

INTRODUCED: December 17, 2018

AN ORDINANCE No. 2018-321

To amend and reordain City Code § 22-317, concerning additional retirement allowance for certain City officials, for the purpose of conforming titles to the Pay Plan.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 14 2019 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 22-317 of the Code of the City of Richmond (2015) be and is hereby **amended** and reordained as follows:

Sec. 22-317. Additional retirement allowance for certain City officials.

(a) *Additional creditable service.* Any member who is employed in the senior executive group as defined in subsection (k) and has been in service for at least ten years in the senior executive group, may have such member's creditable service counted as two years for each year of creditable service in these positions up to a maximum of 15 additional years of creditable service for the purpose of calculation of retirement allowance under the provisions of

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 14 2019 REJECTED: _____ STRICKEN: _____

this article. All such qualifying members must make the election to utilize the provisions of this subsection within 90 days of the enactment of this provision or within 30 days of the member's date of employment in said position, whichever should occur later. Any member who elects to utilize the provision of this subsection shall be required to make contributions to the system in an amount determined by the system's actuary and approved by the Board.

(b) *Options for less than ten years of service.* Any member with five or more but less than ten continuous years of service in the senior executive group who has made the contribution required for the additional creditable service but who leaves employment may elect to receive a refund of such contributions plus interest at a rate to be determined by the Board or to receive a retirement allowance based upon the member's actual creditable service plus any additional service purchased pursuant to the provisions of this subsection (b). Any member who elects to receive a retirement allowance based upon the member's actual creditable service plus any additional service purchased in accordance with this subsection (b) shall be required to pay the actuarial equivalent cost for such additional service credit. However, the City may pay such cost if authorized by the City Council. Any election by the City to pay such cost shall be in lieu of the member's payment of such cost required by this subsection and is intended to be a "pick-up" as permitted under Section 414(h) of the Internal Revenue Code.

(c) *Purchase of additional service.* Within 30 days of the date of separation from City employment, any vested member of the senior executive group may purchase up to a maximum of five years of unqualified, additional which shall be counted as creditable service to meet the requirement in subsection (a) of this section that a member be in service for ten years in the senior executive group. Such cost for the forgoing additional service purchased shall be equal to

the actuarial equivalent as determined by the retirement system's actuary and shall be paid by the member; provided, however, that the City may pay such cost if authorized by the City Council. Any election by the City to pay such cost shall be in lieu of the member's contribution required by subsection (a) of this section and is intended to be a "pick-up" as permitted under Section 414(h) of the Internal Revenue Code.

(d) *Age 65 allowance.* Any member in service who 1) has ten or more years of creditable service in the senior executive group, 2) is at the time of the member's retirement employed in the senior executive group as defined in subsection (k), 3) has attained the age of 65, and 4) retires from active service pursuant to the provisions of this article, shall be paid a supplemental allowance which, when added to the retirement allowance payable under the preceding sections of this article, shall be equal to 50 percent of such member's current salary at the time of retirement. The allowance provided for in this section shall be paid in equal monthly installments.

(e) *Disability retirement.* Any member in service who has five years or more of creditable service in the senior executive group as defined in subsection (k) may, at any time before the member's normal retirement date, retire on account of permanent disability upon filing a retirement application with the board pursuant to the provisions of Section 22-238 or 22-240; provided, that the Medical Examiner's certification shall be that the member has been completely incapacitated by reason of sickness or injury contracted after the member's date of employment, from performing the usual duties attendant to the member's employment and that such disability is likely to be permanent.

(f) *Disability retirement allowance.* A member retiring under the provisions of this subsection shall receive an allowance equal to five percent of the member's current salary multiplied by the number of years not in excess of ten that such member has served in the senior executive group as defined in subsection (k).

(g) *Worker's compensation offset (dollar for dollar).* Any of the foregoing provisions to the contrary notwithstanding, the disability retirement allowance payable to any member retiring after December 31, 1981, shall be reduced by the amount of compensation, if any, awarded to the member under the Virginia Worker's Compensation Act with respect to the disability giving rise to the member's retirement, so long as such compensation is payable.

(h) *Worker's compensation offset (lump sum award).* If any member in receipt of a retirement allowance pursuant to this section elects to receive a lump-sum settlement in lieu of periodic payments for disability under the Virginia Worker's Compensation Act, the member's disability retirement allowance shall be reduced in the same amount and for the number of months equivalent to the lump sum award amount divided by the amount of the original workers' compensation award amount (i.e., the lump sum award amount divided by the original workers' compensation award amount equals the number of months of continued reduction).

