

City of Philadelphia Board of Pensions and Retirement

Winter 2026 Edition

Executive Director's Update

The Philadelphia Municipal Pension Fund's upward trajectory continues since the implementation of the Pension Reforms of 2016. The funding level of the Pension Fund has improved over 20% since the reforms and is now projected to reach 80% funding by approximately 2028 and 100% funding level by 2033. Preliminary results for FYE 2026 are encouraging.

In its recent Philadelphia 2025: State of the City report, the PEW Charitable Trusts stated the following: "In 2024, the City of Philadelphia received an A+ credit rating from S&P Global Ratings, its highest standing in 40 years, due in large part to the much-improved fiscal status of its municipal pensions."

The 2016 pension reforms were the result of a great collaboration between the Pension Board Trustees, the City Administration, the Municipal Unions, City Council, the State Legislature, and other stakeholders who took steps to improve the health of the Pension Fund. The reforms created a hybrid pension plan for new municipal employees, updated pension contributions for all employees, and dedicated additional City revenue to the Pension Fund from a portion of the local sales tax. The additional revenue - known as the Revenue Recognition Policy (RRP) - is dedicated to paying down the Fund's Unfunded Actuarial Liability (UAL). Since fiscal year 2016, the Fund's Net Pension Liability has decreased over \$2 billion.

The additional revenue has also resulted in the Fund having even or positive cash flow in each of the last seven (7) fiscal years, after not having had positive cash flow for decades.

Changes by the Board Trustees and investment staff to the Fund's portfolio resulted in investment manager fee reductions from 0.62% of assets to the current 0.29%, an aggregate savings of more than \$120 million.

As responsible stewards of the Municipal Pension Fund, all of us strive to make decisions aimed at enhancing the long-term health of the Fund. The responsible actions taken by all interested parties, including the Board trustees, Mayor Parker, prior City administrations, City Council, Municipal Unions, and the State Legislature is a great example of what is possible when working together toward a common goal.

The excellent collaborative work and fiscally responsible decisions resulting in the improvement of the Municipal Pension Fund have been cited by many organizations including the Pennsylvania State Auditor General, Philadelphia City Council, the PEW Charitable Trusts, PICA, S&P Global Ratings, Moody's Rating Agency, and the Government Finance Officers Association (GFOA).

As previously noted by the Pennsylvania State Auditor General, "the fiscally responsible decisions and reforms taken by both fund fiduciaries and city officials will benefit the City of Philadelphia and its taxpayers to ensure the city's pension fund has adequate resources to meet current and future benefit obligations to the city's hard-working police officers, firefighters, and non-uniformed employees..., and we commend them for their continued efforts..."

I look forward to continuing our work with the Board Trustees, City Administration, City Council, Municipal Unions, State Legislature, and all stakeholders to ensure that the Philadelphia Municipal Pension Fund continues on its current path.

Francis X. Bielli, Esq, Executive Director

Structure of The Board of Pensions & Retirement

The City of Philadelphia Board of Pensions & Retirement was created by the City Charter and is charged with administering the Fund for more than 64,000 active and retired members. Approximately 35,000 people are receiving some type of benefit from the Fund. The task of ensuring the accuracy and timeliness of benefit payment is among the duties of the Board's staff.

The Board is composed of Trustees. The Trustees include four (4) people elected by employees of the civil service, the Director of Finance, Managing Director, City Controller, City Solicitor, Personnel Director, and a non-voting member appointed by the President of City Council. The Director of Finance acts as the Chairperson for the Board.

The administration of the Fund on a daily basis is delegated by the Board to the Pension Board staff. The Executive Director of the Pension Board reports directly to the Board and is assisted by a knowledgeable and dedicated staff.

The Deputy Director and Chief Investment Officer provide expertise in the areas of benefits and investment respectively. The organization also includes benefit administrators and staff who work directly with the Deputy Director and Executive Director to ensure the proper evaluation and processing of benefits. A Deputy Chief Investment Officer, along with Investment Officers and staff, work with the Chief Investment Officer to monitor the Fund's investments, work with the Fund's outside consultants and makes investment recommendations to the Board. The Board's Chief Compliance Officer ensures that all applicable rules and regulations are followed. The Board has recently hired a Deputy to oversee a pension payroll modernization project.

