

RESOLUTION OF THE CITY COUNCIL

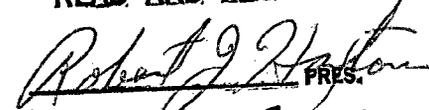
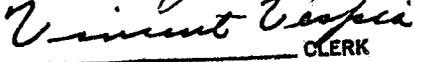
No. 158

Approved March 22, 1974

RESOLVED, That the City Solicitor be, and he hereby is authorized to appear before the General Assembly and urge passage of an Act Relating to Retirement of Employees of the City of Providence, substantially in accordance with the accompanying draft act.

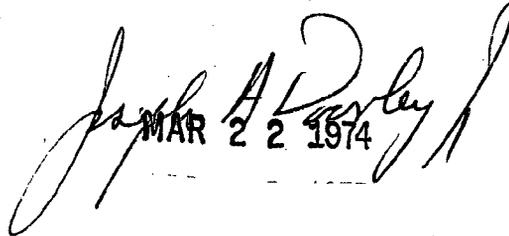
IN CITY COUNCIL
MAR 21 1974

READ AND PASSED


PRES.

CLERK

APPROVED

MAYOR


MAR 22 1974

PROVIDENCE RI
DEPT. OF CITY CLERK

MAR 23 1974

FILED

MAR 14 3 25 PM '74

DEPT. OF CITY CLERK
PROVIDENCE, R. I.

RESOLUTION AUTHORIZING THE
CITY SOLICITOR TO APPLY TO
GENERAL ASSEMBLY AND URGE
PASSAGE OF AN ACT RELATIVE
TO RETIREMENT OF CITY EM-
PLOYEES.

CLERK
SEAL

READ AND PASSED

IN CITY COUNCIL

*Councilman Lynch
and Councilman Dawson,
by request*

City Solicitor Louis Mascia

State of Rhode Island, &c.

IN GENERAL ASSEMBLY

JANUARY SESSION, A. D. 19 74

AN ACT

RELATING TO RETIREMENT OF EMPLOYEES
OF THE CITY OF PROVIDENCE.

It is enacted by the General Assembly as follows:

SECTION 1. Subsection (11) of section 1 of chapter 489 of the public laws of 1923, entitled "An act to provide for the retirement of the employees of the city of Providence", as amended, is hereby amended to read as follows:

"SECTION 1. Definitions. -

"# # #

"(11) 'Final compensation' shall mean the average annual compensation, pay or salary earnable by a member during the three successive years of his service as an employee, during which such average was the highest; provided, however that 'final compensation' for all members who retire on or after October 1, 1973, shall mean the highest base compensation, pay or salary, excluding overtime, earnable by a member during any one year of his service as an employee".

"# # #"

SEC. 2. The first paragraph of subdivision (1) of section 5 of chapter 489 of the public laws of 1923, entitled "An act to provide for the retirement of the employees of the city of Providence" as amended, is hereby amended to read as follows:

"SEC. 5. Method of financing. - The funds hereby created are the annuity savings fund, the annuity reserve fund, the pension accumulation fund and the pension reserve fund.

"(1) The annuity savings fund shall be a fund in which shall be accumulated contributions from the compensation of members to provide for their annuities and their withdrawal allowances. Upon the basis

of such tables as the retirement board shall adopt and regular interest, the actuary of the retirement system shall determine for each Class A member the proportion of the compensation which, when deducted from each payment of his prospective earnable annual compensation prior to his eligibility for service retirement and accumulated at regular interest until his attainment of the minimum age of service retirement for his group, shall be computed to provide at that time an annuity equal to the pension provided on account of his service as a member. Such proportion of compensation shall be computed to remain constant. In the event that the provisions of this chapter for the determination of the amount of the pension of a Class A Employee on account of his service as a member shall at any time be amended, the retirement board shall adopt, as of the effective date of such amendment, rates of contribution for Class A Employees computed on the basis of such amendment and such contribution rates shall apply to all members who become Class A Employees after said effective date at the age attained upon entrance into such Class. No increase in percentage contribution rates shall be required of members who are so classified on said effective date, but any such member may elect prior to said date to contribute at the rate as so amended applicable to his age attained on said date and thereafter deductions shall be made from his compensation at such amended rate. The retirement board shall adopt as of April, 1951 for Employees in Class B a percentage contribution rate of five (5) percentum, and thereafter deductions shall be made from the compensation of all members so classified at this rate, anything to the contrary in this chapter notwithstanding. The Retirement Board shall adopt as of October 1, 1968 for employees in Class B, a percentage contribution rate of eight (8%) percentum, and thereafter deductions shall be made from the compensation of all members so classified at this rate, anything to the contrary in this chapter notwithstanding. The proportion so computed for a member one year younger than the minimum retirement age for service retirement from his group shall be applied to any member who has attained a greater age before entrance into the retirement system. The Retirement Board shall adopt as of July 1, 1974, for employees in Class A, a percentage contribution rate of eight (8%) percentum, and thereafter deductions shall be made from the compensation of all members so classified at this rate, anything to the contrary in this

