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RetirementEmployee Members of the Virginia Retirement System (VRS)

The Lynchburg City School Board participates in the Virginia Retirement System (VRS). Full time employees are eligible for membership in the VRS and the benefits associated therewith.

School board employees with VRS entitlements may retire with unreduced benefits beginning at age fifty (50) after thirty (30) or more years of service.

Legal Reference:Code of Va., § 51.1-502 Eligible employees and officers

The following persons are eligible to participate in the group insurance program:

1. Teachers.
2. State employees.
3. Members of the State Police Officers' Retirement System.
4. Members of the Judicial Retirement System.
5. Regular full-time employees of a political subdivision participating in the Virginia Retirement System, subject to Board approval. In order for coverage to become effective, seventy-five percent of the eligible employees must elect to become covered on the effective date of coverage. Limitation of waiver of group insurance as provided in this chapter shall be in effect for all employees after the effective date of coverage.
6. Regular full-time employees of a local school board who participate in the retirement system of a local government which provides group life insurance for its employees under this chapter.

Age Discrimination in Employment Act of 1967 (as amended 1986 with an effective date of January 1, 1987.)

Code of Va., § 51.1-153 Service retirement. " A. Normal retirement. - Any member in service at his normal retirement date with five or more years of creditable service may retire at any time upon written notification to the Board setting forth the date the retirement is to become effective. Any member in service who was denied membership prior to July 1, 1987, as a result of being age sixty or over when first employed may retire at any time after his normal retirement date and the requirement of having five or more years of service shall not apply.

B. 1. Early retirement. - Any member in service who has attained his fifty-fifth birthday with five or more years of creditable service may retire prior to his normal retirement date upon written notification to the Board setting forth the date the retirement is to become effective.

2. Any state employee, teacher, or employee of a political subdivision who is a member of the retirement system may retire prior to his normal retirement date after attaining age fifty and thirty years of creditable service, upon written notification to the Board

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Retirement (continued)

setting forth the date the retirement is to become effective. The benefit for such member shall be calculated in accordance with the provisions of subdivision A 1 of § [51.1-155](#).

C. Deferred retirement for members terminating service. - Any member who terminates service after five or more years of creditable service, regardless of termination date, may retire under the provisions of subsection A, B, or D of this section if he has not withdrawn his accumulated contributions prior to the effective date of his retirement or if he has five or more years of creditable service for which his employer has paid the contributions and such contributions cannot be withdrawn. For the purposes of this subsection, any requirements as to the member being in service shall not apply. No member shall be entitled to the benefits of this subsection if his employer certifies that his service was terminated because of dishonesty, malfeasance, or misfeasance in office. The certification may be appealed to the Board.

D. 50/10 retirement. - Any member in service on or after January 1, 1994, who has attained his fiftieth birthday with ten or more years of creditable service may retire prior to his normal retirement date upon written notification to the Board setting forth the date the retirement is to become effective. A member who is a state employee shall not be eligible for retirement pursuant to this subsection unless the employee has entered into a binding agreement with the Department of Personnel and Training providing that the employee shall not thereafter reenter into full-time or part-time employment with any agency in the executive branch of the Commonwealth for a period of two years following retirement. Institutions of higher education may enter into a contract with a member on a part-time basis, not to exceed twenty hours per week, to provide unique technical expertise for projects sponsored by institution-affiliated research foundations, authorities, or nonprofit corporations.

E. Effective date of retirement. - The effective date of retirement shall be after the last day of service of the member, but shall not be more than ninety days prior to the filing of the notice of retirement.

F. Notification on behalf of member. - If the member is physically or mentally unable to submit written notification of his intention to retire, the member's appointing authority may submit notification on his behalf."

Code of Va., § 51.1-154 Compulsory service retirement

Any employer, subsequent to the employee's normal retirement date, may provide for compulsory service retirement upon a determination that age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business or that an employee is incapable of performing his duties in a safe and efficient manner. Any such determination shall be made by the employer. (1997)

§ 51.1-155 Service retirement allowance A. Retirement allowance. - A member shall receive an annual retirement allowance, payable for life, as follows:

1. Normal retirement. - The allowance shall equal 1.70 percent of his average final compensation multiplied by the amount of his creditable service.

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2. Early retirement; applicable to teachers, state employees, and certain others. - The allowance shall be determined in the same manner as for normal retirement with creditable service and average final compensation being determined as of the date of actual retirement. If the member has less than thirty years of service at retirement, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which he would have completed a total of thirty years of creditable service. The provisions of this subdivision shall apply to teachers and state employees. These provisions shall also apply to employees of any political subdivision that participates in the retirement system if the political subdivision makes the election provided in subdivision 3 of this subsection.