The staff also works closely with the City of Philadelphia Law Department in order to comply with all federal, state and local regulatory requirements of the Fund.

Board of Pensions & Retirement Trustees:

Rob Dubow	Chairperson, Finance Director
Carol Stukes-Baylor	Vice Chair, Elected Trustee
Brian Coughlin	Elected Trustee
William Sierra	Elected Trustee
Tanya Davis	Elected Trustee
Renee Garcia	City Solicitor
Candi Jones	Personnel Director
Adam Thiel	Managing Director
Christy Brady	City Controller
Helen Loughhead	City Council President Designee

To help us to serve you more effectively, when contacting this Board by mail, please provide your payroll/pension number or the last four digits of your Social Security number and your printed name.

In This Edition...

- Page 1 - Executive Director's Update · Structure of The Board of Pensions & Retirement · Board of Pensions and Retirement Trustees
- Page 2 - Pension Fund Performance · Did You Know... · Direct Deposit · Purchase of Pension Credit · Beneficiary Information · Retiree Medical & Life Insurance
- Page 3 - Setting the Record Straight on Philadelphia's Pension Plans · Keep in Touch When You Move E-Mail the Board of Pensions! · 2026 Payment Dates
- Page 4 - Designed to Better Fit Your Needs · Frequently Asked Questions · Important Telephone Numbers

Pension Fund Performance

COP Pension Fund

Initial reporting shows the Pension Fund (“Fund”) generated a net return of 12% for the fiscal year (“FY”) ending June 30, 2025. For both the three (3) year period & the five (5) year period ending on June 30, 2025, the return was 9.7%. The Fund’s return since inception (measured as of August 1988) is 7.6%.

The Trustees and Investment Staff continue to maintain a balanced, well-diversified portfolio that includes over ½ of the Fund (inclusive of cash) being invested in low-cost index funds. We will continue to carefully seek the best investments available on behalf of our 64,000+ members and retirees. The Fund’s performance, along with recent plan design changes, project cost stability and funding improvement for the Plan.

Equity Markets

Domestic equity market returns performed strongly in FY 2025. After pulling back sharply following the President’s announcement of tariffs on “Liberation Day,” domestic stocks rallied broadly through the end of June with the Russell 1000 Index up 15.7%, the S&P 500 up 15.2%, the Dow Jones up 14.7%, and the Russell 2000 index up 7.7%. The most expensive stocks led market gainers in Q2 2025 as softening fears around trade policies led to an increased appetite for risk among many investors. U.S. stocks were also helped by stable consumer spending and solid corporate earnings.

The international equity markets also performed well with the MSCI ACWI returning 16.2%, the MSCI EAFE returning 17.7%, and the MSCI EAFE small-cap returning 22.5%. Several factors contributed to these gains in FY 2025 including valuations that are closer to historical averages than their U.S. counterparts, favorable currency effects due to a dropping U.S. dollar, increased European spending & stimulus, and optimism around China’s economic recovery.

Fixed Income

Fixed income markets had a complex and volatile FY 2025. The Bloomberg Aggregate Index returned 4%, the Bloomberg High Yield Index returned 4.6%, and the Bloomberg Long Government Index returned 1.6%. During Q2 2025, shorter term rates fell while longer dated rates rose, especially those longer than 10 years. The Federal Reserve held interest rates steady through much of this period at 4.25%-4.5%. The probability of interest rate cuts by the Federal Reserve and concerns about increasing U.S. deficits had significant impacts on performance.

DID YOU KNOW... *City of Philadelphia employees can join a plan to help you have a more secure retirement?*

The City of Philadelphia 457(b) Deferred Compensation Plan was created to be your plan before, during and after retirement.

