



Legislation Details (With Text)

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Title: To amend Ord. No. 2019-123, adopted May 13, 2019, which amended ch. 22, art. VII of the City Code by adding therein a new § 22-206, establishing a voluntary retirement incentive program, for the purpose of modifying the time period during which a member's election to participate in the voluntary retirement incentive program must be made.

Sponsors: Andreas Addison

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Code sections:

Attachments: 1. Ord. No. 2019-138

Date	Ver.	Action By	Action	Result
6/10/2019	1	City Council	adopted	Pass
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To amend Ord. No. 2019-123, adopted May 13, 2019, which amended ch. 22, art. VII of the City Code by adding therein a new § 22-206, establishing a voluntary retirement incentive program, for the purpose of modifying the time period during which a member's election to participate in the voluntary retirement incentive program must be made.

THE CITY OF RICHMOND HEREBY ORDAINS:

I. That Ordinance No. 2019-123, adopted May 13, 2019, be and is hereby amended and reordained as follows:

§ 1. That Chapter 22, Article VII of the Code of the City of Richmond (2015) be and is hereby amended and reordained by **adding therein a new section** numbered 22-206 as follows:

Sec. 22-206. Voluntary retirement incentive program.

(a) *Definitions.* For purposes of this section, the words and phrases set forth in this subsection shall have the meanings ascribed to them by this subsection unless the context clearly indicates that another meaning is intended:

- (1) *Day.* "Day" means a calendar day.

(2) *Deferment period.* “Deferment period” means a period of time not exceeding 334 days determined in writing by the Chief Administrative Officer for each member whose services the Chief Administrative Officer determines to be essential pursuant to subsection (e) of this section.

All other words and phrases used in this section have the meanings ascribed to them by section 22-2 of this Code.

(b) *Eligibility.* Notwithstanding any provision of this chapter to the contrary, and subject to subsection (e) of this section, any general employee of the City, with the exception of any defined benefit or enhanced benefit plan member who is a sworn employee of the Department of Fire and Emergency Services or the Department of Police shall be entitled to voluntarily cease such employee’s employment with the City in accordance with the voluntary retirement incentive program established by this section provided that, as of July 1, 2019, such member:

- (1) Is an active general employee of the City, which shall include any person on authorized vacation leave, sick leave, or other leave that has a Family and Medical Leave Act purpose;
- (2) Has attained the age of 55 and has completed at least 25 years of creditable service, or has attained the age of 65 and has completed at least five years of creditable service; and
- (3) Executes a general release (including, but not limited to, an anti-discrimination release) at such time and in such form as required by the City and prescribed or approved by the City Attorney or the designee thereof, on a uniform and non-discriminatory basis, and does not revoke such release.

(c) *Election.* Any eligible member who desires to retire pursuant to this section shall provide timely written notification to the Board, between July ~~[4]~~ 15, 2019, and ~~[August 16]~~ September 3, 2019, setting forth such member’s election to retire effective November 1, 2019. Such written notification shall include submission of a voluntary retirement incentive program election form, a general release as specified in subdivision (3) of subsection (b) of this section, and a completed system retirement application. Any voluntary retirement incentive program election by an eligible member shall become irrevocable after the seventh day

following the member's execution and submission to the Board of all documents referred to in this section and any other documents required by either the City or the Board or both.

(d) *Computation of retirement allowance.* The computation of the retirement allowance to which a member retiring under the voluntary retirement incentive program is entitled shall in all respects conform to the provisions of this article, except to the extent such provisions may conflict with the following special provisions applicable to the voluntary retirement incentive program established by this section:

(1) The retirement allowance to be received by an eligible member shall be based upon the amount of such member's salary as of July 6, 2019, rather than the member's average final compensation.

(2) On September 1, 2019, eligible members who elect to participate in the voluntary retirement incentive program and have at least 25 years of creditable service, but less than 35 years of creditable service, shall be granted up to three additional years of creditable service. The highest number of service years that can be used in the voluntary retirement incentive program retirement benefit calculation is 35.

