

Act 717 of the 1987 Regular Session

(4) A County Employee member may receive a retirement bonus which is a lump sum payment equal to 10% of the final annual salary of the Employee not to exceed \$5,000. The retirement bonus shall be paid from the contingency reserve fund of the Public Employees Retirement System.

(B) A County Employee who is an active member of the County Division of the Arkansas Public Employees Retirement System on the effective date of this Act and who has credit in the System for three (3) consecutive actual years of service with the County immediately prior to his retirement date and who has credit for not less than ten (10) actual years of service and has attained the age for an early reduced annuity or credit for not less than twenty-eight (28) actual years of service regardless of age may choose two (2) of the retirement incentives from paragraphs (1), (2), (3), (4), and (5), as set forth below, provided he retires during the period beginning with the effective date of this Act through January 1, 1988, inclusive; provided further, an Employee who participates in this retirement incentive program is not eligible to accept further employment with the County or in which another County is the employer:

(1) For the purpose of computing the County Employee member's annuity, his highest annual salary will be substituted for his final average pay.

(2) If the County Employee member is eligible for an early reduced annuity as provided in subsection 5.07 of Section 5 of Act 793 of 1977, as amended, and he is within two (2) years of his full annuity age, then his annuity will not be reduced because of early retirement.

(3) If a County Employee member has attained his full annuity age as provided in subsection 2.09 of Section 2 of Act 793 of 1977 and he is within two years of attaining the credited service requirement for a full annuity, then his annuity will not be reduced because of early retirement.

(4) For the purpose of computing the County Employee member's annuity, the Social Security offset will not be used, notwithstanding his annuity plus his Social Security primary benefit may exceed his final average pay. His annuity will be equal to 1.8% of his final average pay multiplied by the number of years and fraction of a year of credited service with the System.

(5) A County Employee member may receive a retirement bonus which is a lump sum payment equal to 10% of the final annual salary of the Employee not to exceed \$5,000. The retirement bonus shall be paid from the contingency reserve fund of the Arkansas Public Employees Retirement System.

SECTION 3. As used in this Act, 'contingency reserve fund' means that amount of the Arkansas Public Employees Retirement System's assets at cost determined by the annual actuarial valuation to be in excess of the total system benefit liabilities. There shall be annual transfers between the employee's accumulation account and the contingency reserve fund as necessary to recognize the actuarially determined balance of that fund.

SECTION 4. No position being vacated as a result of a county employee retiring pursuant to the provisions of this Act shall be filled without the approval by resolution of the quorum court.

SECTION 5. EMERGENCY CLAUSE. It is hereby found and determined by the General Assembly that a reduction in county work forces called for by budgetary constraints may be avoided by offering early retirement and to avoid unnecessary layoffs, this Act should take effect immediately upon its passage; and that the immediate passage of this Act is necessary to accomplish said purpose, thereby assuring members of the County Division of the Public

Employees Retirement System a more equitable method of computing retirement benefits. Therefore, an emergency is hereby declared to exist and this Act, being necessary for the immediate preservation of the public peace, health and welfare, shall be in full force and effect from and after its passage and approval.

APPROVED: April 7, 1987

Act 717

HB1022

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