3. Early retirement; applicable to employees of certain political subdivisions. - The allowance shall be determined in the same manner as for normal retirement with creditable service and average final compensation being determined as of the date of actual retirement. If the creditable service of the member equals thirty or more years but the sum of his age at retirement plus his creditable service at retirement is less than ninety, the amount of the retirement allowance shall be reduced on an actuarial equivalent basis for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which the sum of his then attained age plus his then creditable service would have been equal to ninety or more had he remained in service until such date. If the member has less than thirty years of creditable service, the retirement allowance shall be reduced for the period by which the actual retirement date precedes the earlier of (i) his normal retirement date or (ii) the first date on which he would have completed a total of at least thirty years of creditable service and his then creditable service plus his then attained age would have been equal to ninety or more.

The provisions of this subdivision shall apply to the employees of any political subdivision that participates in the retirement system. The participating political subdivision may, however, elect to provide its employees with the early retirement allowance set forth in subdivision 2 of this subsection. Any election pursuant to this subdivision shall be set forth in a legally adopted resolution.

4. Additional allowance. - In addition to the allowance payable under subdivisions 1, 2, and 3 of this subsection, a member shall receive an additional allowance which shall be the actuarial equivalent, for his attained age at the time of retirement, of the excess of his accumulated contributions transferred from the abolished system to the retirement system, including interest credited at the rate of two percent compounded annually since the transfer to the date of retirement, over the annual amounts equal to four percent of his annual creditable compensation at the date of abolishment for a period equal to his period of membership in the abolished system.

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5. 50/10 retirement. - The allowance shall be payable in a monthly stream of payments equal to the greater of (i) the actuarial equivalent of the benefit the member would have received had he terminated service and deferred retirement to age fifty-five or (ii) the actuarially calculated present value of the member's accumulated contributions, including accrued interest.

B. Beneficiary serving in position covered by this title.

1. Except as provided in subdivision 2, if a beneficiary of a service retirement allowance under this chapter is at any time in service as an employee in a position covered for retirement purposes under the provisions of this or any chapter other than Chapter 7 (§51.1-700 et seq.) of this title, his retirement allowance shall cease while so employed. Any member who retires and later returns to covered employment shall not be entitled to select a different retirement option for a subsequent retirement.

2. Active members of the General Assembly who are eligible to receive a retirement allowance under this title, excluding their service as a member of the General Assembly, shall be eligible to receive a retirement allowance based on their creditable service and average final compensation for service other than as a member of the General Assembly. Such members of the General Assembly shall continue to be reported as any other members of the retirement system. Upon ceasing to serve in the General Assembly, members of the General Assembly receiving a retirement allowance based on their creditable service and average final compensation for service other than as a member of the General Assembly shall have their retirement allowance recomputed prospectively to include their service as a member of the General Assembly. Active members of the General Assembly shall be prohibited from receiving a service retirement allowance under this title based solely on their service as a member of the General Assembly.

Code of Va., § 51.1-155.1 Exceptions from general early retirement provisions for certain state employees A. Members of the retirement system (i) whose positions are described by subdivision 1 (except members of the Judicial Retirement System (§51.1-300 et seq.)), 2 (except members of the Judicial Retirement System (§51.1-300 et seq.)), 3, 4 (except officers elected by popular vote), 7, 13, 14, 15, 16, 17, or 19 of § 2.1-116; (ii) who are agency heads appointed by a state board, state commission, or state council; or (iii) who are school division superintendents appointed by a school board pursuant to §22.1-60, and (a) who are involuntarily separated from state service and (b) who have twenty or more years of creditable service at the date of separation, may retire with the retirement allowance as provided in subdivision A 1 of § 51.1-155, upon attaining age fifty-five.

B. Any member of the retirement system who (i) serves as chief executive officer of an interstate commission pursuant to Virginia's participation in such commission; (ii) is involuntarily separated from service; and (iii) has twenty or more years of creditable

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service at the date of separation, may retire without the reduction in retirement allowance required by § 51.1-155 A 2 upon attaining age fifty-five.

C. For the purposes of this section, "involuntary separation" means any dismissal, requested resignation, or failure to obtain reappointment, except in case of a conviction for a felony or crime involving moral turpitude or dishonesty.

D. Any state employee who retires under the provisions of this section on or after January 1, 1994, shall be eligible to participate in the state health insurance program as provided in §2.1-20.1 and receive group life insurance benefits as provided in subsection B of §51.1-505.