(3) Eligible members who elect to participate in the voluntary retirement incentive program and, as of July 1, 2019, are 65 years of age or older and have at least five years of creditable service shall be granted up to three additional years of creditable service hereunder. The highest number of service years that can be used in the voluntary retirement incentive program benefit calculation is 35.

(4) Additional creditable service for unused sick leave may not be used for purposes of determining eligibility or for qualifying for or participating in the incentive payments provided in this section.

(5) The one-time incentive payments provided under subsections (e), (f), and (g) of this section shall not be included in creditable compensation for purposes of calculating an eligible member's pension payment.

(6) The early service reduction factor set forth in subsection (3) of section 22-202 of this Code shall not be applicable to any eligible member who retires pursuant to the voluntary retirement incentive program, and such member shall receive an unreduced benefit regardless of such member's years of creditable service.

(e) *Essential personnel.* The Chief Administrative Officer may delay the retirement of any eligible member who has elected to retire in accordance with subsection (c) of this section whose services the Chief Administrative Officer determines to be essential for the proper operation of the City. In the event of such a determination, the Chief Administrative Officer shall notify in writing the member, the President of the Council and the Board that the member's retirement will be deferred for a deferment period. The member deemed essential shall be entitled to an additional special incentive payment of up to \$5,500, payable in equal installments over no more than 90 days, and in accordance with the City's pay schedule, commencing in the first pay period beginning at least 90 days after the date on which the Chief Administrative Officer issues written notification thereof to the member. If the member remains in service until the end of the deferment period, the member shall be eligible to retire in accordance with the voluntary retirement incentive program within 30 days following the end of the deferment period. If, at any time prior to the end of the deferment period, the Chief Administrative Officer determines that the member's assignment has been completed, the member shall be eligible to retire in accordance with the voluntary retirement incentive program within 30 days following the date on which the Chief Administrative Officer issues written notification thereof to the member. The member deemed essential shall continue to earn creditable service time during the delayed retirement period and shall be entitled to retire under the provisions of the voluntary retirement incentive program based on the member's age and years of service at the time of the member's delayed separation.

(f) *Fully vested incentive payment.* Any eligible member who has at least 33 years of creditable service on July 1, 2019, meets the requirements under the provisions of the voluntary retirement incentive program and elects to retire shall be paid an additional incentive payment as follows:

(1) A member with 35 years and higher of creditable service shall receive a one-time lump sum incentive payment from the City of \$22,000.00, less applicable taxes;

(2) A member with 34 years up to the day prior to 35 years of creditable service shall receive a one-time lump sum incentive payment from the City of \$10,000.00, less applicable taxes; or

(3) A member with 33 years up to the day prior to 34 years of creditable service shall receive a one-time lump sum incentive payment from the City of \$7,500.00, less applicable taxes.

Each such incentive payment shall be paid from the City's treasury and not from the funds of the system.

(g) *Distribution of incentive payments.* Any eligible member who is entitled to receive an incentive payment under subsections (e) or (f) of this section shall be paid a one-time monetary incentive during the first regularly-scheduled pay period in January, 2020. Any one-time lump sum payment that is payable after separation from the City shall constitute a post separation payment, shall not be eligible to be deferred under the City's 457 retirement plan and shall not be included in creditable compensation for purposes of calculating any such eligible member's pension payment.

(h) *Post-retirement rehire.* Any eligible member who elects to retire under the voluntary retirement incentive program shall be ineligible for rehire by the City in a part-time or seasonal position for a period of six months and shall not be eligible to be rehired as a full-time, permanent employee for one year after separation from the City.

(i) *Rules and regulations.* The Board may, from time to time, issue, modify and enforce any rules, regulations or guidelines, consistent with this section and other applicable laws as may be necessary to carry out the requirements and purposes of this section.

(j) *Expiration.* The provisions of this section shall expire on December 31, 2020.

§ 2. This ordinance shall be in force and effect on July 1, 2019.

II. This amendatory ordinance shall be in force and effect on July 1, 2019.