

AN ORDINANCE TO AMEND, REENACT AND RECODIFY CHAPTER 6 (CIVIL SERVICE ORDINANCES) OF THE ARLINGTON COUNTY CODE.

BE IT ORDAINED that the Arlington County Code is amended, reenacted and recodified as follows:

§6-29. Employee benefits: Retiree Medical and Dental Plan

The County will, subject to appropriation of funds by the County Board, provide a monetary subsidy for employees who retire pursuant to §21-41, §21-43, §21-45, §35-36, §35-38, §46-37, §46-39, or §46-41.

The minimum subsidy towards the cost of medical coverage, which is not supplemental to Medicare, and dental coverage for an employee retiring with a full career of twenty-five years of service (twenty years of service for members of Chapter 21 or 35) will be 80% of the self-insured HMO health plan premium for single coverage and 78% of the self-insured HMO health plan premium for other levels of coverage, and 80% of the dental premium for all levels of coverage, but shall not exceed the following:

- a) \$960 per month for members retiring prior to January 15, 2012,
- b) \$600 for employees hired before July 1, 2008 and retiring on or after January 15, 2012, and
- c) \$300 for employees hired on or after July 1, 2008.

Specific plan design, prorated benefits for employees with less than a full career, supplemental Medicare coverage and other terms and conditions shall be established by the County Manager. For supplemental Medicare coverage, the monetary caps set forth in (a), (b), and (c) above shall be applicable.

AN ORDINANCE TO AMEND, REENACT AND RECODIFY CHAPTER 46 (RETIREMENT ORDINANCES) OF THE ARLINGTON COUNTY CODE.

BE IT ORDAINED that the Arlington County Code is amended, reenacted and recodified as follows, effective January 4, 2009:

(i) *Creditable compensation* means the full compensation, including pickup contributions and any elective employer contributions under the flexible benefits plan, payable annually to an employee in his capacity as such, excluding accumulated sick leave paid to the member at his termination from county service. Effective January 4, 2009 creditable compensation means full compensation excluding all premium pays (except holiday premium) as defined in Administrative Regulation 2.12, all overtime pays (except the portion of overtime paid at the employee's base hourly rate as defined in Administrative Regulation 2.12 for hours worked to complete their regular annual work schedule.), imputed earnings, benefit subsidies and/or stipends, severance and settlement pay, and clothing allowances. Other provisions notwithstanding, except in the case of an employee who first became a member before July 1, 1996, annual creditable compensation shall not exceed the amount established pursuant to Internal Revenue Code § 401(a)(17) as indexed annually.

(aa) *Service* means service as an employee for which compensation is paid by the employer, periods of time while on military leave, not to exceed 5 cumulative years, or an approved leave of absence.

§ 46-32. Member contributions.

(a) Each member, who is not a member of the Virginia Retirement System (VRS) and who is not a police officer, firefighter or deputy sheriff shall contribute for each pay period for which he receives compensation) four (4) percent of his creditable compensation until such time as the county board, pursuant to section 46-19, shall revise the rate of member contributions. Each member who is a police officer, firefighter or deputy sheriff, during years of service until the pay period ending January 3, 2009 shall contribute for each pay period for which he receives compensation five (5) percent of his creditable compensation, as then defined, and for all years of service commencing with the first pay period beginning January 4, 2009 shall contribute for each pay period for which he receives creditable compensation, seven and a half (7.5) percent of his creditable compensation until such time as the county board, pursuant to section 46-19, shall revise the rate of member contributions subsequent to December 23, 1984, employers who have elected to participate in the employer pick-up program shall pick-up all employee contributions required herein.

All employee contributions will cease upon attainment of thirty (30) years of creditable service.

§ 46-38. Service retirement allowance; bridge allowance.

(a) Upon service retirement prior to January 4, 2009, a member who is not a police officer, firefighter or deputy sheriff shall receive an annual retirement allowance payable monthly to him for life which shall be equal to one and one-half (1 1/2) percent of the member's average final compensation using creditable compensation as defined prior to January 4, 2009, multiplied by the number of years of his creditable service, not to exceed thirty (30) years.

Upon service retirement or upon entering the DROP on or after January 4, 2009, a member who is not a police officer, firefighter or deputy sheriff shall irrevocably elect to receive an annual retirement allowance payable monthly to him/her for life which shall be equal to either:

- 1) one and seven-tenths (1.7) percent of the member's average final compensation using creditable compensation as defined effective January 4, 2009 multiplied by the number of years of his creditable service; or
- 2) their retirement allowance calculated as if they had ceased employment on January 3, 2009 for all years of creditable service up to January 3, 2009 plus a retirement allowance calculated by years of creditable service attained after January 4, 2009 multiplied by one and seven-tenths (1.7) percent of average final compensation using creditable compensation as defined as of January 4, 2009.

Upon service retirement prior to January 4, 2009, a member who is a police officer, firefighter or deputy sheriff shall receive an annual retirement allowance payable monthly to him for life which shall be equal to one and one-half (1 1/2) percent of the member's average final compensation multiplied by the number of years of his creditable service from the 1st through the 10th year of service plus one and seven-tenths (1 7/10) percent of the member's average final compensation multiplied by the number of years of his creditable service from the 11th through the 20th year of service plus two (2) percent of the member's average final compensation multiplied by the number of years of his creditable service from the 21st through the 30th year of service. Average final compensation shall be calculated using compensation as defined prior to January 4, 2009.

Upon service retirement or upon entering the DROP on or after January 4, 2009, a member who is a police officer, firefighter or deputy sheriff, shall irrevocably elect to receive an annual retirement allowance payable monthly to him for life which shall be equal to either:

- 1) two and one-half (2.5) percent of the member's average final compensation using creditable compensation as defined effective January 4, 2009 multiplied by the number of years of his creditable service up to the pay period ending January 3, 2009, plus two and seven-tenths (2.7) percent of the member's average final compensation and using creditable compensation as defined effective January 4, 2009 multiplied by the number of years of his creditable service commencing after January 3, 2009; or
- 2) their retirement allowance calculated as if they had ceased employment on January 3, 2009 for all years of creditable service up to January 3, 2009 plus a retirement allowance as calculated for years of creditable service attained on or after January 4, 2009 using two and seven-tenths (2.7) percent of final average compensation and using creditable compensation as defined as of January 4, 2009. The retirement allowance calculated as if they had ceased employment on January 3, 2009 shall include the annual bridge allowance defined in the paragraph below, while eligible to receive the bridge allowance.

Upon service retirement, a member who is a police officer, firefighter or deputy sheriff shall receive an annual bridge allowance, payable monthly to him until his Social Security normal retirement age as defined as of January 1, 2001 or at the early Social Security reduced benefit age if the member elects to receive Social Security at an early age. The bridge amount will be the difference between the allowance as calculated using the retirement allowance calculation in effect prior to January 4, 2009 and an allowance which shall be equal to two (2) percent of the member's average final compensation using creditable compensation as defined prior to January 4, 2009 multiplied by the number of years of his creditable service, not to exceed thirty (30) years. On or before May 1 of any year which follows the year a retiree receiving a bridge benefit attains the age of sixty-two (62), the retiree shall report any Social Security benefits received in such detail, including any and all income tax returns as may be required by the County Manager.

The maximum amount of creditable service a member can accrue for use in calculating their retirement allowance is thirty (30) years.

(e) Nothing in the Code amendments effective January 4, 2009 will apply to or affect retirement allowance calculations pursuant to §21-59 and §35-43 for persons ceasing employment prior to April 19, 2008 nor shall such Code amendments affect any person receiving a retirement allowance before April 19, 2008.

§ 46-38.1 Special rules for the period between April 19, 2008 and January 3, 2009.

(a) When retiring pursuant to §46-37 or exiting the DROP between April 19, 2008 and January 3, 2009, the employee will receive their retirement allowance calculated using the retirement allowance formula in effect at the time of their retirement until the January 2009 payment. In January 2009, their retirement allowance will be calculated using the formula effective January 4, 2009 using the same years of creditable service as was used at retirement or DROP entry and the retired member shall irrevocably elect, to receive an annual retirement allowance payable monthly to him for life which shall be equal to either:

- 1) their allowance as calculated under the formula effective on January 3, 2009; or
- 2) the formula effective January 4, 2009.

A change in the retirement allowance, as elected, will apply to payments January 2009 and thereafter.

(b) Those retiring pursuant to §21-42(b) or ceasing employment pursuant to §21-48(b) between April 19, 2008 and January 3, 2009 and receiving a deferred allowance, shall, after January 4, 2009, irrevocably elect, to receive an annual retirement allowance payable monthly to him for life which shall be equal to either:

- 1) The allowance determined in accordance with the provisions of §21-42(b); or
- 2) The allowance determined in accordance with the provisions of sections 46-38(b) and 46-49(b) effective January 4, 2009.

(c) Those ceasing employment pursuant to §46-44(b) between April 19, 2008 and January 3, 2009 will have their retirement allowance calculated using the retirement allowance formula in effect at the time of their withdrawal from employment until the January 2009 payment, if eligible to receive their allowance prior to January 2009 as outlined in §46-44(b). In January 2009, their retirement allowance will be calculated using the formula effective January 4, 2009 using the same years of creditable service as was used at the time of their withdrawal from employment and the retired member shall irrevocably elect, to receive an annual retirement allowance payable monthly to him for life which shall be equal to either:

- 1) their allowance as calculated under the formula effective on January 3, 2009; or
- 2) the formula effective January 4, 2009.

A change in the retirement allowance, as elected, will apply to payments upon the latter of reaching eligibility to receive their allowance as outlined in §46-44(b) or January 2009 and thereafter.