Code of Va., § 51.1-166 Post-retirement supplements generally A. In addition to the allowances payable under this chapter, post-retirement supplements shall be payable to the recipients of such allowances. Supplements shall be subject to the same conditions of payment as are allowances.

B. The amounts of the post-retirement supplements shall be determined as percentages of the allowances supplemented hereby. The percentages shall be determined annually by reference to the increase in the United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published by the Bureau of Labor Statistics of the United States Department of Labor. The percentages shall be based on monthly averages and shall be the difference between the average for the calendar year in which the allowance initially commenced and the average for the calendar year immediately prior to the calendar year in which the post-retirement supplement is paid. The annual increase in the Consumer Price Index shall be considered only to the extent of three percent plus one-half of such additional increase up to seven percent.

Beginning July 1, 1997, contribution rates calculated pursuant to §51.1-145 for all employers shall include an amount not less than twenty percent of the total annual amount necessary to fund all post-retirement supplements. Contribution rates for all employers shall increase thereafter until, beginning July 1, 2002, such rates shall include an amount equal to 100 percent of the total annual amount necessary to fund all post-retirement supplements. All contribution rates shall be computed in accordance with recognized actuarial principles on the basis of methods and assumptions approved by the Board.

Nothing in this section shall prohibit an employer from contributing, prior to July 1, 2002, 100 percent of the total annual amount necessary to fund its post-retirement supplements.

C. There shall be no change in the amount of any post-retirement supplement between determination dates except as necessary to reflect changes in the amount of the

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allowance being supplemented. The post-retirement supplement shall remain a constant percentage of the respective allowance being supplemented. No new post-retirement supplement shall be commenced except as of a determination date. The post-retirement supplement determined as of any determination dates shall become effective at the beginning of the fiscal year and shall be in lieu of any post-retirement supplements previously payable, which shall thereupon be terminated.

D. Any recipient of an allowance which initially commenced on or prior to January 1, 1990, shall be entitled to post-retirement supplements effective July 1, 1991. (1997)

Code of Va., § 51.1-142. Prior service or membership for certain members.

A. Any member in service may purchase credit for service lost as a result of the following:

1. Rejection of membership in the retirement system.
2. Cessation of membership under this chapter because of the withdrawal of his accumulated contributions.
3. Exclusion from membership because of being a member of the General Assembly or other state officer elected by the people.
4. Termination of service as an officer or employee of a political subdivision in a position which subsequently became covered by the retirement system and for which prior service credit was granted.

In order to receive credit for the service, the member must pay an amount equal to the contributions that he would have made during the entire period to be credited, assuming that the member contribution rate specified in this chapter as of the date of payment had been in effect during the entire period and that the higher of the member's creditable compensation or average final compensation as of the date of payment had been received during the entire period.

When a member requests credit for a portion of the period, the most recent portion shall be credited. Payment may be made in a lump sum or by an additional payroll deduction. Only one additional deduction shall be permitted at any time. Should the additional deduction be terminated prior to purchasing the entire period which might otherwise be credited, the member shall be credited with the number of additional months of service for which payments are made. If the additional deduction is continued beyond the point at which the entire period has been purchased, the member shall be credited with no more than the entire period which might otherwise have been credited and the excess amount deducted shall be refunded to the member.

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B. Any vested member in service with at least twenty-five years of creditable service in the Retirement System may purchase prior service credit for (i) active duty military service in the armed forces of the United States, provided that the discharge from the armed forces was not dishonorable, (ii) certified creditable service in the retirement system of another state or of a political subdivision or public school system of this or another state, (iii) civilian service of the United States, or (iv) any combination thereof. For purposes of this subsection, "active duty military service" means full-time service of at least 180 consecutive days in the United States Army, Navy, Air Force, Marines, Coast Guard, or reserve components thereof.

Such prior service credit shall be calculated at the ratio of one year of prior service credit to one year of active duty military service or certified creditable service in the retirement system of another state, political subdivision or public school system of this or another state, or civilian service of the United States up to a maximum of four years of prior service credit. The member must pay an amount equal to five percent of his present annual compensation for each year to be credited or five percent of his average annual creditable compensation during his thirty-six highest consecutive months of creditable service, whichever is greater. Such prior service credit shall not be otherwise creditable as prior service in the calculation of any retirement benefit by this or another retirement system, but shall be creditable as prior service under this chapter and, if applicable, shall be considered in determining the actuarial equivalent for early retirement. Prior service credit for more than three years of service may be purchased by the member pursuant to §51.1-143.

