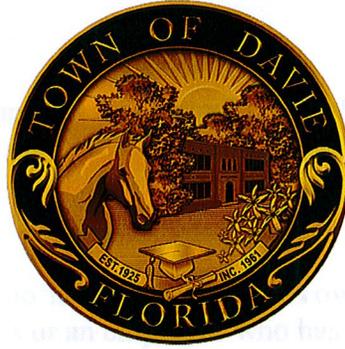


**TOWN OF DAVIE
HUMAN RESOURCES DEPARTMENT**



**EMPLOYMENT SUBSEQUENT TO RETIREMENT PAYMENTS
SOP #21-015**

September 19, 2012

SUMMARY OF REVISED, DELETED, OR ADDED MATERIAL

This operating procedure shall replace the Personnel Rules and Regulations and Policies enacted prior to the effective date of this Operating Procedure.

Revision	Date	Responsible Department	Description of Change
1	September 19, 2012	Human Resources	Initial Release

APPROVALS:

Steve S.S. Hays

Author

9/24/12

Date

Beth Beach

Town Administrator

9-24-12

Date

1-1. PURPOSE.

This operating procedure is intended to provide clarification for purposes of calculating pensions for employees who return to employment with the Town of Davie post-retirement.

1-2. SCOPE.

This operating procedure applies to all employees of the Town of Davie (Town) in the Regular Service, as well as all Executive employees, and Retirees.

1-3. DEFINITIONS.

- a. Retirees. An employee who has vested in any Town of Davie pension system and is receiving retirement benefits or an employee who has entered the DROP Program.
- b. DROP. The Deferred Retirement Option Plan is a program under which an eligible member of a pension plan may elect to participate, deferring receipt of retirement benefits while continuing employment with the Town of Davie. Deferred monthly benefits accrue in a trust fund on behalf of a participant, plus interest compounded at a set rate, for the specified period of the DROP participation as outlined in a respective pension plan's rules. Upon termination of employment, the participant shall receive the total DROP benefits and begin to receive the previously determined Normal Retirement Benefits.

1-4. POLICY.

The Town of Davie recognizes the value of our employees and in the knowledge they may acquire in their employment with the Town of Davie. The Town of Davie may determine it is in the best interests of the Town to encourage employees to return to the Town of Davie due to particular skills, competencies and/or work ethic. The Town of Davie is interested in being fiscally responsible and ensuring the integrity of our pension plans as it relates to former employees who are collecting retirement or have received DROP contributions prior to returning to a pension eligible position.

1-5. PROCEDURE.

- a. Employees of the Town of Davie may not return to employment with the Town of Davie before one year and one day after concluding DROP or receiving regular or early retirement payments without approval of the Town Administrator. Nothing in this provision would prohibit the Town of Davie from entering into an employment contract with any individual when it is determined to be in the best interests of the Town of Davie.
 - b. Employees who wish to return to employment prior to one year and one day after receiving retirement payments or DROP monies and have approval of the Town Administrator, will be required to forfeit their DROP benefits and return same in lump
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sum to the Town plus any administrative costs incurred by the Town of Davie but will be able to continue earning service credits. Additionally, some employees may be required to provide employee contributions for the period of time they would have been required to pay had they never elected to enter the DROP. Employees will not be eligible for the remainder of the twelve months and 1 day to receive any DROP or regular retirement benefits.

- c. Employees who have separated from the Town of Davie for one year and one day or longer may not return to full-time regular employment with the Town of Davie.
 - d. Employees who vest in a Town of Davie pension plan and transfer, demote, or promote to another position in a different pension plan with no break in service or are reinstated or have a break in service of less than 31 days will have to meet the vesting requirements of the new pension plan in order to receive benefits from that pension plan. Vesting in a second or subsequent pension plan will not increase the accrual of years of service of the initial or prior pension plan and will have no financial impact on the initial or prior pension plan.
 - e. Employees who transfer, demote, or promote from a position eligible for one pension plan without vesting and the more recent position is in a different pension plan they will not be able to count total years of service with the Town of Davie in the secondary position or subsequent position.
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