ARTICLE III. RETIREMENT PLAN COMMISSION

Sec. 19-58. Terms of ~~ex officio~~ members who serve due to their respective position within the City structure.

The terms of the ~~ex officio~~ members of the commission who serve due to their respective position(s) within the City structure (including, but not limited to, the Human Resources Director, the Finance Director, the Treasurer, or others) shall be concurrent with their service in such position(s) or office(s) and shall cease when they leave such office(s) or position(s). However, the term of the City Manager's designee on the commission shall be within the complete discretion of the City Manager.

(Code 1976, § 20-12; Ord. No. O-24-044, 4-1-24; Ord. No. _____)

Sec. 19-65. Annual report to council.

~~The commission shall, through the city treasurer, not later than November 30 of each year, make an annual report to city council on the condition of the supplemental retirement or pension plan and the defined contribution plan as of the preceding June 30. Each such report shall include the results of an actuarial valuation of the assets and liabilities of the retirement plans, made not less frequently than biennially, and a statement of the amounts to be contributed by the city pursuant to section 19-92. The report shall also state the cash receipts of the retirement fund for the previous year in detail, an itemized list of securities bought or sold with the price paid or received and a detailed list of all assets of the fund. The report may also contain any recommendations the commission desires to make concerning changes in this Code with respect to the retirement fund or the retirement plans.~~

The commission shall, through the city treasurer, not later than November 30 of each year, submit to city council an annual report on the condition of the supplemental retirement or pension plan and the defined contribution plan as of the preceding June 30.

Each report shall include:

1. The results of an actuarial valuation of the assets and liabilities of the retirement plans, conducted not less frequently than biennially;
2. A statement of the amounts to be contributed by the city pursuant to section 19-92; and
3. A summary of the financial condition and investment performance of the retirement fund for the preceding fiscal year, including total cash receipts, investment income, and ending asset balances.

The report shall incorporate by reference any annual investment or portfolio reports prepared by or on behalf of the commission. Detailed information regarding cash receipts, investment

transactions, and fund assets shall be maintained by the city treasurer and made available to city council upon request.

The report may also contain any recommendations the commission desires to make concerning changes in this Code with respect to the retirement fund or the retirement plans.

(Code 1976, § 20-17; Ord. No. O-24-044, 4-1-24; Ord. No. _____)

Secs. 19-68. **Administrative oversight of eligibility determinations.**

(a) Initial determinations**.** The commission shall have sole authority to determine eligibility for benefits under the retirement plans governed by this chapter. The commission shall consider the request for benefits at a regular or special called meeting of the retirement commission within a reasonable time after receipt of the full application, along with all supporting information, for benefits submitted by the applicant. The commission may request any additional supporting information it may need to fully consider the application and can set the matter over to a future meeting in the event more information is required to reach a determination of eligibility for benefits.

The commission shall render a written initial determination of eligibility within thirty (30) business days of its review of the application and supporting information at its regular or special called meeting, or the date the matter was set over in the event additional information is requested of the applicant. The written initial determination shall state the results of the review of the application and state the ability of the applicant to request administrative review by the City Manager in the event the eligibility is denied. The written determination can be emailed or mailed to the applicant. The initial determination of eligibility rendered by the commission shall be considered a final determination.

In the event the commission renders an adverse eligibility determination, the affected employee or affected individual(s) may request administrative oversight of the process by the City Manager as stated below. Any request for administrative oversight shall be submitted in writing within ten (10) business days of the receipt of the initial determination and the request shall include all information the person wishes the City Manager to consider pertaining to the limited purpose of determining whether the decision was made in accordance with this chapter and applicable law.

(b) Administrative oversight by the City Manager. Following a final determination by the commission, the City Manager may, within thirty (30) business days (which may be extended for good cause shown) of the receipt of the final determination made by the commission, upon request of the affected employee or affected individual(s), or upon

the City Manager's own initiative, review the commission's decision for the limited purpose of determining whether the decision was made in accordance with this chapter and applicable law. The City Manager must render a decision regarding administrative oversight, either denying the request (making the decision of the commission final and unappealable) or remanding the matter for further consideration by the commission, within forty-five (45) business days (which may be extended for good cause shown) following the final determination by the commission.

