



## Benefits FAQ – Teacher Benefits

This benefits FAQ is designed to answer questions for teachers about their insurance benefits, how premiums are collected, and what happens with their insurance after they resign or retire from the district.

### What does the district contribute to insurance?

The district contributes a defined amount toward the cost of employee insurance plans. This amount is established during the collective bargaining process between the district and teacher union representatives. The amount the district contributes to your insurance is outlined in the current teacher contract. If you work less than a full-time assignment, your district contribution may be pro-rated based on the hours per week you work.

### How am I paid?

The district’s fiscal year is July 1 – June 30. Depending on the schedule you have chosen you may be paid 20 or 24 times per year. Your annual pay is divided and issued to you over the 20 or 24 paychecks you receive. Paychecks are issued on the 15<sup>th</sup> and 30<sup>th</sup> of each month; if the 15<sup>th</sup> or 30<sup>th</sup> fall on the weekend or bank holiday, your pay is issued the prior business day.

You first paycheck of the school year is issued on September 15. When your last paycheck is issued depends on whether you have chosen to be paid 20 or 24 times:

- ✓ 20 paychecks per year; your last paycheck is issued June 30
- ✓ 24 paychecks per year; your last paycheck is issued August 30, for time worked through June 30

If you have chosen to be paid 24 times per year your July and August paychecks are finalized in June, so that these amounts can be accounted for in the correct fiscal year and issued to you on the July 15 – August 30 payrolls.

### How are my insurance premiums collected?

The district collects your insurance premiums for the plan year over the paychecks you receive. Historically, this collection has not aligned with the school year because our insurance plan year was October 1 – September 30, while our fiscal year (the school year) is July 1 – June 30. This meant that at the beginning of each school year, the district continued to collect insurance premiums collection began the first payroll in October.

The table below illustrates how premiums have historically been collected for teachers:

October 1 – September 30 Insurance Plan Year	
Pay Schedule	Premium Collection Period
20 checks per year	<ul style="list-style-type: none"> <li>• First check October 15</li> <li>• Last check September 30</li> <li>• No Checks July 15 – August 30</li> </ul>
24 checks per year (Teachers)	<ul style="list-style-type: none"> <li>• First check October 15</li> </ul>



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	<ul style="list-style-type: none"> <li>• Last Check September 30</li> <li>• Summer checks (July 15 – August 30 are calculated/finalized in June and posted July 15 – August 30)</li> </ul>
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Beginning July 1, 2025, the district’s insurance plan year will be aligned to the fiscal year (July 1 – June 30).

### Why is the district changing the insurance plan year?

The district’s fiscal year is July 1 – June 30. Aligning our insurance plan year with the fiscal year allows the district to more responsible track insurance for finance and budgeting purposes and simplifies benefits administration and premium collection for all employees.

### When will the new plan year begin?

Our 2024-2025 insurance plan year began October 1, 2024, and will end June 30, 2025. The 2025-2026 insurance plan year begins July 1, 2025. This means rates will change in July each year.

### Will anything change with the collection of my premiums when the plan year changes?

Yes. Your premiums for the new plan year will start being collected in September instead of October. Your first paycheck on September 15 will also be your first paycheck of the insurance year.

July 1 – June 30 Insurance Plan Year	
Pay Schedule	Premium Collection Period
18 checks per year	<ul style="list-style-type: none"> <li>• First check September 30</li> <li>• Last check June 15</li> <li>• <b>No checks</b> June 30 – September 15</li> </ul>
20 checks per year	<ul style="list-style-type: none"> <li>• First check September 15</li> <li>• Last check June 30</li> <li>• <b>No checks</b> July 15 – August 30</li> </ul>
24 checks per year (year-round employees)	<ul style="list-style-type: none"> <li>• First check July 15</li> <li>• Last check June 30</li> </ul>
24 checks per year (teachers)	<ul style="list-style-type: none"> <li>• First check September 15</li> <li>• Last check August 30</li> <li>• Summer checks (June 15 – August 30) are calculated/finalized June 15 and posted June 15 – August 30</li> </ul>



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## **If insurance rates change in July, why do my July and August checks show the old rates?**

The paychecks you receive in the summer (July 15 – August 30) are for the remainder of your contracted pay and benefits for the prior school year (time worked through June 30). For these amounts to be accounted for in the proper fiscal year, these checks have to be finalized and processed at the end of June although they are paid to you in July and August.

## **If insurance rates change in July, do I owe the district money since my checks show the old rates?**

No. These checks are for your insurance coverage through June 30. We will begin collecting your premiums for the new plan year (July 1 – June 30) when you begin receiving checks for the new school year (September 15).

## **If insurance rates change in July, and I resigned, will I owe the district money?**

Potentially. If your resignation is received by the last day of school, the district will make every effort to adjust your July and August paychecks to reflect the new year's rates.

If your resignation is received after summer paychecks have been finalized in June, you will receive an invoice for the difference between the premiums collected on your July and August paychecks and the total amount you owe for these months. We will notify you if this is the case.

## **Why can't the district just change the amounts deducted from my July and August paychecks?**

Once summer paychecks have been finalized, we cannot change the amounts deducted because of the way processing and accounting of these funds happens within Skyward. If your resignation is received after the summer paychecks have been finalized, we will notify you if you will be invoiced for the difference in premiums between what was collected on your checks and what you owe for your coverage.

## **Can I drop my coverage after I resign so that I do not have to pay for July and August premiums?**

You can change your insurance elections during our annual open enrollment period. Open enrollment for the 2025-2026 year will be April 28 - May 12, and any changes made during open enrollment are effective July 1.

If you did not make changes to your plans during open enrollment, you cannot change your plans when you resign or retire. Resignation from employment or retirement is not a qualifying event that would allow you to make a change outside the open enrollment window.

## **I have more questions. Who can I contact?**

Please contact Michelle Neu, our Benefits and Leave Coordinator. Michelle's contact information is:

- Email: [michellen@mystma.org](mailto:michellen@mystma.org)
- Phone: 763-497-6578 ext. 5578

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