

School Board Meeting:

June 9, 2014

Subject:

Retirement Benefits

Presenter:

Moreen Martell & Gary Kawlewski

SUGGESTED SCHOOL BOARD ACTION:

Report – will recommend approval at the June Board Meeting

DESCRIPTION:

Currently district employees in negotiated bargaining groups (principals, teachers, office, custodians, food service, and ESPs) have elected, as a group, to receive their severance benefits based on one of the options below. The options, in lieu of cash, save both the school district and the employee FICA costs (7.65%). This also provides the employees in "similar class groups" with deferred compensation options as well as a tax-free benefit.

Options:

1. One hundred percent (100%) to a qualifying post retirement special pay plan 403(b);
or
2. One hundred percent (100%) to a qualifying retired employee's post-retirement health reimbursement account; or
3. A specified percentage to the qualifying post retirement special pay plan 403(b) and a specified percentage to the qualifying health reimbursement account totaling one hundred percent (100%), (ie, 75% post-retirement health reimbursement/25% 403(b)).

The district would like to provide this opportunity to similar employees with individual contracts. To do so, we have grouped similar individual contract employees who have retirement benefits included in their contracts, and invited them to meet with Aaron Casper, National Insurance Benefits Representative, on Wednesday, June 18th.

"Similar Class (a)" – Coordinators & Supervisors

- Communications Coordinator
- Technology Coordinator
- Information Systems Coordinator
- Phoenix Learning Center Coordinator
- Controller

"Similar Class (b)" – Confidential Employees

- Administrative Assistant to the Superintendent/BOE
- Payroll Supervisor
- Accountant
- Secretary to the Director of Finance and Operations
- Secretary to the Director of Human Resources

"Similar Class (c)" – Technicians & Specialists

- Senior Technicians - Technology
- Mental Health Practitioner

"Similar Class (d)" - Directors

- Director of Finance and Operations

- Director of Teaching & Learning
- Director of Special Education
- Director of Technology and Information Services
- Director of Community Education
- Director of Human Resources
- Director of Food Service
- Director of Buildings & Grounds

To finalize “similar class” employees’ 2-year option, the School Board must recognize each group for the purpose of post retirement severance benefits.