The City Manager's review shall not include reconsideration of factual determinations or substitution of judgment regarding eligibility. If the City Manager determines that the commission's determination was not made in accordance with this chapter or applicable law, the City Manager may remand the matter to the commission with written guidance identifying the issue to be addressed.

The commission must reconsider the remanded application within a reasonable time from the date of the receipt by the commission of the written determination by the City Manager, as defined below. The commission shall render its final eligibility determination after the remand in writing to the applicant within thirty (30) business days of its review.

(c) Final eligibility authority**.** The commission shall retain final authority to determine eligibility for benefits under the retirement plans. Any decision issued by the commission, whether it is the initial determination or following remand, shall constitute the final administrative determination of the City and shall not be further appealable beyond the processes described above. However, all judicial remedies that may be available at law to the applicant are not affected by this authority.

(d) Definition of business day. For purposes of this section, "business day" means any day upon which the City offices are open for business, excluding weekends, holidays, and day upon which the offices are closed due to emergency or weather conditions.

(e) Definition of reasonable time. For purposes of this section, "reasonable time" means no more than sixty (60) business days from the receipt of the application or receipt of the remanded written determination by the City Manager, and all relevant supporting information.

(f) Definition of supporting information. For purposes of this section, "supporting information"" means all relevant and material medical, financial or any other information the commission may need to consider an application.

Secs. 19-69—19-90. Reserved.

ARTICLE IV. SUPPLEMENTAL RETIREMENT OR PENSION PLAN[1]

Sec. 19-91. Definitions.

As used in this article, the following words and phrases shall have the meanings ascribed to them by this section, unless a different meaning is plainly required by the text:

Accumulated contributions means the sum of all amounts deducted from the compensation of a member and credited to their individual account in the member's contribution account, all amounts the member may contribute to purchase creditable service and all interest credited to the member's contribution account pursuant to section 19-92(g).

Actuarial equivalent means a benefit of equal value when computed upon the basis of such actuarial tables as are adopted by the commission. The actuarial equivalents and all actuarial calculations shall be determined on the basis of interest at an assumed rate of seven and one-half (7.5) percent.

Appointing authority means the city council in the case of city council appointees; the commissioner of revenue, the city treasurer, the city sheriff, the clerk of the circuit court and the commonwealth's attorney in the case of their employees; and the city manager in the case of all other members of the plan, except for such elected constitutional officers.

Average final compensation means the average annual creditable compensation of a member during the three (3) consecutive years of creditable service in which such compensation was at its greatest amount. However, for any person who becomes a member after June 30, 2012, average final compensation means the average annual creditable compensation of a member during the five (5) consecutive years of creditable service in which such compensation was at its greatest amount.

Beneficiary means any person entitled to receive benefits under this article. A beneficiary for purposes of a payment made in the event of death (other than a contingent beneficiary under an annuity option form or the survivor allowance payable pursuant to section 19-105(b) or (c)) shall be that person named by the member in a beneficiary designation form filed with the city. ~~If no designation is filed, the beneficiary shall be the members' spouse or, if none, the member's estate.~~ In the event no beneficiary has been named by a member, the following shall be the order of the person(s) entitled to benefits: (1) to the member’s living spouse; if none, then (2) to the member’s living natural and/or living adopted child or children in equal shares; if none, then (3) to the member’s living parents in equal shares; and if none, then (4) to the personal representative of the member’s estate.

Commission means the retirement plan commission provided for in article III of this chapter.

