

PAT
2018-2019 RETIREMENT
FREQUENTLY ASKED QUESTIONS

Q. What are the rules regarding retiring and being re-employed by the district between retiree's retirement date and June 30, 2019 (PERS Bubble)?

- A.** If all of the following conditions are met the employee may retire in the PERS Bubble and work until the end of the school year:
- Must have a PERS retirement date on or after December 1, 2018 and no later than June 1, 2019; and
 - Must have submitted a written district resignation form within 30-days of their retirement date
 - No internal transfer options are identified
 - There is no one on layoff status that is qualified for the position
 - Retiree is committing to work through to the end of the employee work year
 - Retiree demonstrates reliable and regular attendance at work and meets all expectations of the assignment while working in the PERS Bubble.

Q. At this time, are there layoffs in my area?

- A.** Yes. Digital Media and Mandarin World Language

Q. What happens when I retire and then am re-employed by the district in the PERS Bubble?

- A.**
- You are committing to continue to work in your current position until the end of your work year.
 - You will receive your regular salary (less the 6% PERS contribution).
 - You will remain on current active district benefits through July 31, 2019, if eligible.
 - If eligible, you will receive a \$425 per month early retirement stipend (ERI), beginning July 31, 2019 (no exceptions).
 - Your retiree insurance benefits, if eligible, will begin August 1, 2019.

Q. If I retire in the PERS Bubble, will I need to re-enroll in active insurance benefits?

- A.** No, you and your dependents will remain on current active benefits at the same premium rate through July 31, 2019 without re-enrolling.

Q. What PERS Tier am I?

- A. Tier I - Employees hired before 1/1/1996
Tier II - Employees hired between 1/1/1996 - 8/28/2003
OPSRP - Employees hired on or after 8/29/2003

Q. How many hours are PERS Tier I and Tier II retirees allowed to work for a PERS employer once they have retired?

- A. No more than 1039 hours in a calendar year (January 1 thru December 31), which is equivalent to approximately 6 months full-time or 12 months half-time. If you surpass these hours while working for a PERS employer, PERS will unretire you and you may have to pay back benefits received from the date you work over the 1039 hours. Refer to the PERS website for more information. www.oregon.gov/pers/pages/index.aspx **Re-employed retirees are responsible for ensuring they do not exceed this limit in a calendar year.**

Q. What if I am a PERS OPSRP member (hired after August 29, 2003)? Will I be able to retire in the PERS Bubble? What are the hours a PERS OPSRP member can work in a calendar year after retirement?

- A. No more than **600 hours** in a calendar year (January 1 thru December 31), which is equivalent to approximately 3 months full-time or 6 months half-time. If you surpass these hours while working for a PERS employer, PERS will unretire you and you may have to pay back benefits received from the date you worked over the 600 hours. Refer to the PERS website for more information www.oregon.gov/pers/pages/index.aspx **Re-employed retirees are responsible for ensuring they do not exceed this limit in a calendar year.**

Q. If I work **extended hours do they count toward my PERS annual number of work hours limit?**

- A. Yes, they do. If the position you are in when you retire from the district includes extended hours such as a coaching stipend, additional IEP preparation hours, chess coach, etc., you most likely will need to retire later than December 1, 2018 in order to accommodate the hours being reported to PERS for work performed.

Q. What are the normal retirement requirements to receive \$425/month for 60 months, or until I reach age 62, whichever comes first?

- A. **Length of Service** – 15 years of accumulated service with the district; **and Eligibility to retire under PERS as follows:**
Must be 55 years of age for Tier I and Tier II and/or 30 years of credited PERS service. OPSRP retirement requirements are age 55 and/or 30 years of PERS credited service
This benefit is no longer available once an employee/retiree reaches age 62. This benefit sunsets effective 9/30/2019, unless an employee has 15 accumulated years' of district service effective that date or before.

Q. What are the retirement requirements to receive the 60-months of district supplemented retiree health insurance benefits?

A. Length of Service – 15 years of accumulated service with the district, plus eligibility to retire from PERS **as follows:** Tier I and Tier II requirements age 55 or older and/or 30 years of credited PERS service. OPSRP retirement requirements age 55 or older and/or 30 years of PERS credited service.

This benefit is no longer available to employees/retirees once they reach age 65. This benefit sunsets on 9/30/2019, unless an employee has 15 accumulated years' of service on that date or before.

Q. What if I do not meet the requirements for district supplemented health insurance? What are my options?

A. If you are age 55 or older when you retire, state statute requires the district to allow you to remain on the district health insurance, with you paying the full cost of the benefits until you are Medicare eligible. Your dependents may remain on the plan, as well. You may also purchase health insurance through PERS, or purchase through the <https://www.healthcare.gov/> website. In addition, your current health insurance plan, and organizations like AARP may offer private plans for purchase.

Q. What if I or one of my dependents are age 65 or older when I retire from the District?

A. You, or your dependent would enroll in Medicare upon the date your active insurance ends at PPS. Medicare requires a 60-day notice to set you up. Make an appointment with your local Social Security office to enroll. Many employees also wish to enroll in a Medicare Advantage or a Supplement plan. These policies are available through PERS and can be purchased through deductions from your PERS retirement checks. Contact PERS at 1-888-320-7377 for more information. In addition, your current health insurance plan, and organizations like AARP may offer private plans for purchase.

Q. When do my active insurance benefits end when I retire?

A. When you retire in the PERS Bubble your active benefits will end on July 31. If you retire at the end of your work year, NOT in the PERS Bubble, your active insurance will end on September 30. In either case, you will automatically receive a packet mailed to your home from the Health and Welfare Trust office explaining the plans you are eligible for, how much they will cost, how to sign up and how to pay your portion of the premium.

