



# City of Philadelphia

City Council  
Chief Clerk's Office  
402 City Hall  
Philadelphia, PA 19107

**BILL NO. 090209**

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**Introduced March 19, 2009**

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**Councilmember Kenney**

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**Referred to the  
Committee on Finance**

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## **AN ORDINANCE**

Amending Title 22 of The Philadelphia Code, entitled "Public Employees Retirement Code," by amending Section 22-310, entitled "Deferred Retirement Option Plan (DROP)," by making certain changes to the DROP plan, including making elected officials ineligible to participate in the DROP; and providing for an annual report concerning the DROP; 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.

\* \* \*

§ 22-310. Deferred Retirement Option Plan (DROP).

\* \* \*

(4) Eligibility. In order to be eligible to participate in this program, a member must be an active employee of the City and be otherwise eligible to retire under Section 22-301 and must have a minimum of ten (10) years of credited service, all as of the DROP entry date. In lieu of separating from employment and commencing receipt of service retirement benefits, any such member may enter into this program ("the DROP") on or

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after the date the member attains his or her "minimum retirement age" as that term is defined in Section 22-105(25), provided that the member's DROP entry date shall meet the requirements in Section 22-310(5)(a) below. For participation in the DROP to be effective, the application must be approved by the Board pursuant to Section 22-309. *No elected official shall be eligible to participate in the DROP program.*

SECTION 2. Title 22 of The Philadelphia Code is hereby amended to read as follows:

## TITLE 22. PUBLIC EMPLOYEES RETIREMENT CODE.

\* \* \*

### CHAPTER 22-300. RETIREMENT BENEFITS.

\* \* \*

§ 22-310. Deferred Retirement Option Plan (DROP).

\* \* \*

*(7) Annual Report. No later than sixty days after the close of each fiscal year, the Board shall produce a report to the Mayor and the Council setting out the pension system's experience regarding the DROP through and including the most recent fiscal year. The report shall set out, on an annual basis and from inception, the number of persons enrolled in the DROP, the number of persons to have retired after entry into the DROP, the average length of enrollment in the DROP, the average lump sum payment made to such persons, the breakdown of enrollees and retirees by department and by years of employment with the City, and such other data as the Board deems relevant to determining the efficacy of the DROP in terms of either its cost-effectiveness or as a management tool. Based on the foregoing data and such other information as the Board may deem relevant, the Board shall include in the report its recommendations for retaining, revising, curtailing or terminating the DROP.*

\* \* \*

SECTION 3. Effective date.

(a) Section 1 of this Ordinance shall be effective January 1, 2010; provided that nothing in Section 1 shall be applied to affect the rights of any person enrolled in the DROP prior thereto.

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(b) Section 2 of this Ordinance shall be effective immediately.

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**Explanation:**

*Italics indicate new matter added.*

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