DEFERRED RETIREMENT OPTION PLAN (DROP)

SUMMARY

1. To be Eligible:
   a. Have at least 12 years creditable service in the Clerks’ of Court Retirement and Relief Fund (cannot include any reciprocal credit.)
   b. Members hired before January 1, 2011, be at least 55 years of age; Members hired after January 1, 2011, be at least 60 years of age

2. To Participate:
   a. Specify period time (up to 3 years) on application.
   b. Complete application and select option.
   c. Option cannot be changed after DROP commences.
   d. May participate only once.

3. Upon commencement of participation in DROP:
   a. Member continues working in the Clerks’ office and no creditable service is earned while in DROP.
   b. Employee contributions cease while in DROP.
   c. Employer contributions continue while member is in DROP.
   d. Each month the Retirement Fund allocates the amount of the member’s benefit to the member’s DROP account.
   e. No benefit cost-of-living increases are granted while in DROP.
   f. No interest earned on DROP account while member is participating.
   g. At the end of each year, members in DROP will receive a statement of the total amount deposited to their individual DROP account.
4. **To receive funds in DROP account:**
   a. Must terminate employment in the Clerks’ office. (Employee may terminate prior to or at the end of his declared period of participation.)
   b. Clerk’s office must notify Retirement Fund of termination of employment.
   c. May receive funds in lump sum payment, as an annuity, a rollover, or a combination of these. All annuities must be approved by the Board of Trustees.
   d. Method of payment cannot be changed once selected.
   e. DROP account will be taxed less twenty percent (20%) federal taxes at time of distribution unless the total amount of DROP is rolled over to a qualifying IRA or, if you choose, to another employer plan that accepts your rollover.
   f. Member begins to receive previously computed retirement benefit monthly. Member is eligible for cost-of-living increase on retirement benefit after being on retirement one full calendar year. Cost-of-living increase may or may not be granted each year.

5. **If member continues employment in the Clerks’ office after end of DROP:**
   a. Member begins to contribute to the Retirement Fund again and to accumulate creditable service for an additional benefit.
   b. No payment of DROP funds can be made while the member is still employed in the Clerk’s office.
   c. The retirement benefit previously computed remains in effect, and no change can be made in amount or the option selected.
   d. The member will earn interest on the DROP fund balance until their termination from active work.
   e. At the time of termination, an additional benefit is computed for service earned during the period of employment after DROP.

6. **If member dies while participating in DROP:**
   a. Amount of funds in DROP would be paid to beneficiary or estate.
   b. Survivorship benefits would begin, if applicable.