

RESOLUTION NO. 1987 - 190

ESTABLISHING A RETIREMENT INCENTIVE PROGRAM
FOR THE GREATER CLEVELAND REGIONAL TRANSIT
AUTHORITY

WHEREAS, the law of the State of Ohio as set forth in Ohio Revised Code Section 145.297 provides for the establishment of a Retirement Incentive Plan; and

WHEREAS, the Greater Cleveland Regional Transit Authority as a political subdivision of the State of Ohio may establish a retirement incentive plan for its eligible employees; and

WHEREAS, the Board of Trustees is the appropriate body under the statute to establish such a program; and

WHEREAS, economic and human resource benefits will accrue to the Authority as a result of the Retirement Incentive Program; and

WHEREAS, Ohio Revised Code Section 145.297 provides requirements and standards for such a retirement plan.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cleveland, Cuyahoga County, Ohio:

Section 1. That a Retirement Incentive Plan be and it is hereby authorized and established for the Greater Cleveland Regional Transit Authority.

Section 2. That the Retirement Incentive Plan shall be in writing, shall be in effect for one year commencing September 1, 1987 and terminating August 31, 1988, and shall be in conformity with the provisions of Section 145.297 of the Ohio Revised Code.

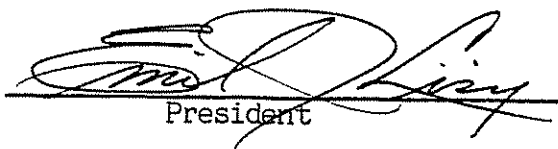
Section 3. That said Retirement Incentive Plan shall be as set forth in Exhibit "A" attached hereto and incorporated by reference and made a part of this Resolution as though fully set forth herein.

Section 4. That said Retirement Incentive Plan shall be administered by the Personnel Department of the Greater Cleveland Regional Transit Authority in accordance with the Rules and Procedures of the Plan, and in compliance with Ohio Revised Code 145.297 and other applicable sections of the Ohio Revised code and rules of the Public Employees Retirement System.

Section 5. That the President of the Board of Trustees be and he is hereby authorized to sign the "Employer Notice of Adoption of A Voluntary Retirement Incentive Plan" on behalf of the Authority and to execute any and all other documents, papers, or memoranda necessary for the implementation of said plan.

Section 6. That this Resolution shall be effective immediately upon its adoption.

Adopted: August 18, 1987


President

Attest: 
Secretary-Treasurer

Attachment: Retirement Incentive Plan

Regional Transit Authority

Inter-Office Correspondence

To: Emil Lisz, President
Board of Trustees

Date: July 21, 1987

From: Arthur R. FitzGerald *ARF*
1st Associate Counsel

Subject: RETIREMENT INCENTIVE PLAN
P.E.R.S. ORC 145.297

Effective December 15, 1986 the State adopted an Early Retirement Incentive Plan by which a political subdivision may establish a retirement incentive plan for its eligible employees. The decision to adopt a plan and the terms of the plan shall be made by the legislative authority of the employing unit (GCRTA Board). (emphasis ours)

ORC 145.297 requires the following:

1. Plan be in writing.
2. Purchase by the employing unit of service credit for eligible employees and payment of the entire cost of the service credit purchased.
3. Plan shall be in effect at least one year and shall provide for 30 days notice before terminating the plan.
4. Provision for timely and impartial resolution of grievances and disputes arising under the plan.
5. Only one Retirement Incentive Plan in effect at a time.
6. Employees, classified or unclassified who are members of P.E.R.S. are eligible if he is not:
 - (a) An elected official;
 - (b) Member of board;
 - (c) Person elected to serve a term of fixed length;
 - (d) Person appointed to serve a term of fixed length, other than a person appointed and employed by the employing unit.

Also: Is or will be eligible to retire under ORC 145.32, 145.34, 145.37 or 145.33A on or before the termination date of the incentive plan. The service time purchased under the plan is to be included in determining eligibility employee.

Also: Agrees to retire within 90 days after receiving notice from P.E.R.S. that time has been purchased.

Limitation: Plan is to be open to all eligible employees except that employer can limit to a specified percentage of employees but not less than 5%. If limited, participation is on a total P.E.R.S. time basis. There is language governing order of participation. Employees must be given at least 30 days to make decision.

Time Purchased: Any period of time may be designated in plan, but must be uniform and there is a maximum of five years. Service credit purchased can be 1/5 of actual service time. Example 25 years = 5 years; 15 years = 3 years; etc.

