

## 2) Optional Payment of Early Retirement Benefit Program

Upon Board approval of the retirement date that is after a current contract year, an annual benefit is determined by multiplying three thousand dollars for each year of service (\$3,000 x years of service at the Colby School District) up to a maximum as determined by date of hire as identified in section 8.01(e).

With the calculation of the total benefit (annual benefit x 5), the employee may request that up to 50% of the total benefit be paid in the subsequent contract year(s) as regular payroll.

This total dollar amount is then determined by calculating the dollar amount requested in payroll, subtracting 13.65% (to make the District whole for WRS, FICA, etc.). This amount is divided over the remaining contract years as determined by the Board of Education approved retirement date.

Actual payment of this option is dispersed as identified in Part I, Section 6 and subject to all normal payroll deductions as applicable to salary.

### E. Calculation of Benefit

- 1) Hire Date: In instances where there is a break in service, the hire date used to determine the maximum benefit allowed under Section 8 is the most recent date of hire.
- 2) Years of Service: In instances where there is a break in service, the years of service are the total years of service within the District to determine the maximum benefit allowed under Section 8.