

MEMORANDUM OF UNDERSTANDING

EARLY RETIREMENT/RESIGNATION 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, hereafter called the "ASSOCIATION", as of June 5, 2019, Revised March 4, 2020, 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/Resignation Incentive Plan, an employee must have been a professional employee employed by the Employer as of May 2019, and must be credited by the Public School Employees Retirement System (PSERS) with not less than ten (10) years of public school service and have been an employee of the Baldwin-Whitehall School District also for not less than ten (10) years.
2. **Retirement/Resignation Deadline.** Each eligible employee must submit an irrevocable letter of retirement/resignation to be received by the Office of the Superintendent on or before March 30, 2020, with an effective date of no later than June 30, 2020. 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upon by the Board of School Directors, the professional employee's resignation for the purpose of retirement cannot be rescinded unless the employee or a member of the employee's immediate family suffers a death, serious illness, injury, loss of job or benefits by the spouse, divorce or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 after July 1, 2019. An employee who fails to comply with these deadlines shall not be eligible to participate in the Retirement/Resignation Incentive Plan.
3. **Retirement/Resignation Incentive.** An eligible employee electing to retire/resign under the terms of the Early Retirement/Resignation Incentive Plan shall choose between the following incentive options:
 - a. **Health Insurance Continuation.** An eligible employee may elect to continue health insurance after retirement/resignation 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 in an amount not to exceed the amount depicted in Chart A per year, to 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.

Chart A

Step at Time of Retirement/Resig.	Yearly Contribution	Monthly Contribution	Cumulative Contribution
Step 19	\$20,000	\$1,666.67	\$100,000
Step 16-18	\$10,000	\$833.34	\$50,000
Step 10-15	\$5,000	\$416.67	\$25,000

- iv. The Employer funded insurance premium contributions will become effective for the September 2019 or September 2020 monthly plan premium, depending on the effective date of retirement/resignation. Eligibility for payment of the monthly premium contribution shall cease when the cumulative contribution amount is reached, or for the first full month following 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/resigned 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 his/her 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 401(a), 403(b), 457(b), Traditional IRA, or other qualified plan of the employee's choice.
- 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 401(a), 403(b), 457(b), Traditional IRA or other qualified plan of the employee's choice.

Chart B

Step at Time of Retirement/Resig.	Yearly Contribution	Cumulative Contribution
Step 19	\$20,000	\$100,000
Step 16, 17, 18	\$10,000	\$50,000
Step 10, 11, 12, 13, 14, 15	\$5,000	\$25,000

c. 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 May of 2019 must submit such letters of retirement/resignation to the Superintendent of Schools on or before June 30, 2019. If six (6) employees do not retire/resign in accordance with the eligibility requirements as set forth above, all provisions of the Memorandum after retirement/resignation benefits shall be null and void.
5. **Retirement Allowance.** The Association and Employer agree to extend the deadline for submission of such letter of retirement to the Superintendent of Schools for eligibility for the Retirement Allowance as described in Article XI, Section K of the Collective Bargaining Agreement from April 30, 2019 to July 1, 2019 for employees electing to retire at the end of the 2018-19 school year. Employees seeking to resign under this incentive shall not be eligible for this allowance.
6. **Effective Dates.** This Memorandum shall become effective immediately upon execution by the Association and the Employer and shall expire June 30, 2025. This Agreement shall be subject to the grievance procedure in the Collective Bargaining Agreement.
7. **May 2, 2018 ERI MOU.** Paragraph 6 of the Early Retirement Incentive MOU executed by the Parties on May 2, 2018 is hereby deemed null and void.
8. **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, 2021, unless mutually agreed to otherwise by the parties.
9. This Memorandum supersedes the Early Retirement Incentive Memorandum approved by the parties dated May 2, 2018.

WITNESS the execution hereof this 4th day of March, 2020.

Attest

Theanta Hampson
Secretary of the School Board

BALDWIN-WHITEHALL SCHOOL DISTRICT

[Signature]
President of the School Board

Attest

Kathleen E. Temme
Secretary of the BWEA

BALDWIN-WHITEHALL EDUCATION ASSOCIATION

[Signature]
President of the BWEA