- Optional tax-deferred retirement plan
- Dedicated resources, education and individual attention
- Automatic payroll deduction
- Low administrative fees
- Variety of investment choices
- Pension Board oversight
- Any Investment growth is tax deferred
- Eligible 457(b) withdrawals are not subject to an additional 10% tax withholding prior to 59 1/2
- Withdrawals are taxable in the year you take them
- Assets may be used to purchase service credit on a pre-tax basis
- Loan provision and unforeseeable emergency assistance
- Access to your account.
- Anywhere. Any time. Any device at www.philly457.com.
- Local Office: 2 Penn Center, Suite 1701
- Comprehensive Retirement Planning with a Nationwide Personal Retirement Consultant

Direct Deposit

Over 33,000 pensioners receive their monthly payment via direct deposit. You can too! Just call Jada Charnae Berkley at 215-685-3453 and ask for a direct deposit authorization form. If you are currently receiving your monthly payment via direct deposit and you wish to change the bank account to which the payment is deposited, you may also contact Jada Charnae Berkley at 215-685-3453. You can access a direct deposit authorization form on the Board’s website at <http://www.phila.gov/pensions/reports>. The monthly pension payment is mailed on the last working day of each month. Direct deposit payments are usually in your account before you wake up on the last working day of each month. Call now and stop waiting for your money!

Purchase of Pension Credit

For active members of the retirement system who are currently making pension contributions: You may apply to purchase additional pension credit for periods of City service, government service or military service which occurred prior to your current City employment. Purchases can only be made in accordance with Section 22-800 of the Pension Code. To obtain an application for purchase of pension credit, you may contact the Board of Pensions at (215) 685-3456 or (215) 685-3457.

Beneficiary Information / Attn Retirees:

Your pension payments are payable for your lifetime. Your next of kin should be aware that in the event you pass away, the Board of Pensions MUST be notified immediately. There’s an application process for survivor benefits which enables the payable amount to be transferred to their name and social security number. Under no circumstances will the Board pay a survivor in your name so please let your next of kin know to make the notification and they will be advised of the next steps. Any payments distributed beyond your date of death must be repaid.

Retiree Medical and Life Insurance

Retiree medical and life insurance benefits are now administered by the Benefits Unit of the City’s Office of Human Resources. All inquiries about retiree medical benefits should be made directly to Benefits Unit staff as noted below.

Contact information for retiree medical is:

Stacy Anderson	215-686-0612	Stacy.Anderson@phila.gov
Sheron McLean (Deferrals)	215-686-0614	Sheron.McLean@phila.gov
Ashlee Kirby (Last Names A - H)	215-686-0609	Ashlee.Kirby@phila.gov
Cherelle Berry (Last Names I - P)	215-686-0618	Cherelle.Berry@phila.gov
Stephanie Hill (Last Names Q - Z)	215-686-0616	Stephanie.Hill@phila.gov

General Inquiries – RetireeHealth@phila.gov

Retiree Life Insurance – 215-686-0859

Setting the Record Straight on Philadelphia’s Pension Plan

In an era where misinformation often overshadows facts, providing accurate information is even more important. As the elected members of the Pension Board, we wanted set the record set on how we invest prudently and protect the interests of the City’s retirees.

The Plan is overseen by a Pension Board (“Board”) that includes City officials, the Controller and us -- members elected by City workers. Every Board member bears a fiduciary duty—an enforceable legal obligation—to ensure assets are invested prudently and for the long-term. The Plan is independently audited every year, and those reports are publicly available on the Board’s website.

The Plan’s recent performance has bolstered Philadelphia’s fiscal position. Multiple bond rating agencies, and PICA—the state agency with oversight of the City’s budget—cite the Plan’s improving condition as reason for optimism regarding the City’s fiscal health. PICA’s July report on the City’s Five-year Plan, commended all involved “for the effort and resources that continue to be dedicated to stabilizing the pension fund.”

An important part of our prudent investment approach is private equity. PE comprises approximately 8.8% of the portfolio—an allocation placing Philadelphia in the bottom third of large public pension plans. In contrast, 54% of Plan assets are invested in low-cost index products or cash. It’s part of a balanced portfolio of investments designed to reduce the risk of losses, while achieving solid returns.

The Plan’s performance is even more impressive considering recent history. The City collaborated with the Board, municipal unions, City Council, State Legislature, and other stakeholders, to adopt pension reforms. The reforms included state legislation, the result of hard work by then Philadelphia delegation chair Cherelle Parker and her colleagues, allowing Philadelphia to direct a portion of sales tax to the Pension Fund. This legislation and other reforms dedicated additional City revenue to paying down the unfunded pension liability, created a hybrid pension plan for new employees, updated employee pension contributions, and axed high-fee managers. Following these reforms, Plan assets more than doubled, from \$4.3 billion in June 2016 to \$9.5 billion in June 2025. During the same period, the Fund’s net pension liability decreased by over \$2 billion.

