

General Retirement Facts

Retiring versus Resigning

Retiring means separating from all service and immediately begins receiving a Defined Benefit (DB) allowance (pension check) from the Department of Retirement Systems.

Resigning is when an employee leaves covered employment and

- does not qualify for retirement benefits, or
- delays receiving their Defined Benefit allowance.

The reason many employees delay receiving their DB is because of the age requirements for unreduced retirement benefits. Drawing their DB at the time they leave employment would result in a reduction of monthly benefits. To avoid this reduction, the employee will delay retiring until they reach the age where they can receive unreduced benefits. If you are delaying your Defined Benefits, the *Notification of Intent to Terminate Employment* form that you complete in Human Resources should say resigning, not retiring.

The basic rule of thumb for an employee to draw unreduced Defined Benefits is age 65 for Plan 2 and 3 members (exceptions if have over 30 years of service credit) and age 55 for Plan 1 members.

If you have any questions about whether you are retiring or resigning according to the definitions above, please contact *Gennie Schoenecker* in the Payroll Office at 360-575-7166 between 7:30 am and 3:30 pm. or the Department of Retirement Systems at 1-800-547-6657.

References:

RCW 41.40.010 (33)

Definitions. "Retirement" means withdrawal from active service with a retirement allowance as provided by this chapter.

Payroll Facts at time of Retirement or Resignation

Final Pay Check:

- If you complete your contract year, your last pay check will be as a normal year; e.g. teacher's contract work date ends in June, but your last pay check will still be in August.
- If you terminate prior to your last contract work date, Payroll will prorate your salary and issue your final paycheck accordingly.

Cash Outs:

- Eligible Cash Out payments will be made on the month following your final contract pay.
- Eligible Sick Leave and Vacation Cash Outs will be done automatically by Payroll.
- A Sick Leave Cash Out Form will be sent to you by Payroll. It must be returned to Payroll by August 31st or within 60 business days of your termination date, whichever comes first.
- No form is necessary for Vacation Cash Outs.
- Personal Leave Cash Outs must be requested by filling out a Personal Leave Cash Out Form. This form is available on the District Web-Site.

VEBA (Voluntary Employees' Beneficiary Association)

- The VEBA Plan is a tax-free health reimbursement arrangement (HRA) that enables your employer to make tax-free contributions into a special trust account on your behalf. These tax-free funds can then be used to pay or reimburse eligible out-of-pocket healthcare costs and premiums for yourself, your spouse and your qualified IRS dependents.
- Whether you participate in VEBA or not, and which types of Cash Out's go into VEBA is a negotiated item between each individual Collective Bargaining Agreement and Management. Refer to your CBA to see what Cash Out's qualify to go into a VEBA Account.
- If your union participates in the VEBA program the cash out funds will be sent to VEBA and you will be contacted by VEBA to finalize setting up your account. VEBA contact info: 1-800-422-4023 www.VEBA.org.

Medical / Dental / Vision Benefits:

- If you complete your contract year, your medical/dental/vision benefits will end on August 31st.
- If you terminate prior to your last contract work date, your benefits end on the last day of the month you terminate.
- The Health Care Authority is required by law to send you a COBRA Letter, giving you the option of continuing your SEBB benefits. You are responsible for paying 100% of the monthly premium.
- All Retirees and some Plan 3 members who are resigning may qualify for PEBB Medical Insurance. Contact PEBB directly to see what your options are. 1-800-200-1004 or www.pebb.hca.wa

Flex Plan

- If you are currently enrolled in Flex Plan, you have the option to stop it at the time of your retirement/resignation, or to continue it through the calendar year. The Payroll Officer will notify you of your options.

Retirement

- Contact Gennie Schoenecker at 360-575-7166 between 8:00 am and 4:00 pm for information and handouts specific to your retirement plan.

For additional information, contact the Payroll Department:

Laura Jensen	575-7171	Kim Harrison	575-7170
Gennie Schoenecker	575-7166	Irina Booth	575-7192



TECHNOLOGY ACCESS

As you prepare for your upcoming retirement or resignation, please keep in mind—

- Access to the district's network and e-mail system will be disabled on—or shortly after—the effective date of your retirement/resignation from the district.
- Any documents or materials you wish to retain for your personal use should be copied onto your personal thumb drive or CD.
- Any documents that were stored on your desktop will be permanently deleted when your account is inactivated. They cannot be retrieved.
- Documents stored in your “my documents” folder will be retained by the district.
- Your e-mail address will be disabled. If you are interested in continuing to receive e-mails from some senders, please provide an alternate e-mail address to those senders.
- Your Skyward Employee Access will continue, but after your last day of work, you must reset your password by using the personal e-mail address listed on your retire/resign form.
- Please note that employees who have spouses who currently work, or formerly worked, in the district must provide an email address not shared with their spouse.