CITY OF LAREDO
Policy 0024–0003

VOLUNTARY RETIREE INCENTIVE PROGRAM POLICY

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08/01/2024

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City Hall Department of
the City Manager's Office
1110 Houston Laredo, TX
19th, August 2024

Department of the
City Manager's
City Hall
1110 Houston Laredo, TX

Policy 0024-0003
Effective Date 1 October 2024

VOLUNTARY RETIREE INCENTIVE PROGRAM TO ALL ELIGIBLE CITY EMPLOYEES

Summary
Implementing a Voluntary Retiree Incentive Program (RIP) can be a strategic move for organizations looking to manage workforce transitions effectively. The program aims to recognize the contribution of retirees, promote knowledge transfer, and optimize planning.

A voluntary retiree incentive program (RIP) is a strategic initiative implemented by organizations to encourage employees to voluntarily retire from their position by offering them incentives established by management criteria. These incentives may include financial benefits, extended healthcare coverage, or other prescribed criteria, aimed at facilitation workforce transitions and managing organizational resources effectively.

Applicability
The policy applies to all eligible City of Laredo employees with twenty or more City of Laredo continuous full-time employment service.

Distribution
This policy is available in hard copy and in electronic media on the City of Laredos' website under the City Manager's department category and in the Human Resources Department category.

Timing and Implementation: The Voluntary Retiree Incentive Program will be implemented based on Policy Activation Mechanism as outline below, through City Council approval.

Communication Plan:
HR will provide a report on eligible employees that meet the retirement criteria as outlined and conduct an information session to educate those employees about the Voluntary Retiree Incentive Program, including eligibility criteria, incentives offered, and application process.

Regular communication via email, intranet announcements, mail outs, flyers, posted flyers, text messaging and newsletters to keep employees informed about the Voluntary

Retiree Incentive Program updates and program deadlines.

Eligibility Criteria:

Full-Time City of Laredo Employee.
Have 20 or more years of continuous employment with the City of Laredo.
Be Texas Municipal Retire System member eligible.
Equal to 85: *age* plus *years of service*.
Five (5) year non-reemployment.

Incentives Offered:

Incentives that could be proposed by the City Manager and approved by Council:

1. **Financial Incentives:**
   - 25%;35%;50% Lump-sum retirement bonus based on base salary
   - Continue healthcare coverage for a specific period post-retirement

2. **Non-Financial Incentives:**
   - Career transition counseling and coaching
   - Access to professional development and training programs
   - Priority consideration for part-time or consulting opportunities with the organization, based on business needs.
   - Recognition ceremonies and personalized tokens of appreciation

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Policy Activation Mechanism:

These conditions must be met to initiate the policy activation.

1. **Succession Planning:** An established succession plan must be in place for key position(s).

2. **Adverse impacts:** The city must be adversely affected –
   - Natural Disaster (Act of God)
   - Difficulty meeting its financial operational requirements
   - Experience an economic downturn impacting the city
   - Face favorable employer market workforce conditions
   - Be impacted by a pandemic.

Application Process:

1. Eligible employees interested in participating in the Voluntary Retiree Incentive Program must submit a formal retirement application to the Human Resources department.
2. The Retirement application should include relevant personal information, retirement date eligibility, and acknowledgement of Voluntary Retiree Program participation terms and conditions.
3. HR will review retirement application and communicate to TMRS of retirement intentions.

Confidentiality:

Human Resources department will maintain strict confidentiality regarding retirement decisions and related personal information, in compliance with privacy

laws and organization policies.

Review and Revision:
This policy will be reviewed periodically to ensure its effectiveness and compliance with applicable laws. Any necessary revisions will be made to address emerging issues and organizational needs.

Approval:

This policy is approved by City Manager and presented to City Council for activation for an effective on October 1, 2024.

Monitoring and Evaluation:

HR will monitor Voluntary Retiree Incentive Program participation rates, employee feedback, and post retirement outcomes to evaluate program effectiveness and identify areas of improvement.

Effective Date:

October 1, 2024; subject to change.

Contact Numbers
Human Resources Administration
1110 Houston Street – HR1 Office
956-791-7411

References:

Texas Municipal Retirement System member eligible.

Voluntary Retiree Incentive Program will comply with all applicable labor laws, regulations and policies. HR will ensure confidentiality and data security in handling retirement-related information.