Creditable compensation means the full compensation payable annually to an employee working the full normal working time for their position exclusive of overtime. The creditable compensation of an employee paid on an hourly basis shall be computed at their regular hourly

[1]State law reference(s)—~~Virginia Supplemental Retirement Act~~, Code of Virginia, § ~~51-111.9~~51.1-800 et seq.

rate multiplied by the regular number of working hours per week multiplied by fifty-two (52). In cases where compensation includes maintenance and other perquisites, the city manager shall fix the value of the part of the compensation not paid in money. Notwithstanding the foregoing, creditable compensation taken into account for purposes of determining benefits under the plan shall be limited by the compensation limit prescribed by the Internal Revenue Code, in particular pursuant to Section 401(a)(17) of the Internal Revenue Code of 1986, as amended. ~~For purposes hereof, the compensation limit, for years beginning on or after January 1, 1986 but before December 31, 1992, is two hundred thousand dollars ($200,000.00) as adjusted by the cost of living adjustment factor prescribed by the Secretary of the Treasury or their delegate under Section 415(d) of the Internal Revenue Code of 1986, as amended, the "adjustment factor"; and for years beginning on or after January 1, 1993, is one hundred fifty thousand dollars ($150,000.00) (as adjusted by the adjustment factor in ten thousand dollars ($10,000.00) increments on the basis of a base period of the calendar quarter beginning October 1, 1993). For purposes of applying the limitation applicable to each year, the limit for a plan year shall be the limitation in effect for the calendar year in which the plan year begins determined without increases in the limitation for subsequent years.~~

Creditable service means, for any member who is in service at any time after July 1, 1982, their total service as an employee, whether or not continuous, exclusive of any separate period of service of less than nine (9) months in duration, but inclusive of official leave for military service, to the extent required by federal or state law. Creditable service shall be counted in terms of calendar years, with completed months of creditable service in excess of complete years being counted as a fractional part of a year.

For any period during which a member works less than full-time, as defined as 40 hours or more per week, creditable service shall be pro-rated based upon the ratio of the member's actual hours scheduled to work to the standard full-time hours for the position and salary will be increased, if necessary, to the full-time salary for purposes of the calculation. Pro-ration under this paragraph shall not affect creditable service for vesting purposes.

For any employee eligible to retire pursuant to the provisions of section 19-95(a), (e), (g) or section 19-100 of this chapter, creditable service shall include, for purposes of computing the retirement allowance, one-half (½) of the employee's accumulated and unused sick leave as of the date of retirement, up to a maximum of two thousand (2,000) hours.

Employee means any person who is employed by the city, and in service on or after July 1, 1987, in a regular, continuous position that requires forty (40) hours or more of work per week, who has not been hired on a short-term, temporary, or seasonal basis; and any person who is employed by the city in a regular, continuous position that requires at least twenty (20) hours of work per week, but less than forty (40) hours per week, who has not been hired on a short-term, temporary, or seasonal basis. ~~on a full-time, year-round basis, whether paid by the hour, week, month or otherwise. Such term shall not include any person, judicial, professional or otherwise, employed either on a part-time basis or on a seasonal basis; nor shall it~~ The term

employee shall not include any official elected by the people or any person employed in the office of such official; except, that it shall include the commissioner of revenue, the city treasurer, the city sheriff, the clerk of the circuit court, the commonwealth's attorney, and any regional agencies or other entities which the City has entered into an agreement to cover said employees under the City's plans, and their ~~full-time~~regular employees as there are agreements with the city to treat such persons as if they are employees of the city. ~~Such term shall not include the employees of any office, department or agency which participates in the Virginia Supplemental Retirement System, regardless of whether such office, department or agency is funded wholly or partly by the city; provided, that any clerk or employee of the district court employed in such capacity on June 30, 1973, who elected not to participate in the Virginia Supplemental Retirement System shall continue to be considered an employee, for purposes of this article only, and be eligible for benefits hereunder to the full extent of their salary. Such term shall include the employees of any multi-jurisdictional agency in which the city is a participating jurisdiction, when such employees are not covered under the Virginia Supplemental Retirement System, or in any other retirement plan, and when the city has contractually agreed to include such employees in the retirement plan provided by this article. Notwithstanding the foregoing definition, "employee" also includes any person who meets the foregoing definition, except that they:~~

~~(1) Works less than full-time but at least half-time;~~

~~(2) Works less than year-round but at least thirty-six (36) weeks per year; and~~

~~(3) Is in service on or after July 1, 1987.~~

In case of dispute, the commission shall determine who is an employee within the meaning of this article.

Member means any employee or former employee who is currently, or shall in the future, be recognized as having membership in the plan.

