



ARTICLE 15 RETIREMENT

15.1 Unused Sick Leave

Pursuant to Chapter 646, Oregon Laws 1973 (Senate Bill 622), the District shall request that the Public Employees Retirement Board add to the gross amount of salary used in determining the “final average salary” as defined in ORS 237.003(12) (for utilization in determining total retirement allowances) the monetary value of one-half (1/2) of the accumulated unused sick leave for each professional educator of the District.

15.2 Early Retirement Incentives

15.2.1 Insurance

15.2.1.1 The District shall contribute to the School District No. 1 Health and Welfare Trust the cost of medical/~~hospitalization~~ prescription plan for professional educators who:

- a. elect early retirement and are eligible to retire under the Public Employees Retirement System (PERS);
- b. have completed at least fifteen (15) years of service with the District by September 30, 2020;
- c. are ~~at least sixty (60) years of age~~ eligible to retire with PERS, but not yet eligible for Medicare; and
- d. are eligible under such plan then offered by the Trust.

15.2.1.2 The District shall pay one-half (1/2) of the cost for the spouse/or domestic partner (as defined in Appendix C) of the retiree enrolled in the Plan.

15.2.1.3 For retirees, the list of benefits in existence on the date of execution of this Agreement shall be maintained by the District for the full term of this Agreement.

15.2.1.4 Professional Educators eligible under this section may self-pay the ~~for such~~ cost of benefits following the exhaustion of the entitlement set forth above ~~shall be available for qualified early retirees exercising this option to age sixty (60). This provision shall also apply~~ for up to five (5) years or until eligible for Medicare, whichever comes first, for professional educators who become unable to work because of disability as determined by PERS or the Disability Insurance Program provided by the Health and Welfare Trust. A qualifying retiree below age sixty (60) must elect to have District contributions commence upon retirement, but the District shall then cease its contributions at the end of sixty (60) months. Such professional educator may continue to maintain his/her coverage on a self-pay basis until age sixty-five (65).

15.2.2 Stipend

15.2.2.1 The District shall provide an early retirement incentive of four hundred twenty-five dollars (\$425) per month to professional educators of half-time or more who elect early retirement.

15.2.2.2 To qualify, professional educators must meet the following criteria:

- a. They must be eligible to retire under the Oregon Public Employees Retirement System; and
- b. They must have accumulated fifteen (15) years of service with the District by September 30, 2020.

15.2.3 Such payments shall extend for sixty (60) months or until the professional educator reaches age sixty-two (62), whichever is first. A professional educator must give written notice of retirement no later than sixty (60) days prior to the effective date. Upon death of a professional educator receiving the early retiree incentive, the remaining payments will be made to the surviving spouse or estate of the retiree.

15.2.4 The District and Association shall form a workgroup to meet and explore alternatives to early retirement incentives for Tier 3 professional educators that will serve as an incentive to retain mid-career members and to be cost neutral to the District.

15.3 Early Notice of Retirement

Professional educators who give early notice of retirement shall receive early notice incentives in accordance with the provisions of Section 18.2.

15.4 Re-employment of Retirees

Professional educators who retire under the Oregon Public Employee Retirement System ("PERS") on or after December 1, and who the District re-employs between the Retiree's PERS retirement date and June 30 ("Retirees") are eligible for the benefits under this section.

15.4.1 The Retiree

15.4.1.1 Must have a PERS retirement date on or after December 1, and no later than June 1;

15.4.1.2 Must have submitted a written District Resignation Form ending District employment prior to the Retiree's PERS retirement date; (Note: Under PERS rules the PERS retirement date is the first of the month after an employee ends District employment. For example, if a professional educator ends employment on the last contract day before Winter Break, **his/her their** PERS retirement date would be January 1. If a professional educator ends employment on January 1, **his/her their** PERS retirement date would be February 1.); and

15.4.1.3 Must declare in writing his/her request to begin a new employment relationship with the District as a Retiree in the Retiree's prior position through the end of the work year or June 30, whichever first occurs. This written notice must be submitted to the District as part of the District Resignation Form no later than thirty (30) calendar days before the PERS retirement date.

15.4.2 The District will report all unused earned sick leave to PERS, except as stated in Section 15.4.4.2.c.

15.4.3 A Retiree will be re-employed by the District in the position that the Retiree held on the Retiree's date of resignation only if all of the following conditions are met:

15.4.3.1 The professional educator elects to retire between December 1, and June 30 of that school year; and

15.4.3.2 No internal transfer options are identified; and

15.4.3.3 There is no one on layoff status who is qualified for the position.

15.4.4 Any period of reemployment between December 1, and June 30, is a new employment relationship between the Retiree and the District as outlined below:

15.4.4.1 A re-employed Retiree is expected to demonstrate reliable and regular attendance at work and meet all expectations of the assignment.

15.4.4.2 Pay and benefits for re-employed Retirees are set forth below:

a. Insurance coverage under the District's insurance for active employees shall continue through July 31, if permitted by the terms of such insurance.

b. Retiree will be paid at **his/her their** pre-retirement rate of pay, less the 6% PERS pickup.

