

Personnel

Classified Management/Confidential Retirement Incentive Program

General Description

The following policy offers a two-fold option to classified management and confidential employees who desire to enter into retirement status.

Under each option, the employee must be eligible for and elect to begin drawing PERS monthly retirement benefits. At the time of retirement, the participant shall select a beneficiary. In the event of the death of the participant, the District shall pay to the beneficiary the remainder of the participant's benefits according to the option selected.

An employee may exercise the option only once and may not move from Option I to Option II. An application to participate in the retirement incentive program must be submitted not less than ninety (90) calendar days prior to the employee's date of retirement.

Option I

After fifteen (15) years of full-time PERS service in the Lompoc Unified School District and attainment of age fifty-five (55), an employee may become eligible for this program. The employee must have attained his/her fifty-fifth (55<sup>th</sup>) birthday and not yet attained his/her fifty-sixth (56<sup>th</sup>) birthday, except that in the first (1<sup>st</sup>) year following adoption of this proposal, employees who have already attained their fifty-sixth (56<sup>th</sup>) birthday and not yet attained their fifty-seventh (57<sup>th</sup>) birthday may become eligible for this program.

Qualifying employees shall, upon resignation from the District, receive fifteen percent (15%) of their final annual compensation (prior 12 months of creditable salary) for a maximum period of five (5) years. This incentive program shall be paid on a monthly, quarterly or annual basis at the employee's option.

Option II

After fifteen (15) years of full-time PERS service in the Lompoc Unified School District and attainment of age fifty-seven (57), an employee may become eligible for this program. The employee must have attained his/her fifty-seventh (57<sup>th</sup>) birthday, and not yet attained his/her fifty-eighth (58<sup>th</sup>) birthday, except persons employed as a Classified employee and/or in Classified Management/Confidential positions prior to November 1, 1990 may exercise Option II at any time after establishment of eligibility.

PersonnelClassified Management/Confidential Retirement Incentive Program (continued)

Persons employed after November 1, 1990 must complete fifteen (15) years of full-time PERS service in the Lompoc Unified School District and attain age fifty-seven (57) to establish eligibility for this program. The employee must have attained his/her fifty-seventh (57<sup>th</sup>) birthday and not yet attained his/her fifty-eighth (58<sup>th</sup>) birthday. Upon reaching age fifty-seven (57), if the employee has not completed fifteen (15) years of full-time PERS service in the Lompoc Unified School District, the employee will become eligible at the completion of fifteen (15) years of full-time PERS service in the Lompoc Unified School District. In order to qualify for this benefit, this option must be exercised within ninety (90) days of establishment of eligibility.

Qualifying employees shall, upon resignation from the District, receive seventeen percent (17%) of their final annual compensation (prior 12 months of creditable salary) for a maximum period of five (5) years. This incentive program shall be paid on a monthly, quarterly or annual basis at the employee's option.

Option I or II IRS Taxability Requirement

Employees meeting the requirements of either of these plans are required to report and pay taxes on the total five (5) year amount, in the first payment year.