C. Any member granted a leave of absence for any of the following reasons may purchase limited service on the basis set forth in subsection A of this section:

1. Up to four years of service for any leave of absence for educational purposes or for temporary employment with the General Assembly.
2. Up to four years of service subsequent to January 1, 1964, for any leave of absence due to illness or disability or service which was temporarily terminated due to illness or disability.

D. Any member in service who was denied membership because of having attained age sixty when first employed or reemployed may purchase all or any portion of service lost as a result of denial upon payment in a lump sum of the amount the member would have contributed had he been allowed to participate in the system.

E. Service may be credited at no cost under the following circumstances:

1. Any member who was a member of the abolished system and who was in service on March 1, 1952, shall receive credit for service rendered as a state employee or teacher

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prior to July 1, 1942, provided the member has not received a refund of accumulated contributions since becoming a member of the abolished system.

2. Any member in service who is credited with five or more years of membership service who rendered full-time salaried service as a state employee or teacher prior to July 1, 1942, may receive credit for same.

3. Any member who is a teacher may receive credit for service rendered as a nonprofessional employee of a school board provided the school board has extended coverage to its nonprofessional employees and granted credit for service rendered prior to the effective date of coverage.

4. Any vested member who is a teacher shall receive up to two years of service credit for any involuntary leave of absence, without pay, required by local school division policies related to pregnancy or childbirth provided (i) the member was either on such leave from a covered position or submitted a letter of resignation required by the employer prior to July 1, 1974, (ii) the member has not withdrawn all accumulated contributions, and (iii) the member reenters service in a covered position. In such instances, the employer, or its successors, which had such policies in place and applied same to the teacher seeking additional service credit shall be liable for the cost of providing such service credit.

5. Any member may receive credit for service rendered in the armed forces of the United States provided (i) the member was on leave of absence from a covered position, (ii) the discharge from the armed forces was not dishonorable, (iii) the member has not withdrawn his accumulated contributions, and (iv) the member reenters service in a covered position within one year after discharge from the armed forces. No period of service rendered, through reenlistment, beyond the cessation of hostilities shall be creditable service.

F. Any member of the abolished system may transfer accumulated contributions in that system to the Retirement System within one year after becoming a member of the Retirement System.

G. Any vested member in service who (i) by virtue of an order of a court of this Commonwealth granting special police powers, enforced the laws of the Commonwealth at any time between 1964 and 1981 as a uniformed law-enforcement officer in any incorporated or unincorporated town in any county with a population between 55,000 and 60,000, as reported in the 1990 census of the population of the United States, and at the time of such member's law-enforcement service, such county participated in the Virginia Retirement System; (ii) reentered service in a covered position; and (iii) has not withdrawn his accumulated contributions, may purchase prior service credit pursuant to § 51.1-144.

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H. Any vested member in service who (i) prior to January 1, 1982, was employed by the Commissioner of Revenue in any city of this Commonwealth with a population greater than 200,000, as reported in the 1990 census of the population of the United States, and (ii) on January 1, 1982, became an employee of the Director of Finance in any city of this Commonwealth with a population greater than 200,000, as reported in the 1990 census of the population of the United States, which participated in the Virginia Retirement System, and (iii) has not withdrawn his accumulated contributions, may transfer his years of creditable service from the city's retirement plan to the Virginia Retirement System. The Virginia Retirement System shall compute the present value of the retirement benefit of service so transferred and the city's retirement plan shall pay in a manner prescribed by the Retirement System. (1997)

Code of Va., § 51.1-132 Eligible employees Officers and employees of the political subdivision who are regularly employed full time on a salaried basis and whose tenure is not restricted as to temporary or provisional appointment may become members of the retirement system. Clerks of the circuit court and deputies shall be included in the coverage group. Officers and employees of an organization other than a public school board that functions solely within the boundaries of a county, city, or town shall be deemed to be officers and employees of the county, city, or town, and not of the organization, unless the cost of the organization's operation is borne by (i) the users of services, (ii) more than one county, city, or town, or (iii) any entity other than a county, city, or town.

A member of a local system who, through election to a position as a constitutional officer, is no longer eligible for membership in the local system, and who, prior to such election, has accumulated within that system more than half the total service credits necessary to become eligible for full normal retirement benefits, may choose, with the concurrence of the local governing body, (i) not to participate in the retirement system established pursuant to this chapter and (ii) to become a member of the local system. In such case, the member shall be deemed, for retirement purposes only, to have ceased employment, and shall be permitted to withdraw his contribution as provided in §51.1-161. (1997)

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