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Statement of.....

## Policy and Responsibility

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SUBJECT: SPECIAL PROVISIONS: RETIREMENT ARTICLE XX

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- 22.1 The Utah State Retirement System (URS) applies to all employees who work at least 20 hours per week. The District will make required contributions on behalf of eligible employees as determined by URS.

Employees wishing to retire must make application to the Superintendent of Schools by April 1 of the year they elect to retire. Failure to provide said notification will result in a \$1,000 reduction in the employee's post-retirement benefits.

For District retirement benefits, age is the age of the employee on September 30<sup>th</sup> of the year in which they elect to retire.

**Retirement benefits for those working under contract before the 2007-2008 school year**

22.2 **Retirement – Prior to age 62**

- a) The District will contribute the lesser of the capped medical premium (as listed at the end of Article XXII) or the amount being paid by the District for health insurance on behalf of active teachers in the year of retirement.
- b) The sum of these benefits will be divided into monthly payments and deposited into the District post-retirement special pay plan or the District sponsored post-retirement health care trust. The decision as to which of these accounts will be utilized will be determined by an exit interview with the retiree conducted at the time of retirement.
- c) If a retiree elects to purchase health insurance through the District, the premium charge will be the rate for active employees for the first three years. Following the first three years, the premium charge will be a retiree rate as determined by the District insurance carrier. In no event will a retiree be able to purchase insurance through the District upon Medicare eligibility (current age 65).
- d) All payments into the selected post-retirement account terminate at the end of the month in which death occurs.
- e) In lieu of the monthly payments reference above, an employee may elect to use these funds to purchase retirement years through URS. Because these years must be purchased before retirement, the employee must notify the District by May 1<sup>st</sup> of their intent to use all or a portion of these funds to purchase retirement years. Any balance

after the purchase of retirement years will be divided into monthly payments and contributed to the employee's post-retirement account.

- 22.3 **Retirement — Age 62-66.** Teachers with 15 years of service in Murray School District shall be eligible for the following District paid retirement unless dismissed for cause. Teachers with 10 years of service in Murray School District shall be eligible for one-half of the benefits.

The District will pay fifty (50%) of the difference between step three, lane one, and the average of the highest three consecutive years of the base salary of the retiring employee for the lesser of three years or age 67.

The District will contribute the lesser of the capped medical premium as listed at the end of Article XXII or the amount being paid by the District for health insurance on behalf of active teachers in the year of retirement into the employee's post-retirement account for the lesser of three years or full Medicare eligibility.

- a) The sum of these benefits will be divided into monthly payments and deposited into the District post-retirement special pay plan or the District sponsored post-retirement health care trust. The decision as to which of these accounts will be utilized will be determined by an exit interview with the retiree conducted at the time of retirement.
- b) If a retiree elects to purchase health insurance through the District, the premium charge will be the rate for active employees for the first three years. Following the first three years, the premium charge will be a retiree rate as determined by the District insurance carrier. In no event will a retiree be able to purchase insurance through the District upon Medicare eligibility (current age 65).
- c) All payments into the selected post-retirement account terminate at the end of the month in which death occurs.
- d) In lieu of the monthly payments reference above, an employee may elect to use these funds to purchase retirement years through URS. Because these years must be purchased before retirement, the employee must notify the District by May 1" of their intent to use all or a portion of these funds to purchase retirement years. Any balance after the purchase of retirement years will be divided into monthly payments and contributed to the employee's post-retirement account.

- 22.4 **Retirement – Age 67 and Beyond.** Teachers with 15 years of service in Murray School District shall be eligible for the following District- paid retirement unless dismissed for cause:

One half one percent of the final base salary times the number of years' service in Murray School District up to 30 years.

The benefit will be paid in a lump sum by August 31 of the year of retirement and deposited into the District post-retirement special pay plan or the District sponsored post-retirement health care trust. The decision as to which of these accounts will be utilized will be determined by an exit interview with the retiree conducted at the time of retirement.

**Retirement benefits for those working under contract for the 2007-2008 school year and after.**

- 22.5 **Retirement before age 67.** Teachers with 15 years of service in Murray School District shall be eligible for the following District- paid retirement benefits for the lesser of three years or age 67 unless dismissed for cause:

(Two Percent 2%) times (Years of service in Murray School District, up to 30 years) times (Difference) between the retiree's base salary and step 3 of lane one)

This benefit will be divided into monthly payments and deposited into the District post-retirement special pay plan or the District sponsored post-retirement health care trust. The decision as to which of these accounts will be utilized will be determined by an exit interview with the retiree conducted at the time of retirement.

- a) All payments into the selected post-retirement account terminate at the end of the month in which death occurs.
- b) If a retiree elects to purchase health insurance through the District, the premium charge will be a retiree rate as determined by the District insurance carrier. In no event will a retiree be able to purchase insurance through the District upon Medicare eligibility (current age 65).
- c) In lieu of the monthly payments reference above, an employee may elect to use these funds to purchase retirement years through URS. Because these years must be purchased before retirement, the employee must notify the District by April 1<sup>st</sup> of their intent to use all or a portion of these funds to purchase retirement years. Any balance after the purchase of retirement years will be divided into monthly payments and contributed to the employee's post-retirement account.

22.6 **Retirement age 67 and beyond.** Teachers with 15 years of service in Murray School District shall be eligible for the following District- paid retirement benefits unless dismissed for cause:

One half one percent of the final base salary times the number of years service in Murray School District up to 30 years.

The benefit will be paid in a lump sum by August 31 of the year of retirement and deposited into the District post-retirement special pay plan or the District sponsored post-retirement health care trust. The decision as to which of these accounts will be utilized will be determined by an exit interview with the retiree conducted at the time of retirement.

22.7 **Retirement Savings.** Savings generated from salary differences between early retirees' and average new hires will first be utilized to pay for post-retirement benefits. All savings remaining after the payment of these benefits shall be available for negotiations.

**Post-Retirement  
Capped Insurance Amount**

<b>Year</b>	<b>Amount</b>	<b>Year</b>	<b>Amount</b>
2006-07	6,648	2022-23	12,452
2007-08	6,914	2023-24	12,950
2008-09	7,190	2024-25	13,468
2009-10	7,478	2025-26	14,006
2010-11	7,777	2026-27	14,567
2011-12	8,088	2027-28	15,149
2012-13	8,412	2028-29	15,755
2013-14	8,748	2029-30	16,385
2014-15	9,098	2030-31	17,041
2015-16	9,462	2031-32	17,722
2016-17	9,841	2032-33	18,431
2017-18	10,234	2033-34	19,169
2018-19	10,644	2034-35	19,935
2019-20	11,069	2035-36	20,733
2020-21	11,512	2036-37	21,562
2021-22	11,973	2037-38	22,425