Member contribution account means the account established under the plan to hold the member's contributions and earnings thereon required and credited pursuant to section 19-92.

Normal retirement date means the first day of the month coinciding with or next following:

(1) For a member who is a police officer, firefighter, sheriff or sheriff's deputy, the sixtieth birthday of the member, and

(2) For a member who is not a police officer, firefighter, sheriff or sheriff's deputy, the sixty-fifth birthday of the member.

Person who becomes a member after June 30, 2012 means a person who is not a member of a plan described in section 19-94(a) or (c) who is hired or rehired after June 30, 2012 as an employee as defined herein. In the case of an employee who is rehired after such date and whose credited service attributable to employment prior to July 1, 2012 is reinstated or is otherwise not disregarded, shall not be treated as a person who becomes a member after June 30, 2012 if such employee elects to be a member of a plan described in section 19-94(a) or (c) at the time of their rehire. Any benefit accumulated under the plan based on employment prior to July 1, 2012 shall remain frozen as though their employment after June 30, 2012 had not

occurred. If such employee does not elect to be a member of a plan described in section 19-94(a) or (c) at the time of their rehire, their benefit under the plan shall be determined based on the provisions applicable to a person who becomes a member after June 30, 2012, except that no employee contribution shall be required or collected with respect to service performed prior to July 1, 2012. If such employee elected to be a member of a plan described in section 19-94(a) or (c), later received a disability retirement under article VI of this chapter, and then recovers and is rehired by the city, they will not be eligible to elect to be a member of a plan described in section 19-94(a) or (c) and their benefit under the plan shall be determined based on the provisions applicable to a person who becomes a member after June 30, 2012 and is rehired after June 30, 2017, subject to the applicable offset provided under section 19-156, and except that no employee contribution shall be required or collected with respect to service performed prior to their rehire.

Plan means "The Supplemental Retirement or Pension Plan of the City of Charlottesville," as set forth in this article.

Retirement allowance means the retirement payments to which a member is entitled, as provided in this article.

Service means service as an employee for which compensation is paid.

(Code 1976, § 20-19; 12-21-92; 10-16-00(1); 5-5-03(2); 1-3-12; 9-7-21(1), § 2; Ord. No. O-24-091, 7-15-24; Ord. No. O-25-027, 3-17-25; Ord. No. _____)

Cross reference(s)—Definitions and rules of construction generally, § 1-2.

Sec. 19-94. Participation in defined contribution and deferred compensation plans.

(a) The city manager may approve the withdrawal from membership in the plan of any employee who is exempt from the personnel appeals system as set forth in section 19-36(b) and may execute an agreement for such employee to participate in an optional defined contribution plan approved by the Internal Revenue Service as a qualified plan within the meaning of Section 401(a) of the Internal Revenue Code of 1986, as amended. Such agreement may provide that the city shall contribute to such plan an annual amount ~~no greater than the total amount which the city would contribute to the city plan on behalf of such employee for such year pursuant to section 19-92(b). The contribution shall not include any contribution made to fund the city's post-employment benefits trust in accordance with section 19-141.~~determined by the city manager. Any employee who enters into such an agreement shall be deemed to have terminated all membership in the supplemental retirement or pension plan of the city and to have waived any rights whatsoever to any benefits thereunder. Upon execution of any such agreement, the retirement plan commission is authorized to make the payments called for therein~~, but in no event shall the payment for any period exceed the amount contributed by the city to the city plan for such employee for such period~~. A copy of such plan shall be kept on file in

the city's ~~personnel~~ Human Resources department, and it may be amended from time to time. Any employee who is a public safety employee (as defined in section 19-150), whose active membership under the plan was terminated under such an agreement, and who later receives a disability retirement under article VI of this chapter shall again be an active member of the plan as provided in section 19-151 and section 19-156, subject in all events to the applicable offset referenced therein.

(b) The city council may likewise approve participation by the city manager in a supplemental defined contribution plan approved by the Internal Revenue Service as a qualified plan within the meaning of Section 401(a) of the Internal Revenue Code of 1986, as amended, in which case the city's annual contribution thereto shall likewise equal the amount which would have been contributed to the city plan, unless the council shall determine a greater or lesser amount. A copy of such plan shall be kept on file in the city's ~~personnel~~ Human Resources department, and it may be amended from time to time.

