

Other Benefits in the Deferred Retirement Option Program (DROP)

Employment Status

The City of Richmond will continue to consider a member in the DROP as an active employee performing all functions of their position. The member remains eligible for promotions, pay increases and benefits such as annual and sick leave accrual. DROP participation is not a guarantee of continued employment. The member is subject to all laws and regulations regarding employment that the member was subject to prior to entering the DROP.

Retirement Benefits

Salary increases while in DROP will not affect the member's monthly retirement allowance. Upon entry into the DROP, the member's average final compensation will have already been determined in order to calculate their monthly retirement allowance.

Health and Dental Insurance Benefits

If applicable, the member's group health and dental insurance benefits continue during the DROP at the active employee monthly premium rate.

When the member exits the DROP, they may continue health and dental insurance coverage with the City of Richmond at the retiree rate provided the member meets the eligibility requirements.

Life Insurance Benefits

The member's group life insurance benefits continue during the DROP as they would for an active employee. The member is subject to the same provisions and cost sharing arrangements as any other active employee. When the member exits the DROP, they are eligible for the same group insurance benefits as if they were an active employee retiring on the same date.

Sick Leave

When entering the DROP members may elect to convert all or part of their accrued sick leave to creditable service. This converted sick leave can be used towards eligibility to participate in the DROP. Any sick leave the member elects not to convert will be carried into the DROP.

Any participating member in the DROP will continue to accumulate sick leave in the same manner an active employee. However, the participating member shall forfeit unused sick leave upon exiting the DROP.

Vacation and Compensatory Leave

Members participating in the DROP will continue to accumulate vacation and compensatory leave.

Unpaid vacation and compensatory leave will be paid in accordance with City of Richmond policy upon exiting the DROP.

Deferred Compensation Plan 457

Participation in the DROP has no effect on the 457 Deferred Compensation Plan. The member's actual termination date will be the member's retirement date for the purposes of the 457 Deferred Compensation Plan. Members can continue to contribute to the Deferred Compensation plan while participating in the DROP.