Cost: Each year of service credit purchased, the employer shall pay an amount equal to the additional liability resulting from the purchase of that year of service credit. (Determined by P.E.R.S. Actuary)

Implementation: Upon agreement - written notice to P.E.R.S. It will within 45 days make determination of costs. The costs may be made in lump sum or in installments. The employee has 90 days in which to retire after being notified that service time has been purchased. If the employee does not retire, the money is refunded.

The above is an outline of the procedure; it does not contain any of the financial or personnel loading factors.

In general persons eligible in a 5-year buy-out would be:

- (a) Age 60 or reach age 60 during plan; or
- (b) Age 55 or reach age 55 during plan and have at least 20 years accredited service; or
- (c) Any age with at least 25 years accredited service.

If you have any questions, please advise.

ARF:bk

cc: R. T. Adrine
J. V. Terango

GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY

RETIREMENT INCENTIVE PLAN

To assure a fair and equitable Retirement Incentive Plan for the Greater Cleveland Regional Transit Authority which conforms to and is consistent with the provisions of Ohio Revised Code Section 145.297 as administered by the Public Employees Retirement System the following rules, conditions and procedures are hereby promulgated for the administration of said Plan as approved and established by the Board of Trustees of the Greater Cleveland Regional Transit Authority:

1. Term:

The Retirement Incentive Plan will be in effect for a period of one year, effective September 1, 1987, and ending August 31, 1988.

2. Eligibility:

The Greater Cleveland Regional Transit Authority agrees to offer this plan to a minimum of five percent (5%) of all GCRTA employees who are members in good standing of the Ohio Public Employees Retirement System on the effective date of the plan provided they are not deemed ineligible under the provisions of ORC 145.297 (members of boards, etc.) or as a consequence of other related provisions of the Public Employees Retirement System. Further, the employee must be eligible or become eligible on or before the termination of the Retirement Incentive Plan under Section 145.32, 145.34, 145.37 or division (A) of Section 145.33 of the Revised Code. Service credit to be purchased for the employee under the Retirement Incentive Plan

shall be included in making such determination. Further, should more than five percent (5%) of the GCRTA work force apply for retirement under the plan, then approval for participation will be determined in accordance with Section 145.297 (C) of the Ohio Revised Code.

3. Time to be Purchased:

The Greater Cleveland Regional Transit Authority agrees to offer under this plan a maximum of five (5) additional years of service credit to all eligible employees and for any individual employees to make an actual purchase of credit that is the lesser of 1/5 (20%) of his/her existing total accumulated service credit or the maximum number of years purchaseable under the plan. Service credit purchased under the plan shall be excluded from the total accumulated service credit referred to above.

4. Payment for Time:

The total cost of the additional service credit so purchased (as determined by the Public Employees Retirement System) will be paid for by the Greater Cleveland Regional Transit Authority in a single payment or in installment amounts and at times specified under the written Agreement with the Public Employees Retirement System as stipulated in writing on PERS Forms F-111 C&E - "Employee and Employer's Agreement" and "Notification of Cost to Employer and Employer Payment Agreement."

5. Employee Agreement:

The employee must agree to retire under Section 145.32, 145.34, 145.37, or division A of Section 145.33 of the Revised Code within ninety (90) days after receiving notice from the Public Employees Retirement System that service credit has been purchased for him or her under the Retirement Incentive Plan.

6. Election:

An employee shall have thirty (30) days to elect to participate in the plan after receiving notice that he/she is eligible to participate ahead of other employees. After that period, participation will be subject to O.R.C. 145.297 (C).

7. Single Plan:

The Greater Cleveland Regional Transit Authority will authorize no other early retirement incentive plan or plans during the effective period of this plan.

8. Notice of Termination:

Prior to termination of this Retirement Incentive Plan, the Greater Cleveland Regional Transit Authority will notify its employees and the Public Employees Retirement System thirty (30) days in advance.

9. Administration of Plan:

The Director of Personnel is charged with the responsibility of administering this Plan in accord with the provisions set forth herein and with Ohio Revised Code 145.297 and policies and procedures of the Public Employees Retirement System.

10. Dispute Resolution:

The Director of Personnel, as administrator of the Merit System Rules, is directed to implement a procedure to resolve in a timely manner any disputes that may arise under this Retirement Incentive Plan by utilizing the appeals procedure set forth in Section 15 of the Merit System Rules commencing with Step 3, Director of Personnel.

11. Return of Funds:

If the employee does not retire within ninety (90) days after receiving notice that he/she has been credited with the purchased service credit, the System shall refund to the Greater Cleveland Regional Transit Authority the amount paid for the service credit.

This Plan, adopted pursuant to Resolution of the Board of Trustees of the Greater Cleveland Regional Transit Authority is effective on the First day of September, 1987.

Emil J. Lisy, President