(c) Effective July 1, 2001, the city manager may approve the withdrawal from membership in the plan of any employee and may execute an agreement for such employee to participate in an optional defined contribution plan approved by the Internal Revenue Service as a qualified plan within the meaning of Section 401(a) of the Internal Revenue Code of 1986, as amended. Such agreement may provide that the city shall contribute to such plan an annual amount determined by the retirement commission with the approval of the city manager on behalf of such employee for such year. Any employee who enters into such an agreement shall be deemed to have terminated all active membership in the supplemental retirement or pension plan of the city and to have waived any rights whatsoever to accrue additional benefits thereunder. Upon execution of any such agreement, the retirement plan commission is authorized to make the payments called for therein. A copy of such plan shall be kept on file in the city's personnel department, and it may be amended from time to time. Any employee who is a public safety employee (as defined in section 19-150), whose active membership under the plan was terminated under such an agreement, and who later receives a disability retirement under article VI of this chapter shall again be an active member of the plan as provided in section 19-151 and section 19-156, subject in all events to the applicable offset referenced therein.

(d) Effective November 1, 1987, ~~all regular city~~ employees as defined above, including city council members, who work at least twenty (20) hours per week shall be eligible to participate in a deferred compensation plan, whether or not they participate in the supplemental retirement or pension plan of the city or the defined contribution plans described in subsections (a) through (c) of this section. Such new plan shall enable employees to defer part of their compensation if they choose to do so to provide for their retirement. Participation in this new plan shall have no effect on eligibility for participation in the supplemental retirement or pension plan of the city or the defined contribution plans described in subsections (a) through (c) of this section. A copy of such plan shall be kept on file in the city's human resources department, and it may be amended from time to time.

(Code 1976, § 20-21.1; 10-16-00(1); 6-5-17(1); Ord. No. O-25-027, 3-17-25; Ord. No. _____)

Sec. 19-95. Service retirement—Mandatory retirement dates.

(a) Any member who is in service at their normal retirement date may retire then or at any time thereafter, provided they have completed five (5) or more years of creditable service, upon written notification to the commission made by the member or by their appointing authority setting forth at what date the retirement is to become effective. Such effective date shall be after the member's last day of service and shall not be more than ninety (90) days prior to the filing of such notification.

(b) No member who is a police officer, fire fighter or sheriff's deputy shall be permitted to continue in service after their normal retirement date, unless the member's appointing authority, upon a determination that organizational needs so require, grants the member an exemption from such mandatory retirement requirements. Any such member who continues in service under such an exemption from the appointing authority, may be retired by that authority at any time thereafter. Such retirement shall be initiated by the appointing authority by notification to the commission setting forth at what date the retirement is to become effective. Such effective date shall be after the member's last day of service and shall not be more than ninety (90) days prior to the filing of such notification.

(c) The commissioner of revenue, city treasurer, city sheriff, clerk of the circuit court and commonwealth's attorney may continue in service so long as they hold office.

(d) The appointing authority of any member not listed in subsection (b) or (c) of this section, subsequent to the member's normal retirement date, upon a determination that age is a bona fide occupational qualification reasonably necessary to the normal operation of the city, and that such member has reached the age limit, or upon a determination that such member is incapable of performing their duties in a safe and efficient manner, may require the service retirement of such member upon written notification to the commission setting forth at what date the retirement is to become effective. Such effective date shall be after the member's last day of service and shall not be more than ninety (90) days prior to the filing of such notification. Notwithstanding the foregoing, if such member lacks five (5) years of creditable service, such member shall be discharged and shall be ineligible for a retirement allowance.

(e) Any member who is in service and who has completed five (5) or more years of creditable service may retire at any time after the fifty-fifth (55th) birthday of the member or, in the case of a person who becomes a member after June 30, 2012 other than a police officer, firefighter, sheriff or sheriff's deputy, after the sixtieth (60th) birthday of the member, or at any time thereafter, upon written notification to the commission, made by the member, setting forth at what date the retirement to become effective. Such effective date shall be after the member's last day of service and shall not be more than ninety (90) days prior to the filing of such notification.