chapter notwithstanding. The proportion so computed for a member one year younger than the minimum retirement age for service retirement from his group shall be applied to any member who has attained a greater age before entrance into the retirement system."

"* * *

SEC. 3. Paragraph (c) of subdivision (1) and paragraph (b) of subdivision (2) of section 9 of chapter 489 of the public laws of 1923 entitled "An act to provide for the retirement of the employees of the city of Providence" as amended, are hereby amended to read as follows:

"SEC. 9. Benefits payable. - Service Retirement. (1) Retirement of a member on a service retirement allowance shall be made by the retirement board as follows:

"* * *

"(c) Any member may retire upon his written application to the retirement board setting forth at what time, not less than thirty (30) nor more than ninety (90) days subsequent to the execution and filing thereof, he desires to be retired, provided that the said member at the time so specified for his retirement shall have attained the minimum retirement age for his group and notwithstanding that, during such period of notification, he may have separated from service. The minimum ages for service retirement from the groups created by section 7 of this act, shall be as follows:

GROUP NAME

1. Laborers, mechanics and workers engaged in duties requiring principally physically exertion.....60
2. Clerical, administrative, professional and technical workers engaged in duties requiring principally mental exertion.....60
3. Members of the teaching staff of the public schools of the city of Providence.....60
4. Members of the fire department of the city of Providence.....58
5. Members of the police department of the city of Providence.....58

Notwithstanding the foregoing, as of the 1st day of April 1951, the board shall re-classify the membership of Groups 1 and 2 as Class A

Employees and the membership of Groups 4 and 5 as Class B Employees and the minimum retirement ages shall be as follows:

Class A Employees.....55 or the age at which 25 years of service is completed if prior thereto.

Class B Employees.....55 or the age at which 20 years of service is completed if prior thereto.

When the duties of a member so require, the retirement board may re-classify him in another class provided that no member having 15 or more years of service creditable to him as a member of one class may be so re-classified.

Allowance on Service Retirement:

(2)

"* * *

"(b) If the member is a Class A employee a pension which together with his normal annuity, exclusive of any excess annuity, shall be equal to one-fortieth of his final compensation multiplied by the first twenty years of his total service credited, and equal to one-fiftieth of his final compensation multiplied by the number of years of his total service credited in excess of twenty years; and in addition an excess annuity which shall be the actuarial equivalent of his accumulated excess contributions at the time of his retirement.

"* * *"

SEC. 4. Section of Chapter 489 of the public laws of 1923 entitled "An act to provide for the retirement of the employees of the city of Providence" as amended, is hereby amended by adding thereto the following subdivision:

"(13) Additional benefits. - (a) The benefits for persons who retired prior to 1/1/68 shall be adjusted as follows: The benefits of any pensioner who retired after completion of 25 years of service shall be increased to a base monthly pension of two hundred fifty dollars (\$250.) per month; provided, however, if the member elected to receive a reduced pension in accordance with the available options, said \$250. monthly benefit shall be reduced to reflect the option elected. In the event the pensioner had completed less than twenty-five years of service, he shall be entitled to receive 1/25th of the above minimum benefits for each year of his service. (b) Those pensioners who retired on or after 1/1/68 and before 10/1/73 shall receive a six per cent increase in their current pension payment; however, if the application of the minimum pension benefit described in (a) above results in a larger benefit, the member shall receive the larger benefit."

SEC. 5. Subdivisions (1), (2) and (6) of Section 13 of Chapter 489 of the Public Laws of 1923, entitled "An act to provide for the retirement of the employees of the city of Providence" as amended are hereby amended to read as follows:

"SEC. 13. (1) Persons who have served as Mayor, or City Councilmen, for at least ten full legislative years since January 1, 1941, or as Mayor, or City Councilmen, for at least eight full legislative years since January 1, 1961, hereinafter collectively referred to as elective officers, and who have reached the age of 52, or have served twenty consecutive years as an elective officer of said City of Providence prior to reaching such age, or have become totally and permanently disabled prior to reaching such age, whether or not such persons are now serving as elective officers or are serving as such at the time of attaining said age or becoming so disabled, shall be entitled to a retirement allowance as provided in this section.

