

Post-Employment Benefits: Classified Staff

- I. Eligibility Requirements
 - i. 58 years old
 - ii. Contracted to work 1250 hours/annually
 - iii. 25 years of consecutive service in the District,
 - iv. Board-accepted application
- II. Benefit
 - a. Variable Multiplier times the average annual earnings over last 3 years
- III. Variable Multiplier
 - a. 1.4 if hired before January 1, 1990
 - b. 1.2 if hired before January 1, 1995
 - c. 1.0 if hired before January 1, 2000
 - d. 0.8 if hired before January 1, 2005
 - e. 0.6 if hired after January 1, 2005
- IV. Example
 - a. Employee 1:
 - i. Age 60 at time of retirement (with 25 year's service)
 - ii. Works 2080 hours/annually
 - iii. 26 years of consecutive service
 - iv. Average 3 year annual earnings (\$46,500)
 - v. Hired in 1989
 - vi. Benefit Value in a Tax-Sheltered Annuity (TSA) payable over 5 years:
 - 1. $46,500 \times 1.4 = \$65,100$
 - b. Example 2:
 - i. Age 59 at time of retirement (with 25 year's service)
 - ii. Works 1600 hours/annually
 - iii. Average 3 year annual earnings (\$32,000)
 - iv. Hired in 1999
 - v. Benefit Value in a Tax-Sheltered Annuity (TSA) payable over 5 years
 - 1. $\$32,500 \times 1.0 = \$32,500$

Reduction Formula:

Age: 5% for every year prior to 58, minimum 55
Years of Service: 5% for every year prior to 25; minimum 20