Q. Do I have the ability to defer my retiree health insurance coverage once I retire?

A. The PAT contract no longer allows deferral of retiree benefits and you must take them when you first become eligible, or said benefits will no longer be available to you.

Q. What steps must I take to retire and be re-employed by the district for the remainder of my work year (PERS Bubble), or retire at the end of school year (Not PERS Bubble)?

A. Complete the district resignation form found at <https://www.pps.net/Page/1660> . Be sure to check the correct retirement option (PERS Bubble or Retirement Not PERS Bubble) sign, date, obtain your Principal or supervisor's signature and submit to Human Resources by the notice requirements below.

Q. Is my retirement from PERS a different process or does the District notify PERS?

A. Your retirement from PERS **is** a different process which **requires action by you**. Call 1-888-320-7377 to request a PERS retirement application packet, or to ask questions about the PERS retirement process. PERS must have all your paperwork before your actual PERS retirement date. The district will notify PERS electronically with other payroll records.

Q. If I retire, and I am a **less than 260 day employee, and have been being paid over 12-months, will I still receive paychecks in July and August after my retirement date?**

A. **No.** You will be paid out all earned not paid money at the end of the month prior to your actual PPS retirement date, or in the case of an end of year retirement, June 30. This means you will not receive any paychecks from the district in July or August.

Q. What is the notice requirement for retiring in the PERS Bubble?

A. If retiring on December 1, 2018, notice must be on or before November 6, 2018
If retiring on January 1, 2019 or later, a 30-day notice is required.

Q. May I retire and be re-employed by the district (PERS Bubble) in the middle of the month?

A. No. In order to retire in the PERS Bubble you must retire on the first of a month, which coincides with PERS requirements. The first of the month makes sense if you are retiring from PERS, as they only allow first of the month retirements.

Q. What is the notice requirement for an employee who wants to retire and not continue to work in the PERS bubble?

A. 60-days' notice is required per the PAT contract and Oregon statute. Your retirement does not have to be on the first of the month, as required in a PERS bubble retirement.

Q. Are there any other incentives I might be eligible for when retiring?

A. Yes, the HAT incentive is paid to PAT members who submit a written resignation form (excluding resignations in lieu of termination, non-renewal, or non-extension), stating they will not be returning the following school year. This one-time stipend is paid out at the end of June 2019, or in the employee's final paycheck.

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| Notice by 1/15/19 | 5:00 pm | \$1,250 –ratified 2/8/18 |
| Notice by 2/15/19 | 5:00 pm | \$700 |

Q. If I choose to retire in the PERS Bubble will I still qualify for the HAT Incentive?

A. Yes, as long as you follow the notice rules and requirements stated above.

Q. If I continue to work in the PERS Bubble until the end of the school year, will my salary be the same as before I retired?

A. PERS Bubble retirees will be paid their pre-retirement salary rate, **less the 6% PERS contribution**. 6% PERS contributions will no longer be deducted after your retirement date.

Q. What happens to sick leave?

A. Sick leave accumulated prior to retiring will be reported to PERS to use in benefit payment calculations for Tier I and Tier II employees (**OPSRP members – PERS does not use sick leave in their formula**). While retired and working under this agreement, you will retain an accrual balance equal to one day of sick leave for each month you plan to work in the PERS Bubble.

Q. Are PERS Bubble retirees eligible for leaves of absence or have access to professional development funds?

A. PERS Bubble retirees are not eligible to access any type of leaves, professional growth or professional improvement funds, while working in the PERS Bubble.

Q. What happens if I am contributing to a 403(b) plan?

A. Your 403(b) contributions will continue to be deducted from your paycheck until you receive your last paycheck in June. You may stop them earlier, if you wish, by going to PPS PeopleSoft Employee Self Service and stopping your salary reductions. If you return to work after retirement, and wish to start contributing to your 403(b) account again, you will need to re-enroll in the 403(b) plan.

Q. What about my life insurance?

A. Life insurance continuation options are available post- retirement, both Portability and Conversion are available.

The cost for continuation of life insurance coverage is available by contacting Standard at the time this would occur. In both, portability or conversion, it would be expected that premiums would increase and converting to a whole life policy versus porting the Trust's policy will likely always cost more.

Here is a link to the current portability application that shows the rates as they are today: https://www.standard.com/eforms/9178_750971_60day.pdf. Evidence of insurability or completing a medical history statement is not required.

Portability vs Conversion.

Portability allows eligible insured employees to port Group Life insurance coverage when they are losing coverage because their coverage is being voluntarily or involuntarily terminated. Portability stipulates:

You must be able to perform with reasonable continuity the material duties of at least one gainful occupation on the date your employment terminates, you must be under age 70 and you must have been continuously insured for at least 6 months.

Conversion allows eligible insured employees to convert some or all of their Group Life coverage to an individual whole Life insurance policy when their coverage is reduced or terminated for any reason other than non-payment of premiums.

In both scenarios a member needs to exercise their right to continue coverage within 60 days of the qualifying event. Please refer to your certificate for full details. The basic life/AD&D ones are currently available on the Trust website. Should the Optional Life/AD&D coverage become effective we will create certificates for those coverages as well.

Q. What about my disability insurance (LTD)?

A. Your LTD coverage terminates the date you are no longer actively at work. Exceptions to this rule are if you are already taking FMLA, LOA or Military Leave.

Q. Who can answer other questions I might have regarding retirement?

A. Terri Burton, Benefits Director at tburton@pps.net