

# Board of County Commissioners

## Escambia County, Florida

Title: Deferred Retirement Option Program (DROP), Section II, Part C.34  
Date Adopted: November 5, 2009  
Effective Date: August 21, 2014, as amended  
Reference:  
Policy Amended: August 21, 2014

---

### I. PURPOSE

To provide guidelines to the Deferred Retirement Option Program (DROP) in accordance with the Florida Statutes and the Florida Administrative Code.

### II. BACKGROUND

In July 1998, the Florida Retirement System (FRS) established the Deferred Retirement Option Program (DROP) which allows qualifying employees to begin accumulating retirement benefits without having to terminate employment for up to 60 months from the date one first reaches normal retirement or eligible deferral date. Specific guidelines for agencies and members of the Florida Retirement System are found in Florida Statute 121.091(13) and Florida Administrative Code 60S-11. These guidelines are used to develop procedures and policies that will assist the employees on what to expect once they become eligible and enter DROP.

### III. PROCEDURES

#### a. Eligibility

To Participate in DROP, the employee must be vested and eligible for normal retirement (based on years of service or age) and be an active member of the Florida Retirement System Pension Plan. Note: Employees that have elected The Florida Retirement System Investment Plan or The Senior Management Local Annuity Plan are not eligible for the DROP program. Employees cannot request consideration of the County's Retirement Incentive Program if they have elected to participate in DROP.

#### b. Budget

During the annual budget preparation process, each Department should determine its employees who are eligible and have the intent to participate in DROP and whether they are going to sell back any leave.

#### c. When to Apply

There is a specific window of opportunity to enter DROP and it is the employee's responsibility to start the process. Employees may begin DROP participation in the month they reach their normal retirement date based on age, or the month after the month they reach their normal retirement date based upon years of service. The County encourages employees

to start the process three (3) to six (6) months in advance of their DROP beginning date. Employees shall contact the Human Resources Benefit Section to begin the application process.

Once the application has been completed the Human Resources Benefits Section will forward the application to the Florida Retirement System and forward the completed DROP Processing Form to the Bureau.

Although employees in DROP are considered retired by the Florida Retirement System, they will receive all the benefits of an active full-time employee of the County.

#### IV. LEAVE PAYOUT

Maximum payout hours are established for all types of leave through the Human Resources Policies and Procedures Manual, Paid Time Off Policy and Administrative Code.

1. Employees may sell back all or a portion of their annual or PTO leave up to the maximum limit upon entering DROP. If an employee sells his or her leave at this time, the Florida Retirement System will use the Leave payment to determine the final calculation of the employee's retirement benefit.
2. Employees may sell back all or a portion of their annual or PTO leave upon separation from DROP up to the allowed limits or they may use their accrued leave to provide a terminal leave period subject to the approval of the department director and County Administrator.
3. Employees will receive the maximum leave pay out established by the appropriate policy or procedure for all eligible sick leave, Extended Leave Bank or Management Option Benefit when they separate employment from DROP.
4. While in DROP, employees are eligible for any leave sell-back program that the County offers, but will not receive credit through the Florida Retirement System.

#### V. EMPLOYMENT

The Florida Retirement System establishes specific guidelines for an employee's participation in DROP. Under Florida Statute 121.091 (13), DROP participation is deemed final and may not be canceled by the employee after the first payment is credited during the DROP participation period. At the end of his or her DROP participation period, an employee may request to cancel DROP. The employer must approve the request. The Board of County Commissioners employees must route their request through their Department, Management and Budget, and Human Resources, and the County Administrator shall have final approval.

#### VI. RE-EMPLOYMENT

The Florida Retirement System establishes the criteria for re-employed retirees. For retirees to be re-employed by the County, the County Administrator must approve the request for re-employment.