(f) Any member who terminates service after completing five (5) or more years of creditable service may retire under the provisions of either subsection (a) or subsection (~~c~~e) of this section; provided, that the requirement as to such member being in service shall not apply. Further, in the event any terminated member gives written notice of intention to receive pension payments at any time after normal retirement age, said payments shall only be applicable going forward from the date of such written notification; pension payments will not be made retroactively to the terminated members' normal retirement date.

(g) Any member who is in service and who has completed thirty (30) or more years of creditable service may retire at age fifty (50), or, in the case of a person who becomes a member after June 30, 2012, at age sixty (60), or at any time thereafter, upon written notification to the commission, made by the member, setting forth at what date the retirement is to be effective, without suffering the penalty imposed by section 19-96(d). Such effective date shall be after the member's last day of service and shall not be more than ninety (90) days prior to the filing of such notification.

(h) Any member who is a police officer, firefighter, sheriff or sheriff's deputy, and has completed twenty-five (25) or more years in service may retire at age fifty (50), or at any time thereafter until the mandatory retirement date is reached, without suffering the penalty imposed by section 19-96(e).

(i) Notwithstanding the forgoing, on or after January 1, 1989, the retirement allowance of a member who has terminated employment shall begin no later April 1 of the calendar year following the later of (i) the calendar year in which the member attains seventy and one-half (70½) years of age, or (ii) the calendar year in which the member terminates employment.

(j) Upon attaining normal retirement age and completion of the required years of service, each employee's interest shall be fully vested.

(Code 1976, § 20-22; 8-15-94; 3-6-95; 6-5-00(1); 10-16-00(1); 5-5-03(2); 1-3-12; 6-5-17(1); 9-7-21(1), § 2)

Editor's note(s)—It should be noted that § 2 of Ord. No. 89-7-5, adopted April 3, 1989, provided that the ordinance become effective July 1, 1990. Section 1 of the ordinance amended and reordained § 20-22, in effect reciting paragraphs (a) through (d) as they existed prior to amendment and adding paragraph (e) as set forth above. (Ord. No.)

Sec. 19-102.1. Long term disability benefits.

(a) Effective January 1, 2003 the city may provide for long term disability insurance coverage for employees, as defined in section 19-91. Eligibility for the receipt of long term disability insurance benefits, and the terms and conditions of such benefits, shall be established by contract between the city and a third party insurer.

(b) No employee shall be eligible for an award of retirement benefits for total and permanent disability pursuant to section 19-101 or partial disability benefits pursuant to section 19-

102 for any period of time during which the employee is receiving, or is qualified to receive, long term disability insurance benefits pursuant to this section.

(c) Any employee who is receiving, or is qualified to receive, long term disability insurance benefits pursuant to this section shall continue to accrue creditable service for purposes of determining eligibility for retirement and, if applicable, the amount of any retirement benefit, provided that the employee makes the applicable member contribution(s), if any, for the time period the employee is receiving such long term disability payments, based upon the employee's regular rate of pay. Accrual of creditable service pursuant to this section shall terminate on the employee's normal retirement date.

(12-16-02; Ord. No. -_____)

Sec. 19-105. Survivor's allowance.

(a) Should a member hired after June 30, 2012 die in service before completing at least five (5) years of creditable service, the member's beneficiary shall receive a refund of the balance in the member's contribution account. In the event no beneficiary has been named by a member, the refund of the balance of the member's contribution account shall be dispersed in the following manner: (1) to the member's living spouse; if none, then (2) to the member's living natural and/or living adopted child or children in equal shares; if none, then (3) to the member's living parents in equal shares; and if none, then (4) to the personal representative of the member's estate.

