

## FREQUENTLY ASKED QUESTIONS & ANSWERS

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### 1. What is the Supplementary Retirement Plan ("SRP")?

The Supplementary Retirement Plan ("SRP") is the early retirement incentive plan that the District is offering to eligible employees for the 2023-2024 school year only. All employees meeting the established eligibility requirements are eligible to participate.

### 2. Who is PARS?

PARS, Public Agency Retirement Services, is a fee-for-service third party retirement plan administration company that has been hired by the District to administer the SRP.

### 3. Does the SRP replace CalSTRS or CalPERS?

Absolutely not. SRP benefits are paid in addition to whatever CalSTRS or CalPERS benefits you have accrued to date. In retirement, you would receive at least two retirement checks: one from the SRP via PARS and one from either CalSTRS or CalPERS.

### 4. What requirements do I need to meet in order to be eligible to participate in the SRP?

In order to participate in the SRP, you must meet the following criteria set forth by the District:

- 1) Certificated Non-Management, Certificated Non-Management (Adult Education), Certificated Management, Classified Non-Management, and Classified Management employees who are employed by the District as of January 16, 2024
- 2) Have an FTE of 0.50 or greater as of January 16, 2024
- 3) Are eligible to retire under CalSTRS (fifty-five (55) years of age with five (5) years of CalSTRS service or fifty (50) years of age with thirty (30) years of CalSTRS service) or CalPERS (fifty (50) years of age with five (5) years of CalPERS service) as of June 30, 2024
- 4) Have five (5) years of District service as of June 30, 2024
- 5) Have resigned from District employment effective after the completion of the 2023-2024 school year on or before June 30, 2024
- 6) Have submitted all required SRP enrollment materials and District Letter of Resignation to the PARS office no later than 5:00PM on March 21, 2024

**SRP eligibility will ultimately be determined based on the provisions of the SRP and will be verified by the District of all relevant assumptions. If it is determined that you do not meet any one of the eligibility requirements, you will be notified of your ineligibility.**

**5. What benefit is being offered to me through the SRP?**

The District is providing a benefit through a 403(b) fixed annuity funded by District contributions (over a period of time as determined by the District). The sum of the contributions shall equal 75% of Final Pay.

Final Pay shall be defined as the 2023-2024 Contract Salary (placement on the 2023-2024 salary schedule, inclusive of longevity) multiplied by the participant's current FTE (full-time equivalence).

For hourly employees, Final Pay shall be defined as the 2023-2024 hour rate (placement on the 2023-2024 salary schedule, inclusive of longevity) based on the employee's base position hours worked.

The term "Final Pay" as defined in this agreement shall refer exclusively to the employee's base salary reflected on the salary schedule and excludes any additional supplemental pay, including but not limited to stipends, timesheets, degree pays, shift differential, classified school employee summer assistance program, extra duty, or working out of class.

**6. What options are available to me under the SRP?**

You may take your SRP benefit as a monthly lifetime only option (Option 1), monthly joint-and-survivor benefit option (Option 2), monthly lifetime with a 10 year guarantee (Option 3), or as fixed monthly payments, ranging from 5 to 15 years (Options 5-15).

**7. Which SRP option is the "best" option?**

All SRP options are equal in terms of cost. This means that it will cost the District the same amount of money to provide the benefit, whether you choose Option 1 or Option 15. The best option is the one that fits the individualized needs of each employee.

**Neither the District nor PARS offers tax, accounting, or legal advice. Employees should consult the enclosed Special Tax Notice Regarding Plan Payments and with their own tax, accounting, or legal advisors regarding tax, accounting or legal matters and the consequences of their resignation.**

**8. Is there any flexibility to the resignation date?**

No, you must resign from District employment effective after the completion of the 2023-2024 school year on or before June 30, 2024.

**9. What date should I put down for my District resignation date?**

Your District resignation date will be your last work day. If you are retiring from CalSTRS/CalPERS, your CalSTRS/CalPERS retirement date will be following day at the earliest.

**10. What is the difference between resignation and retirement?**

The SRP only requires you to resign from District employment. You do not have to retire from the District and CalSTRS/CalPERS. However, if you resign and do not retire from the District and CalSTRS/CalPERS, you may not be entitled to the retiree medical benefits and any offset associated with that benefit. In addition, you may lose your unused sick leave, which may affect your CalSTRS/CalPERS retirement calculation.

**11. Am I required to retire under CalSTRS/CalPERS?**

No, you are not required to retire under CalSTRS/CalPERS. You are only required to be eligible to retire under CalSTRS or CalPERS. CalSTRS requires you to be at least fifty-five (55) years of age with five (5) years of CalSTRS service or fifty (50) years of age with thirty (30) years of CalSTRS service, and CalPERS requires you to be at least fifty (50) years of age with five (5) years of CalPERS service.

Since you are not required to retire, you may seek employment at another district or another employer or delay/defer your retirement to a later date at your discretion.

**12. What is the deadline to enroll in the SRP?**

All required SRP enrollment materials and the District Letter of Resignation must be received in the office of PARS no later than 5:00 pm on Thursday, March 21, 2021 (not-postmarked).

**13. What do I need to do to enroll in the SRP?**

To enroll in the SRP, submit the required SRP enrollment materials and District Letter of Resignation to PARS before the March 21, 2024 enrollment deadline.

**14. What is the magic number required for the SRP to move forward?**

In order for the SRP to move forward, sufficient plan participation in each employee group (Certificated Non-Management and Certificated Non-Management (Adult Education), Certificated Management and Classified Management, and Classified Non-Management) in order to meet the District's fiscal and operational objectives must be met by the March 21, 2024 enrollment deadline in order for the SRP to go into effect for a particular employee group. The District will announce whether or not the plan will move forward no later than April 12, 2024.

**15. What if the District's fiscal and operational objectives are not reached by the March 21, 2024 enrollment deadline?**

If the District's fiscal and operational objectives have not been reached as of the enrollment deadline for an employee group, the District may withdraw the SRP for that employee group, and the District shall notify enrolled employees of the withdrawal on or before April 12, 2024. If the District withdraws the SRP for an employee group, resignations will be automatically rescinded for that employee group.

**16. If I enroll in the SRP by the March 21, 2024 enrollment deadline, can I rescind my participation in the plan after that date?**

If you submit your SRP enrollment materials and District Letter of Resignation to PARS by the deadline date, your participation is locked in if the plan goes forward. If the plan does not go forward for an employee group, all resignations for that employee group are automatically rescinded.

**17. Can I change my choice of option after the March 21, 2024 enrollment deadline?**

No, you cannot change your SRP option choice after the enrollment deadline.

**18. When will I receive my first SRP benefit?**

Your first SRP benefit will be made to you on August 1, 2024.

**19. Will the SRP be offered again?**

The SRP benefit is a benefit paid for by the District and is offered for this year only. It is a one-time offering, and there is no guarantee that the plan will be offered again.

**20. If I have any questions, where do I call?**

Please contact the PARS Plan Support Department at (800) 731-7884 or by e-mail at [plansupportpars.org](mailto:plansupportpars.org).