

ORDINANCE NO. 2024 – O

**AN INTRODUCTORY ORDINANCE ESTABLISHING A VOLUNTARY
EMPLOYEE RETIREE INCENTIVE PROGRAM FOR EMPLOYEES
WHO RETIRE BETWEEN OCTOBER 1, 2024 THROUGH JANUARY 31,
2025 WITH THE EXCEPTION OF EMPLOYEES SUBJECT TO ANY
COLLECTIVE BARGAINING AGREEMENT PROVIDING FOR A
REPEALING CLAUSE, SEVERABILITY CLAUSE, AND AN EFFECTIVE
DATE OF OCTOBER 1, 2024.**

WHEREAS, the City of Laredo is a Home Rule City acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City of Laredo being a political subdivision pursuant to Texas Local Government Code (Chapter 172, Section 172.013 (a)) may pay all or part of the contributions for coverage under this chapter from) local funds, including federal grants or contract pass-through funds, that are not dedicated by law to some other purpose; (chapter 172, Section 172.013 (b)) a political subdivision also may pay all or part of the contributions for coverage for officers, employees, retirees, and dependents; and

WHEREAS, the City of Laredo finds it necessary to enact a Voluntary Retirement Incentive Program for employees who retire between October 1, 2024 through January 31, 2025.

WHEREAS, the availability of quality and adequate medical health coverage plays a significant role in supporting the long-term health of City of Laredo retirees.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS THAT:

Section 1. The City Council hereby authorizes the City Manager, as necessary, to identify and grant a voluntary Employee Retiree Incentive Program to employees who retire between October 1, 2024 through January 31, 2025; and who have twenty (20) years of continuous full time employment with the City of Laredo, and who are eligible to retire under the Texas Municipal Retirement System (TMRS) except for employees subject to any Collective Bargaining Agreement; and to provide for an effective date of October 1, 2024.

Section 2. The City of Laredo will offer individual retiree's medical coverage under two categories and shall only contribute towards the cost of medical insurance premiums for eligible retirees. Retirees shall be responsible for a monthly payment of eighty-six dollars and sixty-six cents (\$86.66) towards their medical insurance premium.

Category	Age	Coverage	Retiree Cost
Category I	Retirees Under the age of 65	GFR 1 Retiree Plan	\$86.66
Category II	Retirees Over the age of 65	Medicare Advantage & RX Coverage	\$86.66

Section 3. Each individual retiree may also elect to provide medical coverage for his/her dependents. If the retiree selects medical coverage for his/her dependents, the retiree shall be solely responsible for the payment of all contributions and contributions required as to said dependents by the plan chosen, and all deductible amounts of the plan will apply to the dependents. For the purposes of this ordinance the term "dependents" shall be deemed to be such as is set forth in the City of Laredo Medical Benefits Booklet at any particular time. For those retirees who are eligible for Medicare part A & B, the City will pay for the individual retiree's medical coverage, whereas the retiree shall be responsible for the monthly payment of eighty-six dollars and sixty-six cents \$86.66.

Section 4. The monthly premium amount that retirees are responsible for shall be based on the current full-time employee with benefits rate under the City's PPO (Preferred Provider Option) program. Should the premium rate for full-time employees under the PPO program increase in the future, the premium rate for retirees will be adjusted accordingly to reflect the new current employee premium.

Section 5. The aforementioned medical benefits will be provided for five (5) years commencing on the effective date of retirement and expiring at the end of the five (5) years. At the end of the five (5) years the retiree shall have the option to continue such medical coverage, as is in effect for employees of the City of Laredo, for self and dependents at his/her own expense.

Section 6. Employees who elect to participate in the Voluntary Retirement Incentive Program (VRIP) and retire under its provisions shall not be eligible for re-employment with the City of Laredo.

Section 7. It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

Section 8. The City Secretary of the City of Laredo is hereby directed to publish the proposed Ordinance as required by Section 2.09 of the Charter of the City of Laredo.

Section 9. This Ordinance shall become effective October 1, 2024.

ORDAINED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS _____
DAY OF _____ 2024.

DR. VICTOR D. TREVINO
MAYOR

ATTESTED:

MARIO I. MALDONADO, JR.
CITY SECRETARY

APPROVED AS TO FORM:

DOANH T. NGUYEN
CITY ATTORNEY
