

HEMET UNIFIED SCHOOL DISTRICT  
GOVERNING BOARD RESOLUTION  
# 2764

**Resolution for an Employee Early Retirement Incentive Program for June 2021**

**WHEREAS**, the Board of the Hemet Unified School District (“District”) has agreed to offer an Employee Early Retirement Incentive Program (“Program”) in June 2021. The following is the description of the program to be offered:

**1.0 Eligibility**

1.1 Employees, shall be eligible who retire/resign from District service as of the end of their annual work year and no later than June 30, 2021. District members must have reached age 55 AND rendered at least five (5) years of regular service to the District by their retirement/resignation date.

**2.0 Participation Requirements**

2.1 At minimum, twenty-five (25) eligible certificated, non-management employees must participate. If fewer than twenty-five (25) eligible certificated, non-management employees participate, the District may within its discretion, withdraw the incentive. No minimum participation rate exists for other employee groups.

2.2 Participating employees shall submit all required enrollment materials and a letter of resignation to the District on or before February 1, 2021. If at least twenty-five (25) or more eligible certificated, non-management employees participate, the resignations of all participants (certificated, classified and non-represented) are irrevocable as of the enrollment deadline and may not be rescinded. If the District withdraws the Program in accordance with section 2.1 above, all letters of resignation may be revoked at the discretion of the employee.

2.3 Participation by employee group will have the following caps:

HTA: 100 participants

CSEA: 2 times the HTA participants, not to exceed 75

Certificated Non-Represented: 10

Classified Non-Represented: 12

**3.0 Incentive Payments**

3.1 The Retirement Incentive offered is based on a percentage of an employee’s base salary. The incentive will be paid annually in five (5) equal installments every July.

3.1.1 Payout percentages vary by employee group as shown in the following table:

Employee Group	Percent of Base Salary to be used for the incentive
HTA	70%
CSEA	45%
Non-Represented (including management)	45%

3.1.2 For example, if a current employee from HTA has a base salary of \$100,000 per year, then the total value of the incentive is \$70,000 (70% incentive of \$100,000 base salary). The annual incentive payout shall be 20% of the total value of the incentive (\$14,000) per year (20% of \$70,000 is \$14,000) paid in one lump sum annually over the next 5 years with the first installment in July 2021.

3.1.3 For example, if a current employee from CSEA has a base salary of \$35,000 per year, then the total value of the incentive is \$15,750 (45% incentive of \$35,000 base salary).

The annual incentive payout shall be 20% of the total value of the incentive (\$3,150) per year (20% of \$15,750 is \$3,150) paid in one lump sum annually over the next 5 years with the first installment in July 2021.

3.1.4 For example, if a current non-represented employee has a base salary of \$60,000 per year, then the total value of the incentive is \$27,000 (45% incentive of \$60,000 base salary). The annual incentive payout shall be 20% of the total value of the incentive (\$5,400) per year (20% of \$27,000 is \$5,400) paid in one lump sum annually over the next 5 years with the first installment in July 2021.

3.2 Distribution of monies contributed under this Retirement Incentive program shall be governed by applicable Federal and State law.

3.3 The incentive payments shall be deposited into the retiree's 403(b) account. The District has no control over the retiree's 403(b) account. The retiree is responsible for any tax liabilities.

4.0 Miscellaneous

4.1 The Contract Administrator for the Program shall be San Diego County Office of Education, Fringe Benefit Consortium (FBC).

4.2 The purpose of this Program is to reduce costs and mitigate layoffs.

4.3 All terms related to the Program are contingent upon the Board tendering the incentive as agreed upon with the Bargaining Units.

PASSED AND ADOPTED by the Governing Board of HEMET UNIFIED SCHOOL DISTRICT, County of Riverside, State of California, this 15th day of DECEMBER, 2020, by the following vote:

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSENT: \_\_\_\_\_ ABSTAIN:

I hereby certify that the foregoing is a full, true and correct copy of the resolution duly adopted by said Board at a regularly called and conducted meeting held on said date, which resolution is on file and of record in the office of said Board.

\_\_\_\_\_  
Name  
President of the Board

\_\_\_\_\_  
Name  
Clerk to the Board