

Jefferson County Education Service District

Code: GCPCA
Adopted: 1/2/96
Readopted: 5/07/08
Orig. Code(s): 732

Early Retirement

The Board recognizes that potential benefits can be realized through an early retirement incentive plan for licensed (excluding administrators) and classified employees.

It is the Board's desire that such a plan should generate cost saving for the ESD, provide increased opportunities for promotions, and allow early retirement for those individuals who have served the ESD for an extended period and desire such a release.

The Board, therefore, directs the administration to design a plan based on current financial projections. It is the Board's intent that this plan shall be in effect from this date forward. While the Board reserves the right to alter or eliminate the plan for future years, this action would not affect the benefits of retirees enrolled prior to the implementation of changes.

Eligibility

To be eligible to participate in the district's early retirement incentive program an employee must:

1. Have worked half-time or more daily for at least 15 years in a classified position in Oregon public education. At least 135 days must be verifiable to equal one year.
2. Have worked half time or more daily for at least ten consecutive years in a classified position in Jefferson County ESD.
3. Verify that payments are being received from Oregon Public Employee Retirement System.
4. Be employed by the district at the time of retirement.

Payments

1. The cash benefit is a four year benefit intended to provide supplementary income between ages of 58 and 62.
2. The following formula(s) will be used to determine the potential cash benefit to eligible retiring employees.

a. Maximum Cash Benefit Formula:

$\$ \times 18\% \times 4 \text{ years} = \text{Monthly Cash Benefit (Average Base Salary During Highest Three Out of Last Five Completed School Years of District Employment)}$

b. Maximum Monthly Payment Formula:

Maximum Cash Benefit / 48 Months = Maximum Monthly Payment

3. Eligible employees retiring prior to age 58 will receive their maximum cash benefit prorated into smaller monthly payments until age 62. Those retiring at or after age 58 will receive their maximum monthly payment until age 62.
4. Extended responsibility pay shall not be considered in computing early retirement benefits.
5. Monthly early retirement payments shall begin the final working day of the month following retirement and shall be terminated at the end of the month in which the employee reaches age 62. In cases of retirement at the end of a school year, June 30th shall be considered the last working day. Commencement of early retirement payment is dependent upon the establishment of eligibility under paragraph A.
6. Eligible employees up to age 62 may elect to receive medical, dental, and/or life insurance benefits in lieu of their monthly retirement payments, if allowed by the district's insurance carrier(s). Any balance above the district's actual insurance premium costs shall be payable monthly to the retiree, by the district, buy the retiree.
7. Any payment made under this policy is subject to employer and employee social security contributions.

Death Benefit

1. Employees shall, at the time of retirement, designate a beneficiary on the appropriate district form.
2. Monthly payments to the beneficiary shall continue until the time the payments would have normally been terminated.
3. Insurance benefits shall not be available to the beneficiaries. In the even the deceased had been receiving insurance benefits in lieu of a portion of the retirement payment, those benefits will be converted to monthly cash benefits.
4. In no case will total monthly benefits be greater than that determined in the above paragraph.
5. In no case will any payments be made past the end of the month in which the employee would have reached age 62.

Notice of Retire

1. In order to take advantage of this plan, and employee must give written notice to the superintendent no later than 90 days prior to the effective date of retirement.
2. Exits under this plan will only be allowed at the end of the first semester or June 30th.

END OF POLICY

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