

MEMORANDUM OF UNDERSTANDING EARLY RETIREMENT INCENTIVE – PROFESSIONALS

The purpose of this Memorandum of Understanding is to document the parties' understanding on an Early Retirement Incentive Plan between the Baldwin-Whitehall School District, hereinafter called the "EMPLOYER", and the Baldwin-Whitehall Education Association, hereinafter called the "ASSOCIATION", as of March 1, 2023, the date of this Memorandum.

It is agreed and understood that the signatures of the parties' representatives below are authorized and bind the parties to this Memorandum.

Early Retirement Incentive

1. **School Service.** To be eligible to participate in the Retirement Incentive Plan, an employee must have been a professional employee employed by the Employer as of April 2023, and must be credited by the Public School Employees Retirement System (PSERS) with not less than fifteen (15) years of public school service and have been an employee of the Baldwin-Whitehall School District also for not less than fifteen (15) years.

2. **Retirement Deadline.** Each eligible employee must submit an irrevocable letter of retirement from the District to be received by the Office of the Superintendent on or before April 1, 2023, with an effective date of no later than June 30, 2024. Once acted upon by the Board of School Directors, the professional employee's resignation for the purpose of retirement cannot be rescinded unless the employee or a member of the employee's immediate family suffers a death, serious illness, injury, loss of job or benefits by the spouse, divorce or other qualifying life event. Any of these events shall enable an employee to rescind his/her Notice of Retirement upon providing sufficient documentation to the employer. An employee who fails to comply with these deadlines shall not be eligible to participate in the Retirement Incentive Plan.

Additionally, the employee must retire from the Public School Employees Retirement System (PSERS). Confirmation of retirement from PSERS must be obtained from the employee prior to the commencement of retirement benefits. A mandatory meeting prior to May 31, 2023, with the Business Office and Employee Services will be required for all employees electing this incentive.

3. **Retirement Incentive.** An eligible employee electing to retire under the terms of the Early Retirement Incentive Plan shall choose between the following incentive options:
 - a. **Health Insurance Continuation.** An eligible employee may elect the health insurance after retirement benefit in addition to any retirement benefits set forth in Article XI of the current Collective Bargaining Agreement between the parties.
 - i. Subject to the terms of this Memorandum, the Employer shall make available to each eligible retiring employee continuation of medical insurance coverage for the retired employee and eligible dependents in accordance with the Employer's group plan described in Article XI, Section A of the Collective Bargaining Agreement. This Early Retirement Incentive Plan does not provide any coverage for dental, vision, or life insurance.
 - ii. If the medical insurance group plan is modified in accordance with the Collective Bargaining Agreement, the retired employees shall be notified and shall be required to change medical insurance plans to comply with such modifications.

- iii. Each eligible retired employee who subscribes for the health insurance after retirement benefit will be credited with an Employer funded health insurance contribution of one year of post-employment medical benefits every five (5) years of service to the District in an amount not to exceed the amount depicted in Chart A per year. The amount shall be applied in nearly equal monthly installments towards payment of the monthly insurance premiums for the employee's medical insurance plan coverage. The cumulative maximum amount of all Employer funded insurance premium contributions for each retired employee and the maximum monthly contribution amount are also depicted in Chart A.
- iv. The Employer funded insurance premium contributions will become effective for the September 2023 or September 2024 monthly plan premium, depending on the effective date of retirement. Eligibility for payment of the monthly premium contribution shall cease when the cumulative contribution amount is reached, or for the first full month of the employee's attainment of Medicare eligibility, whichever is the first event to occur. Upon Medicare eligibility, the incentive shall transition to that of the Employer Contributed Investment (see Paragraph 3.b.)
- v. Participating retired employees will be required to contribute the amount of the monthly health insurance premiums not funded by the Employer premium contributions. Any payment for premiums due from the retired employee shall be paid to the District Business Office on or before the tenth of the month preceding the month that the premium is due. If the premium has not been received by the District Business Office by the above stated deadline, that in itself will be proof that the employee has chosen to withdraw from this Early Retirement Incentive Plan and the Employer group health insurance plan. Notice of any premium increase will be provided to the retired employee at their last known address in the Employer's records as furnished by the retired employee. It is the retired employee's responsibility to notify the District Business Office of any address changes.
- vi. Any unused amounts of the Employer funded health care contribution shall be deposited in a 403(b) in July of the following fiscal year.

Chart A

<i>District Seniority at Time of Retirement</i>	<i>Yearly Contribution</i>	<i>Years of Benefits</i>	<i>Monthly Contribution</i>	<i>Cumulative Contribution</i>
25 or more years	\$20,000	5	\$1,666.67	\$100,000
20 – 24.99 years	\$20,000	4	\$1,666.67	\$80,000
15 - 19.99 years	\$20,000	3	\$1,666.67	\$60,000

- b. **Employer Contributed Investment.** In lieu of participation in the District provided health insurance continuation, each eligible retired/resigned employee shall receive an annual payment as depicted in Chart B for a maximum period of five (5) years to be deposited in a 403(b) plan.

Chart B

<i>District Seniority at Time of Retirement</i>	<i>Yearly Contribution</i>	<i>Years of Benefits</i>	<i>Cumulative Contribution</i>
25 or more years	\$20,000	5	\$100,000

20 – 24.99 years	\$20,000	4	\$80,000
15 – 19.99 years	\$20,000	3	\$60,000

- c. **Death of Employee.** The benefits in Paragraph 3 shall terminate upon the death of the Employee.
4. **Minimum Number of Retirements.** In order for the provisions of this Agreement to become effective, no less than six (6) employees who were actively employed in March 2023 must submit such letters of retirement to the Superintendent of Schools with a retirement date no later than June 30, 2024. If six (6) employees do not retire in accordance with the eligibility requirements as set forth above, all provisions of the Memorandum after retirement benefits shall be null and void.
5. **Effective Dates.** This Memorandum shall become effective immediately upon execution by the Association and the Employer and shall expire June 30, 2029. This Agreement shall be subject to the grievance procedure in the Collective Bargaining Agreement.
6. **Waiver.** The parties each waive the right to engage in any further discussions and or collective bargaining on any retirement incentive plan of any kind until January, 2026, unless mutually agreed to otherwise by the parties

WITNESS the execution hereof this __ day of March 2023.

Attest

Sheanita Harpoy
Secretary of the School Board

BALDWIN-WHITEHALL SCHOOL DISTRICT

[Signature]
President of the School Board

Attest

Katie Temm
Secretary of the BWEA

BALDWIN-WHITEHALL EDUCATION ASSOCIATION
[Signature]
President of the BWEA