(b) Should a member die in service at any time before retirement and after either becoming eligible for early service retirement under section 19-95(e), or completing at least thirty (30) years of creditable service, the member's surviving spouse if any, shall receive a retirement allowance payable monthly for the life of such spouse. Such allowance shall be in the same amount and shall commence at the same date as the retirement allowance that would have been payable to the member, computed in accordance with section 19-96, subsections (a) and (b), whichever is applicable, had the member survived and retired on the first day of the month coinciding with or next following the date on which their death occurred after having elected an allowance paid under the full joint and last survivor option provided for in section 19-104(b), with their surviving spouse designated as contingent beneficiary. In the case of a member who had not become eligible for early service retirement at their date of death, it shall be assumed that the requirements of section 19-95(e) were such that they would have been eligible for early service retirement and that the retirement allowance payable in such event would be reduced by one-half (0.5) percent for each complete month in the period between the member's date of death and a date five (5) years prior to their normal retirement date.

(c) Should a member die in service at any time after July 1, 2000 and after completing five (5) years of creditable service and before either becoming eligible for early service retirement under section 19-95(e), or completing at least thirty (30) years of creditable service, the member's surviving spouse, if any, shall receive a retirement allowance payable monthly

for the life of such spouse. Such allowance shall commence at the same date as the retirement allowance that would have been payable to the member, computed in accordance with section 19-96, subsection (b), had the member survived and retired on the first day of the month coinciding with or next following the date on which the member's death occurred after having elected an allowance paid under the one-half (½) joint and survivor option provided for in section 19-104(b), with the surviving spouse designated as contingent beneficiary.

(d) Any allowance payable to the member's surviving spouse under this section shall be reduced by the amount of any payments made to such member's surviving spouse as required by the Virginia Workers' Compensation Act, and the excess of such allowance over such required payments, if any, shall be paid to the member's surviving spouse. When the time for payment of compensation under such act shall have elapsed, the member's surviving spouse shall thereafter receive the full amount of the allowance, as provided by subsections (ba) and (cb) of this section, monthly during such spouse's lifetime.

(e) For any member hired after June 30, 2012, whose surviving spouse receiving an allowance payable under the provisions set forth above dies, any excess balance in the member's contribution account as of the date of the member's death, over the total survivor allowance paid to the member or surviving spouse shall be paid to the spouse's estate.

(Code 1976, § 20-32; 6-2-97; 6-5-00(1); 1-3-12; 9-7-21(1), § 2; Ord. No. _____)

ARTICLE V. GROUP HEALTH INSURANCE PLAN[2]

Sec. 19-136. Eligibility.

City employees who work in a regular, continuous position that requires forty (40) hours or more of work per week, who has not been hired on a short-term, temporary, or seasonal basis; and any person who is employed by the city in a regular, continuous position that requires at least twenty (20) hours of work per week, but less than forty (40) hours per week, who has not been hired on a short-term, temporary, or seasonal basis, ~~at least twenty (20) hours per week, other than temporary or seasonal employees,~~ are eligible to participate in the city's group insurance plan for health care coverage.

City Council members are eligible for the following benefits: health insurance, dental insurance, vision insurance, and may participate in the Deferred Compensation 457 plan provided for city employees.

(Code 1976, § 20-39(a); 10-16-00(1); Ord. No. _____)

Sec. 19-137. Employee cost.

~~Full-time~~ Employees in a regular, continuous position, as defined above in Section 19-136 are considered ~~eligible employees are~~ eligible to receive basic health care coverage ~~at city~~

[2]State law reference(s)—Authority to provide health insurance programs, Code of Virginia, § ~~15.1-7.3~~15.2-1517.

~~expense, but the city reserves the right to offer extra coverage at employee expense~~. Further, the cost-sharing percentages payable by eligible employees for coverage will be determined by the City.

~~(1) Eligible employees who work thirty (30) to thirty-nine (39) hours per week are eligible to receive basic health care coverage if they pay twenty-five (25) percent of the cost; the city will pay the remainder.~~

~~(2) Eligible employees who work twenty (20) to twenty-nine (29) hours per week are eligible to receive basic health care coverage if they pay fifty (50) percent of the cost; the city will pay the remainder.~~

(Code 1976, § 20-39(b); 10-16-00(1); Ord. No. _____)

Sec. 19-139. Termination of coverage; termination of service; retirement.

