ADMINISTRATIVE DIRECTIVE A-HR19

Early Retirement Incentives – Union

Prepared By: Human Resources	**APPROVALS:**
Effective Date: CAO	______________________
Previous Revision Date: March 11, 2003	General Manager ______________________
References:	Manager ______________________
	LAS Review Date ______________________
	Function: (Determined by LAS)

PURPOSE

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

DIRECTIVE STATEMENT

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 directive. The Chief Administrative Officer (CAO) may approve the awarding of an early retirement incentive to an employee who qualifies for such support and is desirous of obtaining it.

DEFINITIONS

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.
2. "Retirement day" means the date on which the employee ceases to be on the County payroll.

SCOPE

This directive applies to all union employees.

MANAGEMENT RESPONSIBILITIES

Human Resources is responsible for the implementing, monitoring and evaluating of this directive.

Payroll is responsible to process the incentive.

STANDARDS

1. **Eligibility**
   a. The employee must be covered by a collective agreement.
   b. The employee must be at least 50 years of age.
   c. The employee must have served the County for a minimum of ten (10) years.
   d. The CAO, at his discretion, may modify any of the eligibility criteria.

2. Incentives

a. 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).

b. 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.

c. 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 3.b or 3.c are chosen – calculations for reductions will not be applied if the employee commences option 3.b or 3.c on or before the date they reach age 55.

3. Incentive Options

a. A lump sum (paid on last day worked).

b. 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.

c. Gradual reduction of workweek while on full salary.

4. Application Process

a. The employee shall make written application to the CAO at least four (4) 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.

b. The Human Resources Coordinator, or designate of the CAO, will evaluate the request and, after consultation with the employee, shall make a recommendation to the CAO for approval, indicating to the CAO that the request meets all eligibility requirements of the policy.

c. Options must be approved by the CAO without an avenue of appeal by the employee. Subsequent to option approval, future salary adjustment due to Cost of Living Adjustment (COLA) or reclassification shall not affect the early retirement benefits previously approved.

5. Benefits

a. No benefits under Incentive Option 3.a. This incentive option is not pensionable for the purpose of calculating LAPP.

b. Benefits under Incentive Options 3.b and 3.c. These incentive options are pensionable for the purpose of calculating LAPP.

6. Pre-Retirement Seminar

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

7. Post-Retirement Work

a. 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 CAO.

b. Casual is defined as no more than 30 working days per calendar year.

8. Expiration of Directive

All terms of this directive, other than Standard 7 regarding Post-Retirement Work, shall expire on December 31, 2015.