



Text File

Introduced: 10/15/2021

Bill No: 2021-2059, Version: 3

Committee: Committee on Finance and Law

Status: Passed Finally

Ordinance amending the City Code so as extend the life of the Parking Tax asset, and make related changes to effectuate that extension.

The Council of the City of Pittsburgh hereby enacts as follows:

Section 1. The City Code is hereby amended and supplemented at Title Two: Fiscal, Article XI: Dedicated Funding for Comprehensive Municipal Pension Trust Fund, Chapter 272: Dedicated Funding for Comprehensive Municipal Pension Fund, as follows:

CHAPTER 272: - DEDICATED FUNDING FOR COMPREHENSIVE MUNICIPAL PENSION TRUST FUND

§ 272.01 - SOURCES OF FUNDING.

The City Council hereby dedicates irrevocably to the Comprehensive Municipal Pension Trust Fund [for purposes of Act 44 of 2009] the receipts of revenue from the Parking Tax for the years 2011 through **2041 2046** to be calculated as a present value asset, according to the following schedule of annual payments:

Year	Total
2010	\$ -
2011	\$13,376,000
2012	\$13,376,000
2013	\$13,376,000
2014	\$13,376,000
2015	\$13,376,000
2016	\$13,376,000
2017	\$13,376,000
2018	\$26,752,000
2019	\$26,752,000
2020	\$26,752,000
2021	\$26,752,000
2022	\$26,752,000

2023	\$26,752,000
2024	\$26,752,000
2025	\$26,752,000
2026	\$26,752,000
2027	\$26,752,000
2028	\$26,752,000
2029	\$26,752,000
2030	\$26,752,000
2031	\$26,752,000
2032	\$26,752,000
2033	\$26,752,000
2034	\$26,752,000
2035	\$26,752,000
2036	\$26,752,000
2037	\$26,752,000
2038	\$26,752,000
2039	\$26,752,000
2040	\$26,752,000
2041	\$26,752,000
<u>2042</u>	<u>\$26,752,000</u>
<u>2043</u>	<u>\$26,752,000</u>
<u>2044</u>	<u>\$26,752,000</u>
<u>2045</u>	<u>\$26,752,000</u>
<u>2046</u>	<u>\$26,752,000</u>
	[735,680,000] <u>\$869,440,000</u>

[§ 272.02 - AGREEMENT WITH PITTSBURGH PARKING AUTHORITY.

This Chapter does not preclude the Mayor of the City of Pittsburgh and the Pittsburgh Parking Authority from implementing Acts 763 and 36 of 2010 (Bills 2010-1026 and 2010-1027) at any time.]

§ 272.03 - GUARANTEE.

Should the City's Parking Tax fail to generate the required revenue, the City pledges its full faith and credit to meet this obligation. The dedication of the amounts detailed on the schedule detailed in this Chapter is irrevocable.

§ 272.04 - [EFFECTIVE DATE] **AND** SUNSET.

[This Chapter shall become effective immediately upon the signature of the Mayor, or ten days after the City Clerk provides this Chapter to the mayor for signature.]

This Chapter shall remain in effect so long as the funding is required to maintain the Comprehensive Municipal Pension Trust Fund at or above [fifty (50)] an eighty (80) percent funding ratio without the present value asset or December 31, ~~2041~~ 2046 whichever comes first. [, and may only be declared ineffective by due legislative process following (a) legislative creation of another source of dedicated funding deemed sufficient by the Pennsylvania Public Employees Retirement Commission; (b) legislative receipt and disbursement of dedicated windfall funding deemed sufficient by the Pennsylvania Public Employees Retirement Commission; or (c) fiscal and investment management and employment and retirement projections together deemed sufficient by the Pennsylvania Public Employees Retirement Commission.]

§ 272.05 DEED OF TRUST

The City may enter into a cooperation agreement with the Comprehensive Municipal Pension Trust Fund Board providing that such agreement ends when the funding reaches an eighty (80) percent funding ratio without the present value asset or December 31, ~~2051~~ 2046 whichever comes first. The agreement shall come as a resolution before Council and a signed copy shall be filed with the City Clerk.

Section 2. The City Code is hereby amended and supplemented at Title Two: Fiscal, Article I: Administration, Chapter 219: Operating Budget, Section 219.05: Pension Calculation Budgeting Minimum, as follows:

§ 219.05 - PENSION CALCULATION BUDGETING MINIMUM.

In addition to any State laws regarding mandatory minimum municipal pension obligations (MMO), the City shall minimally budget for the combined employee's pension plans based on a projected cash flow in the yearly operating budget and five-year plan so that annual pension revenue meets or exceeds the annual pension obligations in the Comprehensive Municipal Pension Trust Fund on a budgetary basis.

- (a) Pension revenue shall include MMO, a supplemental contribution to reach the actuarial recommended contribution (ARC), employee contributions, the parking tax commitment, and the assumed rate of return (ARR) on the principal of investments not including the ARR on the "Parking Asset" created by [Ordinance 44 of 2010] Chapter 272 of the City Code, as well as any necessary, mandated, or additional contribution.
- (b) The cash flow shall be considered on an annual aggregate budgetary basis by forecasting all of the pension revenue and subtracting all forecasted benefit payouts and anticipated expenses, that amount shall minimally be equal to, or positively exceed zero (0).
- (c) The formula is as follows: (Pension payments + pension expenses) - (State MMO + Supplemental ARC Contribution, + Parking Tax Commitment + Employee Contributions + Projected Investable ARR result) = Minimal Additional Contribution.
 - (1) The goal of each budget and five-year plan should be to calculate the formula to be pay as you go as follows: (Pension payments + pension expenses) - (State MMO + Supplemental ARC Contribution +

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Parking Tax Commitment + Employee Contributions) = Minimal Additional Contribution.

(e) If for any reason there are funding deficiencies that negatively impact the principle of the fund, a plan to address the deficiencies shall be submitted in the following budget year's five-year plan.

(f) This Section shall be applicable until the fund reaches or exceeds an eighty (80) percent funding level, not inclusive of [including] the parking asset.