



City of Pittsburgh

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Pittsburgh, PA 15219

Text File

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Bill No: 2014-0005, Version: 3

Committee: Committee on Finance and Law

Status: Passed Finally

Resolution to enact a ~~Early Retirement~~ Severance Incentive Program for eligible full-time nonunion, non-uniformed employees.

WHEREAS, the Mayor requested that position changes, which included elimination of current positions, be made in the 2014 Operating Budget as part of a restructuring of city government to facilitate a more cost effective and efficient delivery of services; and

WHEREAS, the administration intends to restructure the non union workforce and realign staffing over the next two years as efficiencies that are derived from thorough analysis of job duties, process, and a time audit study are realized; and

WHEREAS, the Council of the City of Pittsburgh and the Mayor desire to offer an incentive for tenured employees to afford to exit city employment with dignity as a result of restructuring; and

WHEREAS, the Council of the City of Pittsburgh desires to enact a ~~Early Retirement~~ Severance Incentive Program for eligible full-time nonunion non-uniformed employees.

Be it resolved that the Council of the City of Pittsburgh as follows:

Section 1. The City hereby enacts a ~~Early Retirement~~ Severance Incentive Program for eligible full-time nonunion, non-uniformed employees as follows:

1. Eligibility Requirements.

(a) Full-time nonunion, non-uniformed employees of the City of Pittsburgh who, as of the effective date of this Resolution, must (i) be an employee of the City in good standing or have been terminated involuntarily without cause after January 6, 2014, as of December 31, 2013, must (i) have been an employee of the City in good standing, (ii) have attained age plus years of credited employment service with the City that equals or exceeds seventy (70), (iii) not be an employee who is a participant in any collective bargaining agreement with the City, and (iv) not have retired or are not resigning for purposes of retirement pursuant to any prior stipulation of agreement with the City or any state offered retirement or separation incentive or similar program (each such employee, an "Eligible Employee").

(b) An Eligible Employee must execute and deliver to the Department of Personnel, by no later than March 14, 2014 February 28, 2014 January 31, 2014, (i) an unaltered irrevocable letter of resignation for retirement purposes in the form prescribed by such Department, referencing that resignation is to be effective on or before March 14, 2014 February 28, 2014 February 15, 2014, and (ii) an unaltered

waiver and general release of claims agreement prescribed by such Department.

(c) An Eligible Employee shall forfeit eligibility for this incentive if such employee opts for any retirement or separation incentive offered under applicable City of Pittsburgh or Pennsylvania law during the 2014 or 2015 calendar year.; **provided that participation in this Early Retirement Severance Incentive Program shall not preclude any Eligible Employee from claiming pension benefits to which they are entitled.**

2. Benefit Calculation. A lump sum payment equal to two point five (2.5) weeks of salary per year of credited employment service with the City, not to exceed such employee's 2013 annual salary, payable in equal monthly installments, over a period of twenty four (24) months following an Eligible Employee's retirement. In the event an Eligible Employee dies during such twenty four month period, the City shall continue to make such payments to the eligible employee's estate for the remaining months of such twenty four month period. **An amount equal to two point five (2.5) weeks of salary per year of credited employment service with the City, not to exceed such Eligible Employee's 2013 annual salary (such amount, "the Benefit"), payable:**

- (a) in equal monthly installments, over a period of twenty four (24) months following an Eligible Employee's separation date, or**
- (b) at the election of the Eligible Employee, in a lump sum amount equal to eighty percent (80%) of the Benefit**
- (c) In the event an Eligible Employee dies during such twenty four month period, the City shall continue to make such payments to the eligible employee's estate for the remaining months of such twenty four month period.**

3. Informing Eligible Employees.

The Department of Personnel ("Department") shall contact Eligible Employees upon the passage of this legislation and present them with a summary of their options in plain language.

- (a) _____ The Department shall make available personal information sessions with any Eligible Employee during normal business hours until February 28, 2014. March 14, 2014**

4. Cost Savings.

The Mayor shall communicate to City Council on or before April 15, 2014 a report showing the impact of this Early Retirement Severance Incentive Program, including potential cost savings achieved as a result.