

Sponsor: David Woerpel
5th District Councilman

ORDINANCE NO. 9390

AN ORDINANCE AMENDING ORDINANCES 9207, 8880, 8942, 8091, 9016, 9072, 9207, 9124 AND 9305 CREATING A VOLUNTARY RETIREMENT PROGRAM IN 2017 FOR CERTAIN ELIGIBLE EMPLOYEES OF THE CITY OF HAMMOND.

WHEREAS, the City of Hammond has many employees who are eligible for retirement with retiree insurance and or Medicare, due to age and years of service with the City; and

WHEREAS, the City of Hammond is committed to providing quality services to the citizens while reducing the budget; and

WHEREAS, the City wishes to pass a 2018 budget with the minimum number of terminated or laid off employees, choosing instead to let those desiring to retire to do so; and

WHEREAS, the City of Hammond by its Mayor and its Council wish to offer the Voluntary Retirement Program in 2017 and make it available to certain eligible City employees, excluding sworn Police Officers and Firefighters; and

WHEREAS, the Voluntary Retirement Program was created to address the budgetary cuts and budget crisis facing the City and will be extended for a limited period of time in 2017, and will not be offered again for at least two (2) years; and

WHEREAS, the City of Hammond deems it necessary to establish a Voluntary Retirement Program for certain eligible employees of the City of Hammond in order to observe and be consistent with the requirements of the Public Employees Retirement Fund (PERF) rules and regulations; and

WHEREAS, the City of Hammond would offer incentives to the eligible employees which would be paid upon the conclusion of their employment, upon retirement, and would not be an additional compensation of their salary as fixed by the salary schedule; and

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WHEREAS, such Voluntary Retirement Program is not a pension or retirement fund, as PERF preempts all other public employee pension or retirement funds; and

WHEREAS, such Voluntary Retirement Program would not affect any other retirement fund, such as Police and Fire, which are authorized by State Statute and are governed by State Law and regulations, and are not eligible under this program; and

WHEREAS, eligible employees wishing to benefit from this program would be required to sign up for the program, and complete all necessary paperwork, no later than Tuesday October 24, 2017, and retire prior to Thursday December 29, 2017; and

WHEREAS, an employee who signs up for the program cannot withdraw after Tuesday October 24, 2017; and

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF HAMMOND, INDIANA THAT THE 2017 VOLUNTARY RETIREMENT PROGRAM BE OFFERED AND FUNDED AS FOLLOWS:

Section XX.XXX – City of Hammond 2017 Voluntary Retirement Program:

1. Eligibility: To be eligible for the Voluntary Retirement Program a person must be a current full time Hammond City Employee, excluding sworn Police Officers and Fire Fighters who currently possesses:
 - A) 65 years of age and 10 years of City service, or
 - B) 60 years of age and 15 years of City service, or
 - C) Rule of “85” employees as defined by PERF

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2. Program Benefits: Eligible employees as defined above who voluntarily elect to retire, and register for this program by October 24, 2017, and actually complete the retirement process before December 29, 2017. Eligible employees will have until October 24, 2017 to decide to accept the program, and rejection of the program shall not entitle the eligible employee to these offered benefits at any future time. Once an Employee retires under this program such employee shall not be eligible for employment as a full time employee of the City of Hammond, but may work in a contract capacity if necessary. Funding for the 2017 Voluntary Retirement Program will come from the department budget funds. Participating Eligible employees shall be entitled to receive:
 - A) A one-time Voluntary Retirement Program award of \$1000.00 for each year of employment completed prior to retirement with the City of Hammond. (For example, ten years of service would equal \$10,000.00).
 - B) **Continued insurance coverage** as a retiree under the City of Hammond **if currently covered under the City of Hammond's Self-Insurance plan.** Such retiree status would require the City Insurance to be Secondary Insurance subordinate to Medicare or subordinate to other employers if and when the eligible employee finds other employment that provides health insurance. **Employee classes covered under third party plans are not eligible for retiree health insurance coverage from the City of Hammond.**
 - C) Eligible employees electing to participate in this program will be required to sign a Release, Waiver and Voluntary Retirement Program Agreement. The Waiver and Agreement will advise the employee of the rights and responsibilities under the program and advise them to seek independent legal counsel prior to the signing of the document.
3. Severability: In the event that any court of other entity having jurisdiction finds any provision, section or part of this Ordinance to be invalid, it shall not invalidate other provisions or sections of this Ordinance. This Ordinance replaces, repeals and supersedes all prior Ordinances listed above.

NOW BE IT FURTHER ORDAINED that herein ordinance shall have full force and effect from and after passage, approval by the Council, signing by the President thereof and approval and signing of the Mayor.

ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Indiana, this 10th day of October, 2017.

Janet Venecz, President /s/
Hammond Common Council

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ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 11th day of October, 2017.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

The foregoing Ordinance No. 9390 consisting of four (4) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 11th day of October, 2017.

Thomas M. McDermott, Jr., Mayor /s/
City of Hammond, Indiana

PASSED by the Common Council on the 10th day of October, 2017, and approved by the Mayor on the 11th day of October, 2017.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana