUNCILMAN GREEN: This is the

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Committee on Labor and Civil Service.

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I'm going to call the Committee to order.

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Present with me, Chairman of

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the Committee, Bill Green, are Councilman

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Bill Greenlee, Councilman Frank DiCicco

8

and Councilman Curtis Jones. A quorum is

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present.

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The Clerk will please read the

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bills into the record.

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THE CLERK: Bill No. 080747, an

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ordinance amending Section 17-107 of The

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Philadelphia Code, entitled "Contractors:

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Labor-Management Relationships," to

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transfer certain occupational

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classifications from the definition of

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Service Contracts to the definition of

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building or construction work, all under

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certain terms and conditions; and

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Bill No. 080930, an ordinance

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amending Title 22 of The Philadelphia

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Code, entitled "Public Employees

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Retirement Code," by amending Section

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22-202, entitled "Membership after

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2 Transfer of Employment," by allowing any
3 police or fire employee, appointed to the
4 position of Commissioner or Deputy
5 Commissioner of the Police or Fire
6 Departments, to retain membership in the
7 retirement plan covering such member's
8 prior employment, all under certain terms
9 and conditions.

10 COUNCILMAN GREEN: Thank you.

11 Good afternoon. I'm Bill
12 Green, Chair of the Committee.

13 Bill No. 080747 is being held
14 to the call of the Chair. I'll do that
15 officially when we begin our meeting. We
16 will now take testimony on Bill No.
17 080930.

18 Before we begin, Councilman
19 Greenlee, do you have any comments?

20 COUNCILMAN GREENLEE: No.

21 COUNCILMAN GREEN: No? Okay.

22 So testifying today are Gwendolyn Bell,
23 Executive Director of the Board of
24 Pensions and Retirement, and Gene
25 Blagmond from the Fraternal Order of

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2 Police.

3 (Witnesses approached witness
4 table.)

5 COUNCILMAN GREEN: Please state
6 your name for the record and begin.

7 MS. BELL: Hi. Gwendolyn Bell.

8 MR. BLAGMOND: Gene Blagmond.

9 MS. BELL: Good afternoon,
10 Councilman Green and members of the
11 Committee on Labor and Civil Service. My
12 name is Gwendolyn Bell and I'm Executive
13 Director of the Board of Pensions and
14 Retirement. I am here today to testify
15 in support of Bill No. 080930, which was
16 introduced by Councilman Greenlee.

17 Bill No. 080930 would allow
18 Police and Fire Commissioners and Deputy
19 Commissioners to remain in the police and
20 firefighter pension plans rather than
21 being moved to a civilian plan when they
22 are promoted to a deputy-level position.
23 There are currently 14 Police and Fire
24 Commissioners and Deputy Commissioners
25 who are in Plan A, firefighters, and Plan

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2 B, police officers. Presently, there are
3 only two current members who have been
4 transferred to Plan Y, municipal
5 employees, who would be affected by this
6 bill.

7 The differences between the
8 police and firefighter plans and the
9 civilian plans concern retirement
10 eligibility and eligibility for unreduced
11 benefits. Benefits accrue in the same
12 for all three plans, except that between
13 10 and 20 years of service the police and
14 firefighter plan accrues 2.2 percent of
15 final average salary per year using a
16 two-year average for final average
17 salary, while the civilian plan accrues 2
18 percent on the final average salary per
19 year using a three-year averaging period.
20 In addition, the normal retirement age
21 for the police and firefighters plan is
22 50 compared to age 60 for the civilian
23 plan.

24 Assuming that all 14
25 participants were transferred to the

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2 civilian plan, the estimated additional
3 total future liability would be \$1.3
4 million, which is actuarially immaterial,
5 representing only 0.18 percent of the
6 total liability of the two funds
7 combined.

8 I want to thank you for
9 consideration of modifying this bill.

10 COUNCILMAN GREEN: Thank you.

11 Mr. Blagmond.

12 MR. BLAGMOND: I don't have a
13 prepared statement. I just wanted to
14 state that the Fraternal Order of Police,
15 Lodge 5, and Local 22 of the firefighters
16 are supportive of this bill.

17 COUNCILMAN GREEN: Thank you.

18 One quick question for you,
19 Ms. Bell. Is your testimony -- are you
20 representing the Administration here
21 today?

22 MS. BELL: Yes.

23 COUNCILMAN GREEN: Thank you.

24 Anybody else have any
25 questions?

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2 (No response.)

3 COUNCILMAN GREEN: Anybody else
4 here to testify?

5 (No response.)

6 COUNCILMAN GREEN: Seeing none,
7 we will hold Bill No. 080747 to the call
8 of the Chair and we will move -- we will
9 recess the hearing and begin the public
10 meeting on Bill No. 080930.

11 Councilman Greenlee.

12 COUNCILMAN GREENLEE: Thank
13 you, Mr. Chairman. I move that Bill No.
14 080930 be reported out of this Committee
15 with a favorable recommendation and,
16 further, that the rules of Council be
17 suspended to allow for first reading at
18 our next session of Council.

19 (Duly seconded.)

20 COUNCILMAN GREEN: It has been
21 moved and properly seconded that Bill No.
22 080930 be reported out of the Committee
23 on Labor and Civil Service with a
24 favorable recommendation and with a
25 suspension of the rules to permit first

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2 reading at the next Council session.

3 All in favor?

4 (Aye.)

5 COUNCILMAN GREEN: All opposed?

6 (No response.)

7 COUNCILMAN GREEN: The motion
8 is carried unanimously.

9 Thank you. That will conclude
10 today's public meeting.

11 (Committee on Labor and Civil
12 Service concluded at 4:30 p.m.)

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CERTIFICATE

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I HEREBY CERTIFY that the

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proceedings, evidence and objections are

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contained fully and accurately in the

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stenographic notes taken by me upon the

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foregoing matter on April 2, 2009, and that

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this is a true and correct transcript of same.

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MICHELE L. MURPHY

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RPR-Notary Public

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