(d) Should any member who has completed two (2) or more years of creditable service die while in service between April 19, 2008 and January 3, 2009, the designated beneficiary as defined in §46-44(c) will receive their retirement allowance calculated as described in §46-44(c) using the retirement allowance formula in effect at the time of the employee's death until the January 2009 payment. In January 2009, their retirement allowance will be calculated using the formula effective January 4, 2009 using the same years of creditable service as was used at the time of death and the beneficiary shall irrevocably elect, to receive an annual retirement allowance payable monthly to him for life which shall be equal to either:

- 1) the allowance as calculated under the formula effective on January 3, 2009; or
- 2) the formula effective January 4, 2009.

Either allowance will be reduced pursuant to §46-44(c).

(e) For any person who is receiving a retirement allowance as of April 18, 2009, and then begins new employment with an employer between April 19, 2008 and January 3, 2009, only service after the date of new employment shall earn the multiplier effective as of January 4, 2009 and creditable service between

April 19, 2008 and January 3, 2009 will earn the multiplier effective as of January 3, 2009.

§ 46-44. Benefits upon withdrawal from employment or death.

(b) If a member has ceased to be an employee, other than by death or by retirement, after completion of five (5) or more years of service and has elected in writing as prescribed by the County Manager not to withdraw the total amount of his contribution account, he will be eligible to receive a deferred vested retirement allowance commencing on his normal retirement date. The allowance will be the amount determined as provided in section 46-38 as of the date of his withdrawal from employment. For persons ceasing employment between April 19, 2008 and January 2, 2009, the allowance shall be calculated as provided in §46-38.1. The allowances provided for under this section 46-44(b) shall be payable for life commencing on the first day of the month coincident with or next following the later of (1) the date on which such member attains his normal retirement date, or (2) the date on which the County Manager receives written application from such former member. This written application should be filed with the County Manager not earlier than sixty (60) days prior to the former member's normal retirement date. If a member who has elected to remain a member pursuant to this subsection thereafter:

- (1) Elects to withdraw his accumulated contributions, he shall be paid the amount of his accumulated contributions.
- (2) Dies prior to retirement, his beneficiary shall be paid the amount of his accumulated contributions to the date of the member's death.
- (3) Is reemployed by any employer subject to this chapter and becomes a member of the system, he shall have reinstated his service and compensation records in effect when his service was broken.

(c) Should any member who has completed two (2) or more years of creditable service die while in service, a retirement allowance shall be payable to his designated beneficiary provided such beneficiary is his spouse so long as unremarried, dependent parents or children under the age of eighteen (18). The retirement allowance shall be fifty (50) percent of the amount determined as provided in section 46-38(a) based upon the member's number of years of creditable service and average final compensation taken as of the date of his death. For any member who dies while in service between April 19, 2008 and January 3, 2009, their beneficiary's allowance will be calculated as provided in §46-38.1. In the case of a member who dies in the line of duty and whose beneficiary(ies) receive a line of duty death benefit pursuant to section 46-43, the above service qualifications shall be waived and the retirement allowance shall be one hundred (100) percent of the amount determined as provided in section 46-38(a) as of the date of their death. In no event shall the allowance be less than five (5) percent of the member's average final compensation. The allowance shall be payable monthly to the dependent parents or unremarried spouse for life or to the children until they reach age eighteen (18). A designated beneficiary who is entitled to a retirement allowance under provisions of this section as a result of the death of a member shall be entitled to waive his rights to such allowance by written notification to the board within ninety (90) days after the death of such member and elect to receive the amounts provided in section 46-44(d). All beneficiaries must agree to such waiver in the event that there is more than one (1) designated beneficiary. Should a designated beneficiary die, the amount of the member's accumulated contributions reduced by the amount of any retirement allowance received by the designated beneficiary pursuant to this section, shall be payable in a lump sum to a person nominated by the designated beneficiary or, in the absence thereof, to the estate of the designated beneficiary.

§ 46-44. Benefits upon withdrawal from employment or death.

(a) Should a beneficiary retired pursuant to section 46-37(a) or (b) return to service, he shall become a member of the retirement system of which he was a member when he retired and shall thereafter contribute to such retirement system. Any service on the basis of which his retirement allowance was computed shall thereafter be counted as creditable service. Upon return to service, such member's retirement allowance shall cease.

For any person who is receiving a retirement allowance as of April 18, 2009, and then begins new employment with an employer subsequent to January 3, 2009, only service after the date of new employment shall earn the multiplier effective as of January 4, 2009.

§ 46-60. Defined contribution program--County employees and officers.

In addition to these startup contributions, the employer shall, effective January 1, 2001, at the end of each pay period, deposit an amount equal to amounts defined in the County's 401(a) Plan Document..

§ 46-64. Deferred retirement option plan (DROP).

(m) When exiting the DROP on or after January 4, 2009, whichever is later, the employee shall have a choice of either their allowance as calculated under the formula effective until January 3, 2009 or the formula effective January 4, 2009.
