



## FACULTY EARLY RETIREMENT OPTION

### 24.01 EARLY RETIREMENT OPTION:

The District will provide the Early Retirement Option (ERO) to eligible contract faculty members who meet the minimum qualifications.

#### A. Provisions of ERO Benefits

1. The District will allow each retiree eligible for ERO benefits to participate in the same medical and dental benefit package at the same cost that it allows full-time faculty to participate, until the first day of the month in which the retiree reaches the age of sixty-five (65).
2. An eligible spring-semester retiree may begin participation in ERO benefits on July 1 directly after retirement. An eligible fall-semester retiree begins participation in ERO benefits on the January 1 directly after retirement. The District will provide employee medical and dental benefits for each eligible full time retiree until ERO benefits begin.
3. For an eligible retiree with legal residence outside the area served by the medical and dental benefit plan in which the retiree was enrolled at the date of retirement, the District will reimburse monthly payments equivalent to the District current contribution per employee to that plan, given that the eligible retiree provides evidence that s/he is securing individual medical benefits elsewhere. The monthly reimbursement will not exceed the equivalent monthly ERO benefits costs to the District for the retiree. A retiree who elects this form of the benefit will not be eligible for reinstatement into the health plan under the provisions of section 24.01.A.1-2 at a later date.

#### B. Requirements for ERO Eligibility

1. In order to be eligible for ERO benefits, a faculty member must meet the following requirements;
  - a. Have completed seventeen (17) years of full-time-equivalent employment with the District in classified or certificated positions (or completed fifteen (15) years if employed in a certificated or classified position by the District before October 1, 2013), of which five (5) years must have been as a contract faculty member. Unpaid leaves of absence will not be considered in the computation of years of service. Probationary or regular service at less than 100 percent and adjunct faculty service will be computed and accumulated on a pro-rata basis.
  - b. Be at least sixty-two (62) years of age (or fifty-five (55) years of age if employed by the District in a certificated or classified position before October 1, 2013) but less than sixty-five (65) years of age on June 30 of the final year of service (or on December 31 for fall retirees).
  - c. Apply to the District for ERO benefits by the first working day in October of the academic year for spring semester retirements and the first Friday of the fall semester of the academic year for fall semester retirements. The faculty member's application is subject to approval by the Board, which will be based on the requirements specific in section 24.01.B.1a-b.
2. If the retiree is eligible for other employer-provided medical or dental benefits at any time of eligibility, then the ERO benefits become secondary to those provided by the new employer.
3. The Board of Trustees may approve an exception to the application deadline for ERO benefits in individual cases.

Applicant's Initials: \_\_\_\_\_

**24.03 MEDICAL AND DENTAL STIPEND:**

The District will provide a medical and dental stipend for eligible retirees who have reached the age of sixty-five (65). To be eligible for this stipend, the retiree either must qualify for ERO benefits at the time of retirement from the District (section 24.01.B) or have reached the age of sixty-five (65) at the time of retirement from the District.

Beginning in 2024-25, on October 1 of each fiscal year, the stipend will be adjusted by the lower of the change in the CPI for that year or the change in the Medicare Part B premium for single and double as of July 1 of that year. In the event of a negative change, the stipend would remain the same.

The amount of the stipend above is considered taxable income under IRS regulations.

*It is the responsibility of each potential early retiree to carefully evaluate his/her personal economic situation with respect to the State Teachers Retirement System and other retirement income prior to applying for early retirement. Once the signed application and agreement form(s) are approved by the President and the Board of Trustees, the decision to resign and retire may not be rescinded. Candidates for early retirement are encouraged to consult a STRS advisor and pursue all other advisory sources that will clarify their personal financial situation upon retirement.*

Applicant's Initials: \_\_\_\_\_



## **Acknowledgment of the Santa Rosa Junior College Early Retirement Option Intent**

I understand that the intent of the Early Retirement Option is to grant eligible applicants the same medical/dental package that is received by active full-time employees of the District.

I understand that the medical/dental package that is granted to me upon approval of my Early Retirement Option Application, is subject to change based upon future negotiations between the District and the bargaining unit with which I am currently affiliated.

I understand that should a future agreement between the District and the bargaining unit require active full-time employees of the District to participate in a cost sharing of medical/dental premiums, then the same level of participation will be required of all Early Retirees.

I acknowledge that I have read the intent of the Early Retirement Option as stated above. I understand that I may be responsible for future premium payments while I am a participant in the Santa Rosa Junior College Early Retirement Option.

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Employee Name

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Date

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Employee Signature

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Early Retiree Effective Date