(i) *Additional optional forms of payment allowance.* Each member in the senior executive group as defined in subsection (k) shall have the right to elect to have the member's retirement allowance decreased during the member's lifetime and have such retirement allowance, or a designated fraction thereof, continued after the member's death to one other person, called a contingent beneficiary. In the case of a member who retires for disability under the provisions of subsection (f) and Section 22-238 or 22-240 the election of this option need not

be made and shall not become effective until the member attains the date that would have been the member's normal retirement date had the member remained in service until then. The amount of any such optional retirement allowance shall be the actuarial equivalent of the amount of the retirement allowance otherwise payable to the member. The member shall make such an election by written notice to the board and such an election shall be subject to the approval of the Board. The election by a member of this option shall be null and void if the member dies prior to retirement, or prior to the date the option becomes effective, or if the designated contingent beneficiary dies before the member's retirement or before the date the option becomes effective. A member who has elected this option may revoke such election by written notice to the Board at any time prior to the later of the effective date of the member's retirement or the date the option becomes effective.

(j) *Survivor allowance.* Should any member in the senior executive group as defined in subsection (k) die in service at any time before retirement and after attaining the member's normal retirement date, the member's surviving spouse, if any, shall receive a retirement allowance payable monthly for life equal to and commencing at the same date as the retirement allowance that would have been payable to such spouse in accordance with the retirement benefit formula provided for in subsection (c), had the member survived and retired on the first day of the month following the member's death after electing to have the member's allowance paid under the joint and last survivor option provided for in subsection (h), with 100 percent of the amount payable to the member continuing after the member's death to the contingent beneficiary, with the member's spouse designated as contingent beneficiary.

(k) *Makeup of senior executive group.* For purposes hereof, the senior executive group means the Mayor, Chief Administrative Officer, Deputy Chief Administrative Officer, City Attorney, [~~Senior Assistant~~] Deputy City Attorney, Director of Citizen Service and Response, Director of Economic Development, Director of Housing and Community Development, Director of Planning and Development Review, City Auditor, Inspector General, City Assessor, Library Director, Director of Budget and Strategic Planning, City Clerk, Executive Director of the Richmond Retirement System, Executive Director of the Richmond Behavioral Health Authority, Director of Procurement Services, Chief Capital Projects Manager, Commissioner of Buildings, Director of the Office of Minority Business Development, Director of the Office of Animal Care and Control, Director of the Office of Community Wealth Building, and Chiefs of Staff of the Mayor's Office, the City Council and the Chief Administrative Officer's Office or a head of a department of government of the City.

§ 2. This ordinance shall be in force and effect as of and retroactive to January 5, 2019.



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O & R REQUEST

4-84104

DEC 06 2018

Office of the
Chief Administrative Officer

DEC 07 2018

RECEIVED

OFFICE OF CITY ATTORNEY

O&R REQUEST

DATE: December 5, 2018

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

THROUGH: Lenora Reid, Deputy Chief Administrative Officer

FROM: D. Karen Garland, Interim Director of Human Resources

RE: To Amend Section 22-317 (k) of the City Code (Additional retirement allowance for certain City officials)

ORD. OR RES. No. _____

PURPOSE: To amend Section 22-317 (k) of the City Code.

§ 1. To delete Senior Assistant City Attorney and add Assistant City Attorney, Deputy.

(k) *Makeup of senior executive group.* For purposes hereof, the senior executive group means the Mayor, Chief Administrative Officer, Deputy Chief Administrative Officer, City Attorney, Senior Assistant Deputy City Attorney, Director of Citizen Service and Response, Director of Economic Development, Director of Housing and Community Development, Director of Planning and Development Review, City Auditor, Inspector General, City Assessor, Library Director, Director of Budget and Strategic Planning, City Clerk, Executive Director of the Richmond Retirement System, Executive Director of the Richmond Behavioral Health Authority, Director of Procurement Services, Chief Capital Projects Manager, Commissioner of Buildings, Director of the Office of Minority Business Development, Director of the Office of Animal Care and Control, Director of the Office of Community Wealth Building, and Chiefs of Staff of the Mayor's Office, the City Council and the Chief Administrative Officer's Office or a head of a department of government in the City.

REASON: To reflect change in classification title.

RECOMMENDATION: The City's Administration supports this amendment.

BACKGROUND: The City hired Arthur J. Gallagher & Company to conduct a City wide classification and compensation study. One recommendation was to change the title of Senior City Attorney to Deputy City Attorney. Currently, Senior City Attorney is part of the senior executive group for Retirement purposes. This paper merely makes the Retirement Ordinance consistent with the Pay Ordinance

FISCAL IMPACT: None.

COST TO CITY: None.

REVENUE TO CITY: None

DESIRED EFFECTIVE DATE: January 5, 2019.

REQUESTED INTRODUCTION DATE: December 10, 2018

CITY COUNCIL PUBLIC HEARING DATE: January 14, 2019

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Organizational Development

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: City Attorney and Retirement

RELATIONSHIP TO EXISTING ORD. OR RES.: Amends City Code section 22-317 (k)

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: None

STAFF: Robin Redmond and Fred Rosen, Human Resources