These efforts have produced demonstrable gains. In the last two fiscal years, the Plan has delivered returns of 8.7% and 12%, demonstrating strong performance and providing cushion against market volatility. PE investments received more in distributions than they contributed over five years (\$71 million) and ten years (\$277 million).

The Board maintains a cautious and prudent PE approach, which includes a thorough review by Staff and investment consultants, and a public presentation by the manager, which has helped Philadelphia avoid poor performance and distribution issues affecting peers with more aggressive approaches.

The Plan has become healthier since the 2016 reforms, increasing the funding percentage by over 20% (compared to a 9-point increase in the average funded status among large pension funds over the same period), to the current 65.4%, the Fund’s highest level in two decades.

The City must continue to adhere to the reforms if the Plan is to reach 100% funding, which will free up approximately \$480 million annually in the City’s budget. As stated in PICA’s July 2025 Report “While 100% funding is currently actuarially projected to occur by 2033, the [Plan] will only reach that goal if the current fiscal discipline and policies remain intact.”

This warning serves as a reminder that, while great strides have been made, there is still work to be done. The City is on-track to have nearly half a billion dollars annually available that it would otherwise be obligated to put towards pensions, and nothing should be done to imperil that.

Brian Coughlin, IAFF Local 22
Willie Sierra, F.O.P. Lodge 5
Carol Stukes-Baylor, D.C. 47, Vice-Chair - Board of Pensions and Retirement

Keep in Touch When You Move

If you are retired and planning to move, please remember that you must make sure to notify the Board of Pensions of your address change. The Board occasionally receives mail that is returned by the postal service due to an outdated address. **If the Board determines that you cannot be located, monthly payments may be discontinued until you contact the Board.** To prevent your payments from being stopped, keep the Board up to date on your moves. You can access a Change of Address form on the Board’s website at <http://www.phila.gov/pensions/reports>

E-Mail the Board of Pensions!

Did you ever have a question about your pension after office hours have ended? Do you prefer to communicate via email instead of on the phone?

Have you ever had difficulty calling the Board during high call volume periods? Would you like to be able to provide detail and attachments in your communications with the Board? If you answered yes to any of these questions, you can now email the Board at Pensions.Inquiry@Phila.gov.

2026 PAYMENT DATES CLIP AND SAVE

Regular monthly pension payments for 2026 are scheduled for the dates listed below. Direct deposit payments will be in your account on these dates. For non-direct depositors, the dates below are the dates on which checks will be mailed. Except for December, these payment dates are always the final working day of the month.

JANUARY	30
FEBRUARY	27
MARCH	31
APRIL	30
MAY	29
JUNE	30
JULY	31
AUGUST	31
SEPTEMBER	30
OCTOBER	30
NOVEMBER	30
DECEMBER	17

Designed to better fit your needs



When deciding which retirement plan may be best for you, consider that the City of Philadelphia 457(b) Deferred Compensation Plan was created with these plan features:

Flexibility

- Easy online enrollment
- Ability to adjust your contributions as your needs change
- Option to roll all of your retirement accounts, including DROP and unused leave balance, into one place
- No-penalty withdrawals after separation from service at any age

Interactivity

- My Retirement by NationwideSM app to manage your account from wherever you are
- My Income & Retirement PlannerSM to plan goals and track progress
- Videos, on-demand webinars, tools, calculators and online resources

Support

- Local office and Retirement Specialists to serve you: 215-568-1960
- Personal Retirement Consultant to help as you prepare to transition into retirement
- Retirement Resource Group[®] to provide professional service by phone



Scan this code to visit us at www.philly457.com



To schedule an individual appointment, scan this code.



Shawn McDonald
215-804-6161
mcdons3@nationwide.com



Cristina Gibson
267-205-6606
gibsc3@nationwide.com



Don Marchesiello, CFP[®]
215-568-1964
marchd2@nationwide.com



Philadelphia
Deferred
Compensation



Philadelphia Deferred Compensation and
Nationwide is on your side

This material is not a recommendation to buy or sell a financial product or to adopt an investment strategy. Investors should discuss their specific situation with their financial professional.

