



Deferred Retirement Option Program (DROP)

Frequently Asked Questions

For Members of the Police Pension Plan
Covered under the F.O.P. Lodge 89 Bargaining Agreement

DROP Entrance

- 1. What are the requirements to join the DROP?**
 - Employees must be eligible to be an active member of the FOP Lodge 89.
 - Employees who were hired before January 1, 2016 with at least 22 years of actual service.
- 2. How are participants selected?**
 - Interest of Participation form must be submitted to the Office of Human Resources Benefits and Pensions Division no less than 30 days prior to intended enrollment date.
 - Participants are selected based on seniority and according to the monthly enrollment limits.
- 3. What is the maximum number of participants who may enter the DROP?**
 - April 1, 2020, May 1, 2020, June 1, 2020 – 16 participants
 - No more than four (4) Lieutenants and four (4) Sergeants may enroll each month
 - July 1, 2020, thru December 1, 2020 (and all months following) – 8 participants
 - No more than two (2) Lieutenants and two (2) Sergeants may enroll each month
- 4. How long is the DROP period?**

Participation in the DROP is for three (3) years.
- 5. Can the DROP period be extended?**
 - The DROP period cannot be extended.
 - At the end of the 3-year term (or upon early exit), employment with the County terminates.
 - The decision to join the DROP is irrevocable.

Employment During the DROP

- 1. Will leave continue to accrue while in the DROP?**

Employees remain eligible to receive all leave earnings, including but not limited to Annual Leave, Sick Leave, Compensatory Leave, and Personal Leave.
- 2. Do DROP participants receive wage increases?**
 - Employees maintain eligibility to receive all wage increases, including but not limited to merit steps, cost-of-living adjustments and promotions.

- Raises earned during the DROP period does not impact the average final salary, nor will it increase the participant's pension benefit amount.

3. What deductions continue while in DROP?

- Employees continue to be covered as active employees under their current health insurance plans.
- Employees may continue to participate in their existing deferred compensation plan.
- Active FOP Lodge 89 participants will continue to have union dues withheld.
- Retirement Contributions will continue to be withheld. However, employee contributions will be deposited into the participant's DROP account.

Disability While in DROP

1. If a participant sustains an injury on the job while in the DROP, can the DROP period be extended?

Participation in the DROP is for a three-year term and cannot be extended.

2. Are DROP participants allowed to apply for a disability retirement?

- A DROP participant is eligible to apply for a disability retirement.
- If approved, the Disability Retirement Benefit is calculated as of the date the employee entered the DROP.
- The participant will also receive a distribution of the balance of their DROP account.
- Employees who are approved for disability while in DROP, must exit the DROP and end employment as the first of the month following approval.

3. What happens if approved for a disability retirement while in DROP?

- A participant who is separated from employment as a result of a disability prior to the completion of the DROP period, will receive a Disability Retirement Benefit calculated as of the date the employee entered the DROP.
- The participant is entitled to a distribution of their DROP account balance.

Exiting the DROP

1. How are funds distributed when exiting the DROP?

- At the end of the DROP period, the participant will make written application to begin collecting their monthly pension benefit.
- The participant will also select their desired distribution of the funds in their DROP account.
 - The DROP account can be disbursed as a lump sum in cash, a rollover into an eligible retirement plan or as an annuity payment.