(a) Effective January 1, 1985, city contributions to the expense of any employee's health care coverage shall cease as of the last day of the month during which any such employee leaves city service without retiring either for service or disability, even if such employee may be a vested member of the city's supplemental retirement or pension plan and eligible to retire under such plan in the future. However, coverage may continue during the period that coverage is required to be available on a continuation basis pursuant to the Public Health Services Act, if the former employee or other qualified beneficiary pays 100% of the cost plus a 2% administrative fee, if charged by the city.

(b) All employees eligible for city health care coverage on December 2, 2002, who continue to work for the city until they retire for service or disability, shall remain eligible in retirement for city health care coverage (which shall only include health insurance and dental insurance but no other benefits) on the same terms and conditions as active employees who are eligible for coverage, but the city reserves the right to amend the plan from time to time as it deems appropriate.

(c) Any city employee who (i) retires for service or disability on or before December 2, 2002 and (ii) who, immediately prior to their effective date of retirement, was eligible for city health care coverage, shall remain eligible in retirement for city health care coverage on the same terms and conditions as active employees who are eligible for coverage.

(d) Employees who begin city employment on or after December 3, 2002 but on or before June 30, 2012, shall be eligible to continue in the city's health care plan following retirement for service or disability upon payment of a portion of the cost of such membership. Each year the city will determine the amount of its contribution to the premium costs of health care coverage for individual employees. For employees who retire with five (5) years of service and elect to continue in the city's health care plan after retirement, the city will pay 20% of the annual contribution amount. For employees who retire with more than five (5) years of service, the city will pay an additional 4% of the

annual contribution amount for each additional full year of service completed as of the effective date of retirement up to a maximum of 100% of the annual contribution amount.

The retiree will be required to pay the remaining percentage of the city's annual contribution and the additional premium or cost, if any, of the health care plan selected as a condition of membership in the plan.

(e) Employees who begin city employment after June 30, 2012 shall be eligible to continue in the city's health care plan following retirement for service or disability until such employee becomes eligible to elect Medicare, upon payment of a portion of the cost of such membership. Each year the city will determine the amount of its contribution to the premium costs of health care coverage for individual employees. For employees who retire with ten (10) years of service and elect to continue in the city's health care plan after retirement, the city will pay 40% of the annual contribution amount. For employees who retire with more than ten (10) years of service, the city will pay an additional 4% of the annual contribution amount for each additional full year of service completed as of the effective date of retirement up to a maximum of 100% of the annual contribution amount.

The retiree will be required to pay the remaining percentage of the city's annual contribution and the additional premium or cost, if any, of the health care plan selected as a condition of membership in the plan.

(f) Notwithstanding the foregoing, employees who elect pursuant to subsection 19-94(c) of Article IV of this chapter to participate in the optional defined contribution plan adopted pursuant to that subsection, shall be eligible to enroll, at the retiree's expense, in the health care coverage offered through the city following retirement under such plan.

(g) (1) An employee enrolled in the health care plan who retires for service or disability prior to July 1, 2013, may elect to enroll a family member in the plan at the retiree's sole expense, provided such election is made prior to the date of retirement. For employees retired on or before July 1, 2010, such election shall be made on or before July 1, 2010.

(2) Effective July 1, 2013, an employee enrolled in the health care plan who retires for service or disability may elect to continue the enrollment of a family member in the plan at the retiree's sole expense, provided (i) such election to continue enrollment of the family member is made prior to the date of retirement; and (ii) the family member has been enrolled in the health care plan for no less than thirty-six (36) consecutive months immediately prior to the employee's retirement date.

(3) Any spouse or other family member who is enrolled in the city's health care plan at the time of the retiree's death may continue as a member of the plan upon payment of the applicable premium.

(h) Notwithstanding the foregoing, enrollment of a retiree's family members is subject to certain restrictions that may vary from time to time, and the city reserves the right to amend its health care coverage plan from time to time as the city in its discretion deems appropriate.

(Code 1976, § 20-40; 6-2-97; 3-2-98; 10-16-00(1); 12-2-02(2); 3-1-10(2); 1-3-12; Ord. No. _____)