



## Administrative Policy

# VOLUNTARY MUNICIPAL EMPLOYEE RETIREMENT PAYOUT OPTION

A.P. No.

A.P 3-23

Effective Date:

Upon Approval

## 1. AUTHORITY

Article VI, Section 7a, City Charter of the City of Houston.

## 2. POLICY PURPOSE

The purpose of this administrative policy is to provide a monetary incentive for municipal employees who are deemed eligible to retire under the Houston Municipal Employee Pension System (HMEPS) and who voluntarily retire from the City of Houston. This is one component of a multi-pronged approach to assist with necessary budget reductions via vacant positions that shall be delimited from the City's roster.

## 3. SCOPE

This policy applies to full-time, municipal employees who are deemed eligible to retire under HMEPS and who voluntarily retire from the City of Houston on May 1, 2025.

## 4. DEFINITIONS

Incentive: Lump sum payout.

## 5. POLICY DETAILS

5.1. Eligible employees who retire on May 1, 2025 are eligible to receive an incentive of 25% of their annual base pay and longevity pay in a lump sum payout which is annualized based on current pay rates - in addition to regular base pay and longevity pay.

5.2. Eligible employees who desire to receive the voluntary municipal employee retirement payout option shall:

5.2.1. be eligible to retire with the Houston Municipal Employees Pension System;

5.2.2. submit notification to retire on May 1, 2025; and

5.2.3. not seek reemployment with the City for at least one year from retirement date.

5.3. The incentive shall be paid on the last regular paycheck for eligible employees.

## 6. ROLES AND RESPONSIBILITIES

6.1. It shall be the responsibility of the employee to verify their retirement eligibility with HMEPS and submit any other required documents for the purpose of retirement.

6.2. It shall be the responsibility of Human Resources Department to:

6.2.1. implement and administer this policy, including and forms required; and

Approved:

DocuSigned by:

John Whitmire

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Date Approved:

3/13/2025

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6.2.2. perform an end-of-program audit to ensure policy compliance.

7. POLICY SPONSOR

**Department:** Human Resources Department