

## ARTICLE 16 - EARLY RETIREMENT

### Section 1. Early Retirement Health Benefits

#### a. Eligibility

For employees who meet the age, service and other requirements set forth below, and retire from regular District service prior to age 65, the District shall provide the health benefit coverage and benefits set forth below, until the end of the plan year in which the employee has reached age 65, or until the employee's death prior to age 65. To be eligible, the employee must meet each of the following requirements:

- (1) Must retire with STRS benefits, after attaining age 55 and before attaining age 65;
- (2) Must have been employed by the District on a regular full-time basis for the ten (10) year\* period immediately preceding retirement. Paid leave and military leave count as active employment for this purpose; unpaid leave status does not count toward the ten-year service requirement, but does not constitute a "break" in the consecutive years' requirement;
- (3) Must, as of the time of retirement, have been eligible for, and covered under, one of the District-sponsored benefit plan options;
- (4) Must, at the time of retirement and annually thereafter, notify the District's Human Resources Office of his or her desire for coverage, and of the retiree's current address; such notification is a requirement for continued coverage;
- (5) Must not have accepted coverage for health benefits pursuant to any other employment by another employer; and
- (6) The retired employee or dependent must not have dropped coverage (there is no re-enrollment privilege for those who have dropped coverage).

#### b. Benefits

The medical benefits coverage provided under this plan shall be paid by the District on behalf of the early retiree and his or her dependent(s). The dental insurance coverage is paid by the District on behalf of the retiree only. As to early retirees commencing early retirement during the 1996-97 and later benefit years, the District shall also provide vision plan coverage (VSP) for the early retiree only. The carriers, plans and specific benefits covered thereby shall be the same as that provided to active District employees under the then-current District plan.

\*For retirements commencing prior to July 1, 2000, the service requirement shall be nine (9) consecutive years.

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### c. Added Coverage for Dependents

For those of the above coverages which the District does not provide for dependents, the early retiree may at his or her own expense enroll eligible dependents for the duration of the early retiree's own period of coverage. Upon completion of eligibility under this program, the retiree and/or dependents shall be granted conversion rights at their own expense, under the COBRA statute. If the early retiree dies before reaching age 65, the surviving covered dependents shall be entitled to continue their existing coverages, at their own expense, pursuant to the COBRA statute.

## Section 2. Post-Retirement Employment Option

### a. Eligibility

Early retirees who meet the eligibility requirements for the above early retirement health benefits coverage may apply for this part-time post-retirement employment program. Such applications must be made on or before June 1 immediately preceding the commencement of their early retirement. Participation shall be at the initiation of the employee, and at the discretion of the District, and shall be governed by an individual contract which shall meet the standards of this section. Participation shall be for a maximum of five (5) consecutive years, or until age 65, whichever occurs earlier.

### b. Services

The services to be performed shall be for a total of 25 days per year, in assignments determined by the District, in its discretion, to meet District needs. Such assignments are to be reviewed and determined annually by the District, after giving consideration to the retiree's stated preferences. Such assignments shall normally be for daily blocks of time, unless the nature of the assigned duties indicates otherwise (e.g., a kindergarten-related assignment may involve half-day blocks of time); however, duties shall be assigned in blocks of not less than three hours.

### c. Compensation

Participants shall be paid a daily rate (for each full day) of \$200 per day, but not to exceed \$5,000 for any one school year. Health benefits coverage is determined by Section 1 above, independently of participation in this employment program. The above post-retirement services do not constitute regular employment or count toward STRS coverage, contributions or benefits.