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee to make a profit or avoid loss. Actual results will vary depending on your investment and market experience.

Withdrawals of assets that have been rolled over from a qualified plan, individual retirement account or deferred compensation plan may be subject to surrender charges and limitations on when funds may be accessed. If the withdrawal is made before age 59½, there may be an additional 10% tax penalty.

Information provided by Retirement Specialists is for educational purposes only and not intended as investment advice. Nationwide Retirement Specialists and plan representatives are registered representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.

Nationwide, the Nationwide N and Eagle, My Income & Retirement Planner, My Retirement by Nationwide and Retirement Resource Group are service marks of Nationwide Mutual Insurance Company. Third-party marks that appear in this message are the property of their respective owners. © 2025 Nationwide
NRM-13345PA-PH (08/25)

Frequently Asked Questions:

This question and answer piece is designed to assist our members and retirees by listing the types of questions pension counselors and staff receive on a regular basis. You can also contact one of our friendly and knowledgeable employees with questions specific to your situation.

Q: For the past five years I worked at the University of Delaware and have recently taken an exempt position with the City. May I purchase credit for the time I spent working at the University?

A: Yes. Prior employment with a state University is eligible for purchase. You should note, however, that as an exempt employee, your time cannot be used to meet your initial vesting requirement. You will need to work for the City for five years before you are eligible to receive a pension at retirement age. Furthermore, you may only purchase time for prior government service that does not entitle you to a pension from that employer.

Q: I spent eight year s in the Army and am currently a member of the Philadelphia Police force. I am eligible to receive a pension based on my time in the Army. Can I purchase this service credit?

A: Yes. You may purchase up to ten years of eligible credited service. If you are receiving or entitled to receive a military pension, as long as your eligibility for a military pension is not the result of full-time service it may still be purchased.

Q: I'm a former firefighter that separated from employment six months ago, and I suffered an injury for which I am currently receiving workers compensation. How long do I have to file an application with the Board for a service connected disability pension?

A: The Retirement Code provides that an application must be filed within one year of separation. After that, and pursuant to Board regulations, permission to apply late must be granted by the Board.

Q: I'm 57 years old, a member of pension plan J, and currently receiving a pension from the City. Recently, I was offered the opportunity to return to the City as a full time employee in the Finance Department. If I accept, will I continue to receive my pension while I am working?

A: No. The Retirement Code provides that your pension benefits will be suspended while you are working again for the City.

Q: I've seen reminders from the Pension Board encouraging members to keep their beneficiary forms updated. Won't my retirement benefits go to the person(s) I specify in my will?

A: No. By law, the Board must administer benefits to that person(s) listed on the form(s) on file with the Board. Keep your form(s) updated so that your benefits can be left to the person(s) of your choosing.

Q: I'm interested in saving additional money for my retirement. Are there other programs available to me beyond the defined benefit pension?

A: Yes. You may make voluntary contributions (directly from your paycheck) to a deferred compensation plan which is currently administered by Nationwide. Visit www.philly457.com for additional details and registration materials.

IMPORTANT TELEPHONE NUMBERS

The Board of Pensions has new telephone numbers. The most frequently used numbers are shown below:

Board's Main Number
215-685-3480

Board's 800 Number
1-800-544-1173

Board's Fax Number
215-496-7420

City Administered Life Insurance*
215-686-0859

Deferred Compensation
215-568-1960

District Council #33 Health & Welfare
215-895-3300

District Council #47 Health & Welfare
215-893-3775

DROP Appointments
215-685-3441

Firefighters Local #22
215-440-4400

FOP
215-629-3600

Pension and DROP Estimates
215-685-3432

Pension Verification Letters
215-685-3447

Pension Withdrawals
215-685-3427

Police Law Enforcements Health Benefits (LEHB)
215-763-8290

Purchase of Service Applications
215-685-3456

215-685-3446

Retiree Direct Deposit Application
215-685-3453

Report Death of a Member
215-685-3459 (A-L)
215-685-3452 (M-Z)



*Please note that City Administered Life Insurance is not a Pension Benefit but a City Benefit processed through the City Benefit Unit and Minnesota Life Insurance