

SECTION 9

RETIRING EMPLOYEES

A. Retirement Program

Retirement Programs are negotiated each year and are subject to change. Aside from health benefits, employees who participate in the early retirement program (at least 55 years of age with minimum 9 years employment) and retire between May 1, 2001 and June 30, 2002 will also receive the following incentives:

1. \$10,000 to be paid over (2) years
2. \$125 per month for supplemental medical coverage between ages 65 and 75
3. Lifetime free internet account
4. Lifetime GCC Alumni Membership
5. Card for free admission to all GCC student performances and athletic events
6. Lifetime GCC library card
7. Lifetime use of the Fitness Center during staff hours
8. Lifetime exemption from all college authorized, permissive student fees, health fee and student ID fee.

To receive this additional incentive, employees must notify Human Resources (X5164) of their intent to retire by March 31, 2002.

B. Insurance Information

Per contract eligibility, retirees are entitled to \$8,500 per fiscal year to be applied toward the premium for medical and dental insurance for the retiring employee and his/her dependent. Depending on the medical/dental plan in force prior to retirement, you may be responsible for the amount of premium in excess of the District's \$8,500 contribution. To qualify for health benefits, the employee must have been employed for a minimum of nine (9) years; he/she must be covered on the District's health plan and he/she must retire at or after age 55 but before age 65. (CBA, Article XXIV, Section 1)

Under the early retirement benefits program, if you retire between the age of 55 and 60, you will get one (1) additional year of medical/dental coverage for each of the years in the difference between 55 and 60. For example, if you retire at age 55, you have five (5) additional years of coverage after age 65; therefore, your health benefits will terminate at age 70. (CBA, Article XXIV, Section 1)

A retired employee with nine (9) or more years of service will receive \$150.00 a month toward a supplemental medical coverage for a 10 year period. This payment is processed in the Accounts Payable Department ext. 5133. (CBA, Article XXIV, Section 4)

C. CalPERS Information

CalPERS is the California Public Employees Retirement System, the largest and most successful public pension system in the world. Vesting (full qualification) in CalPERS requires five (5) years of CalPERS service credit. It takes ten (10) months of full-time employment or 1,720 hours to equal one year of CalPERS credit. If you work less than full-time, you need the equivalent of five (5) years under the five (5) year conversion rule. Information on this can be obtained through CalPERS at: 888-225-7377. Your CalPERS contributions are building a lifetime income for your retirement years.

FACTORS USED TO FIGURE YOUR RETIREMENT INCOME:

1. Age at retirement
2. Total CalPERS service credit
3. Final compensation (based on your highest 12 consecutive months salary)

SIMPLE FACTS:

1. The older you are at retirement,
2. The more service credit you have,
3. The more months you work during the 12-month final compensation period, the higher your retirement monthly compensation!

Any unused sick leave you have at the time of your retirement will automatically be converted to additional service credit. (twenty five (25) eight (8) hour days, or each two hundred (200) hours equals one (1) additional month of service credit.)

You should receive an annual report at your mailing address each year by September. If you do not receive this mailing, be sure to contact CalPERS. You can also request an estimate of your projected retirement income by writing to:

CalPERS, Member Services
P.O. Box 942704
Sacramento, CA 94229-2704

Information is also available via their website: www.calpers.ca.gov