

4J Retirement Plan A and Plan B

There are two retirement plans in effect in 4J - Plan A and Plan B. Your 4J retirement benefits should not be confused with your PERS retirement benefits. For information about PERS, please consult with a financial planner or work directly with PERS. The PERS website can be found at <http://oregon.gov/PERS/>.

Licensed employees hired prior to July 1, 1998 who work continuously as a bargaining unit members until the date of retirement from District employment are eligible for 4J Retirement Plan A.

Licensed employees hired on or after July 1, 1998 are eligible for 4J Retirement Plan B.

Plan A retirees who retire prior to age 62 receive an early retirement stipend through the month in which they turn 62, and a District contribution to the cost of retiree insurance until Medicare eligibility by age (65). They receive no contribution from the District during active employment to a TSA plan.

Plan B employees receive a monthly contribution (paid by the District) to a TSA account selected by the employee (from a list of District list of TSA companies) while they are actively employed. At retirement, they receive no early retirement stipend or District contribution to retiree insurance.

All retirees (and their dependents) are eligible to enroll in the 4J retiree group insurance plan until Medicare eligibility.

Retiree health insurance rates are tier rated and there are 4 coverage tiers available: retiree only, retiree + spouse/domestic partner, retiree + child(ren), and retiree + family. Rates vary depending on how many dependents are covered. To be eligible to enroll in the 4J retiree insurance, OEGB rules state that the retiree must be eligible to retire. The insurance election just prior to retirement will remain in effect through the plan year, which runs through September 30. During open enrollment, a retiree may select a different medical plan if he/she wishes to do so. Retirees may not add additional coverages or dependents during the open enrollment period.

The full Collective Bargaining Agreement can be found online:

<http://www.eugeneteachers.org/4j-cba>

Pertinent Articles from the 2017 – 2020 Collective Bargaining Agreement

4.9 • SUPPLEMENTAL RETIREMENT BENEFIT

The District will provide two supplemental retirement plans for eligible unit members. A unit member hired and employed as a bargaining unit member prior to July 1, 1998 and continuously a bargaining unit member until the date of retirement from District employment, is eligible for Supplemental Retirement Plan A. A bargaining unit member hired and employed on or after July 1, 1998, is eligible for Supplemental Retirement Plan B. A unit member who elects supplemental

retirement must provide the District with at least sixty (60) days advance notice of retirement. Notice may be revoked or waived with District consent.

4.9.1 • RETIREMENT PLAN A:

The District shall offer to Plan A eligible unit members a supplemental retirement program which will provide the unit member with a monthly stipend through the month the member turns age sixty-two (62) and an insurance contribution through the month preceding the month the member turns Medicare eligible by age.

4.9.1.c MONTHLY STIPEND. The amount and maximum number of the monthly stipends are specified in the table below. Years in PERS is the number of service years in PERS at the date of District retirement.

Age at Retirement	Years in PERS	Max. No. of Monthly Stipends	Monthly Stipend Amount	Max Stipend Amount
55 or fewer years	30	84	\$400	\$33,600
56	30	72	\$400	\$28,800
57	30	60	\$400	\$24,000
58	10 or more	48	\$450	\$21,600
59	10 or more	36	\$450	\$16,200
60	10 or more	24	\$450	\$10,800
61	10 or more	12	\$450	\$5,400

4.9.1.b EARLY OUT OPTION. A unit member between age fifty-three (53) and fifty-eight (58) with ten (10) years in the District is eligible for the Early Out Option without attaining thirty (30) years participation in PERS. The Early Out Option is available to bridge a unit member to his/her earliest eligibility date which is either at age fifty-eight (58) or attaining thirty (30) years in PERS before age 55. The maximum total stipend amount a unit member can receive is determined by his/her age at earliest eligibility under the regular supplemental retirement program. (See table above, Section 4.9.1.c.) The monthly stipend amount is the maximum amount divided by the number of monthly payments to age sixty-two (62).

4.9.1.g The number of months of District retiree insurance contribution is 120 or fewer depending on the unit member’s earliest date of eligibility for the early retirement benefits under Section 4.9. For example, if a unit member is eligible for the early retirement benefit at an age younger than 55 years with 30 or more years of service in PERS, the unit member would be eligible for 120 months of the District insurance or until Medicare eligibility age 65, whichever is earliest. If this unit member was age 53 at retirement, then the unit member could divide the total value of 120 x dollars of the District monthly insurance contribution by 144 to get the monthly amount of the District insurance contribution from retirement at age 53 to age 65. The monthly amount will be determined based on the percentages listed below.

**Eligible to retire at age 55 with
30 years in PERS**

Age at Retirement					% Dist Cont
Years	Months		Years	Months	
51	0				71%
51	1	to	51	6	74%
51	7	to	52	0	77%
52	1	to	52	6	80%
52	7	to	53	0	83%
53	1	to	53	6	87%
53	7	to	54	0	91%
54	1	to	54	6	96%
54	7		(or over)		100%

**Eligible to retire at age 58 with
less than 30 years in PERS**

Age at Retirement					% Dist Cont
Years	Months		Years	Months	
53	0				58%
53	1	to	53	6	61%
53	7	to	54	0	64%
54	1	to	54	6	67%
54	7	to	55	0	70%
55	1	to	55	6	74%
55	7	to	56	0	78%
56	1	to	56	6	82%
56	7	to	57	0	88%
57	1	to	57	6	93%
57	7		(or over)		100%

4.9.2. RETIREMENT PLAN B:

Unit members hired on or after July 1, 1998 are eligible for the Plan B Supplemental Retirement benefits. The District will begin paying the Plan B benefit under the terms of this Section after January 1, 1999 as part of an eligible unit member's monthly salary payment. The District will make the monthly TSA payment to a TSA company selected from the District list of TSA companies retroactive to the first month of eligibility when a unit member has submitted a completed and executed District TSA enrollment form to the District Payroll Department within three months of initial eligibility. The unit member will maintain the TSA form required by the District. If a unit member has not submitted a completed and executed form selecting a TSA company within three months of the unit member's initial eligibility for the District TSA payment, the member may complete the TSA enrollment form at a later date; in such a case, the District will make monthly TSA contributions for that member prospectively and will make a one-time contribution to the member's TSA account equivalent to three monthly TSA contributions.

4.9.2.b. The District monthly TSA contribution will be \$50 for the first two years of a unit member's eligibility for the Plan B TSA contribution. The District monthly TSA contribution will increase as follows for future years of eligibility:

1. Third year of eligibility - \$75
2. Sixth year of eligibility - \$100
3. Tenth year of eligibility - \$150
4. Thirteenth year of eligibility - \$175

4.9.2.c. A unit member who PERS or OPSRP retire from the District and who received the Plan B TSA contribution will have the opportunity to participate in the District's Retiree Medical Insurance program until s/he qualifies for Medicare coverage or due to Social Security Disability. The retired unit member's spouse / domestic partner may participate in the District's Retiree Medical Insurance program subject to the eligibility terms in section 4.9.1.f.4 above.