"(2) Said retirement allowance shall be computed at the rate of one hundred (\$100.) dollars per annum for each year, or fraction thereof, as an elective officer of said City of Providence from January 1, 1941 to September 30, 1968; and at the rate of one hundred fifty (\$150.) dollars per annum for a full year of service as an elective officer of said City of Providence from October 1, 1968, to September 30, 1969, and at the rate of two hundred (\$200.) dollars per annum for each year, or fraction thereof, as an elective officer of said City of Providence from October 1, 1969 to September 30, 1971, and at the rate of five hundred (\$500.) dollars per annum for each year, or fraction thereof, as an elective officer of said City of Providence from September 30, 1971, and since any withdrawal of his contributions as provided in subdivision (6) of this section; provided, however, that the total number of full years of service for which an allowance shall be paid shall not exceed twenty years, except as provided in the last sentence of subdivision (5) of this section. Said retirement allowance shall include credit for each year or portion of any year served by said elected official on active duty with the United States Armed Forces which said credit shall be computed at the rate of

five hundred (\$500.) dollars per annum for each full year or portion thereof of said military service provided however that said credit for military service shall only apply to those persons who were elected officials for any period of time from January 1, 1971 or thereafter; provided, however, that said retirement allowance shall be computed at the rate of \$500.00 per annum for each year, or fraction thereof, as an elective official, including military service time, for any person who served as an elective official for any period of time from January 1, 1971 to the date of the passage of this act.

Any elective officer in office from January 1, 1971 may by written notice filed with the Retirement Board of the City of Providence prior to October 1, 1973, elect to pay to the Annuity Savings Fund in such a manner as shall be prescribed by said Board, an additional amount of one hundred (\$100.) dollars per year for each full year, or fraction thereof, as an elective officer of said City of Providence from January 1, 1941 to September 30, 1973.

Upon such payment, anything to the contrary notwithstanding, such amount shall become part of his accumulated contribution and the period of service on account of which such payment was made shall be included in his retirement allowance at the rate of five hundred (\$500.) dollars per year for each year, or fraction thereof, served; provided, however, that the total number of full years of service for which an allowance shall be paid shall not exceed twenty years, except as provided in the last sentence of subdivision (6) of this section."

"(6) Each elective officer of said City who is in office on January 1, 1973, or who subsequent thereto becomes an elective officer, shall contribute five hundred (\$500.) dollars per annum of his compensation toward the cost of the benefits provided hereunder. Such contributions with accumulated interest may be withdrawn at any time prior to the commencement of payments hereunder, provided that upon such withdrawal all rights accrued under this section with respect to any service rendered prior to the date of such withdrawal shall terminate. Should a former elective officer elect not to withdraw such contributions with

interest as above provided, no interest shall be credited to his contributions after four years shall have elapsed since he ceased to be an elective officer. Required contributions hereunder from elective officers shall cease after twenty years of service, and any contributions heretofore deducted for service in excess of twenty years prior to October 1, 1972, shall at the option of the elective officer concerned be refunded or applied toward the purchase of retirement benefits under the provisions hereof in excess of twenty years, anything herein to the contrary notwithstanding."

SEC. 6. The provisions of this act shall be applicable to all persons who were elected officials for any period of time from January 1, 1971 to the date of passage of this act.

SEC. 7. In the event a person who was an elective official on and after January 1, 1971, shall decease and who

(a) served the required number of years necessary for benefits as an elective official under this act but had not yet attained the age of 52 years; or

(b) was collecting benefits under the provisions of this act; then and in such events, upon the date of his death; a benefit of one-half of that amount to which said person would have been entitled under the provisions hereof had he survived or he was collecting, will be paid to his surviving widow so long as said surviving widow shall remain sole and unmarried and said benefits shall cease immediately upon the death or remarriage of said surviving widow.

SEC. 8. Nothing in the within act shall be deemed to limit or to impair accrued rights or benefits of any person who has heretofore served as Mayor, or Councilman.

SEC. 9. No retroactive payments shall be paid as a result of the passage of this act. Any increases in benefits as a result of the passage of this act shall become effective as of July 1, 1974. There shall be no reduction in benefits presently received under the Retirement System by any pensioner.

SEC. 10. This act shall take effect July 1, 1974.