

# Memorandum of Agreement:

## Article XVIII of the Master Agreement

### **I. Replace Article XVIII Language in Master Agreement**

The District and the Exclusive Representative hereby agree to remove Article XVIII language in the current 2023 – 2024 and 2024 – 2025 Master Agreement and replace it with the Article XVIII language identified herein. This language will be incorporated into the 2025–2027 Master Agreement. This Memorandum of Agreement shall act as the guiding language regarding Standard Retirement Benefit until the 2025–2027 Master Agreement is ratified.

### **ARTICLE XVIII RETIREMENT BENEFIT**

#### Section 1. Retirement Benefit:

Subd. 1. Standard Benefit: A teacher terminating employment after having reached the age of 55 or older, be vested in the Minnesota Teachers Retirement Association (TRA) and having served the School District for five (5) years or more shall, upon retirement, receive a \$4,500 deposit in July of each year into an HCSP administered by MSRS until age 65. This deposit will not occur or be prorated in a year in which a teacher is employed by the School District for all or part of the year following their retirement. This deposit will be prorated in the year in which the teacher turns age 65.

Subd. 2. Enhanced Benefit: A teacher terminating employment after having reached the age of 60 or older, be vested in the Minnesota Teachers Retirement Association (TRA) and having served the School District for five (5) years or more shall, upon retirement, receive an \$8,500 deposit in July of each year into an HCSP administered by MSRS until age 65. This deposit will not occur or be prorated in a year in which a teacher is employed by the School District for all or part of the year following their retirement. This deposit will be prorated in the year in which the teacher turns age 65.

Subd. 3. Restrictions: A teacher who elects to receive the Standard Benefit is not eligible to receive the Enhanced Benefit. A teacher who elects to receive the Enhanced Benefit is not eligible to receive the Standard Benefit.

Section 2. Duration: The retirement benefits for teachers who meet these eligibility requirements shall continue to be provided according to the Master Agreement provisions that were in place at the time the teacher retired. All other district benefits or contributions shall cease within 60 days of the final date of employment.

Section 3. MSRS Payment: The School District will implement the Minnesota State Retirement System (MSRS) Health Care Savings Plan (HCSP) established pursuant to M.S. 352.98 effective April 1, 2002 under the criteria in Sections 1. and 2. of this article. Participation by all eligible teachers is mandatory. Beginning in July following the teacher's retirement date, and in July of each year thereafter, until age 65 or death of the retiree, the contracted benefit per year shall be deposited in the participating teacher's MSRS HCSP. Upon the teacher's death, payments will end and the remaining amount in the teacher's MSRS HCSP will go to the teacher's beneficiaries.

## **II. Termination of MOA**

This Memorandum of Agreement shall expire upon adoption of the 2025–2027 Master Agreement.

Agreed to this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
President, KWEA

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School Board Clerk