



Department Human Resources	Policy o. HR 019	Page 1 of 2
Policy Title EARLY RETIREMENT INCENTIVES – UNION		

Council Resolution No. 153-03 Date: March 11, 2003	GMCS	CC	Cross Reference	Effective March 11, 2003
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PURPOSE

Parkland County recognizes the value of its union employees and acknowledges that some union employees may desire to retire before age 65.

POLICY

In recognition of service to Parkland County, and to assist those employees who wish to retire before the age of 65, an early retirement incentive is offered in accordance with this policy. The County Commissioner may approve the awarding of an early retirement incentive to an employee who qualifies for such support and is desirous of obtaining it.

PROCEDURES**1. DEFINITIONS**

- 1.1. *Last working day* means last day on which employee performs their regular duties and after all accumulated vacation leave has been taken or paid out.
- 1.2. *Retirement day* means the date on which the employee ceases to be on the County payroll.

2. ELIGIBILITY

- 2.1. The employee must be covered by a collective agreement.
- 2.2. The employee must be at least 50 years of age.
- 2.3. The employee must have served the County for a minimum of ten years.
- 2.4. The County Commissioner, at his discretion, may modify any of the eligibility criteria.

3. INCENTIVES

- 3.1. The maximum incentive shall normally be set at 50% of the employee's annual salary. (Annual salary is determined by multiplying the regularly scheduled annual hours of work by the regular hourly rate of pay – including any incentives or experience pay).
- 3.2. Eligibility for the incentive will be calculated at a rate of 1/25 of the maximum incentive for every year of service with the County. A maximum of 25 years of service will be recognized for this purpose.
- 3.3. The incentive will be reduced by 1/10 for every full year the employee's age exceeds 55 at the time of retirement.

Calculations under this clause will be based upon the retirement day; except when options 4.2 or 4.3 are chosen – calculations for reductions will not be applied if the employee commences option 4.2 or 4.3 on or before the date they reach age 55.

4. INCENTIVE OPTIONS

- 4.1. A lump sum (on the date of retirement).
- 4.2. Incentive paid as regular salary after the last working day. The employee would receive monthly salary (based on regular earnings/regular hours work) but would not be working.
- 4.3. Gradual reduction of workweek while on full salary.

5. APPLICATION PROCESS

- 5.1. The employee shall make written application to the County Commissioner at least four months prior to the intended date of retirement in order to be eligible for participation in an incentive plan commencing on a mutually agreeable date.
- 5.2. The Human Resources Coordinator, or designate of the County Commissioner, will evaluate the request and, after consultation with the employee, shall make a recommendation to the Commissioner for approval, indicating to the County Commissioner that the request meets all eligibility requirements of the policy.
- 5.3. Options must be approved by the County Commissioner without an avenue of appeal by the employee. Subsequent to option approval, future salary adjustment due to cost of living allowance or reclassification shall not affect the early retirement benefits previously approved.

6. BENEFITS

- 6.1. No benefits under Incentive Option 4.1. This incentive option is **not** pensionable for the purpose of calculating LAPP.
- 6.2. Benefits under Incentive Options 4.2 and 4.3. These incentive options **are pensionable** for the purpose of calculating LAPP.

7. PRE-RETIREMENT SEMINAR

The County may provide a pre-retirement seminar to interested employees on an optional basis.

8. POST-RETIREMENT WORK

An individual who returns to employment with Parkland County on any basis other than casual, following the receipt of an early retirement incentive, will be required to repay the incentive to the County. Exceptions will only be granted with the approval of the County Commissioner.