

GRANITE POST-RETIREMENT BENEFITS

***Presented by
Carl Sundell, Hunter High School
September 9, 2009***

What are the post-retirement benefits negotiated for you by the Granite Education Association, and why is GEA fighting so hard to protect them?

**Are these benefits worth the
cost of membership?**

You Decide.

GSD Retirement Benefits

- **Two types:**
 - **Early Incentives**
 - For monetary incentives, you must retire before full Social Security eligibility.
 - For Insurance incentives you must retire before full Medicare eligibility.
 - **Regular Benefit**
 - Everyone who qualifies under the Utah Retirement System qualifies for this benefit.

Early Incentives

- Eligibility & Benefits
 - Up to five (5) years of Medical coverage, or until you are eligible for Medicare (0 to 5 years based on age)
 - 12% of your final ***base*** salary for up to 5 years, or until you are fully eligible for full Social Security (0 to 5 years based on age)
 - Up to 5 years of life insurance equal to your final base salary (0 to 5 years based on age)
 - You must be eligible to retire under the Utah Retirement System.

Regular Retirement Benefit

- One-half of one percent times the number of years of service in GSD times your final *base* salary
- One-half year of credit for Utah service years outside of GSD.
- No credit for years outside of Utah
- You must be eligible to retire under the Utah Retirement System.

A Case Study

“The Adventures of
Busy Bob and Smart Sally”

A Profile

Busy Bob:

- Bob is 60 years old, finishing his 30th year, and looking at retirement.
- Bob has a spouse and two children on GSD medical insurance.
- Bob has always worked three jobs to make ends meet.
- Bob was always “too busy” to take any classes or to pursue a master’s degree.
- Bob will be retiring from the bachelor’s lane.

Smart Sally:

- Sally is 60 years old, finishing her 30th year, and looking at retirement.
- Sally has a spouse and two children on GSD medical insurance.
- Sally pursued her master’s degree early in her career.
- Sally received her ESL and Gifted endorsements after completing her master’s degree.
- Sally will be retiring from the master’s plus 40 lane.

**Consider the monetary
implications for Bob and
Sally...**

Five Years Worth of Medical Coverage

- Benefit is Equal to both Bob and Sally
 - Cost of family, couple, and single coverage (SelectCare plus)
 - \$1,319, \$1,000 and \$513 per month (If you can qualify to get it)
 - One year = \$15,828, \$12,000, and \$6,156
 - Five years = \$79,140, \$60,000, and \$30,780
 - Minus the contribution rate (the amount you pay)
 - Monthly about \$150, \$130, and \$30 x 12 months x 5 years = \$9,000, \$7,800, and \$1,800
 - Total Value to employee for family coverage \$70,140
 - Total value to employee for couple coverage \$52,200

12% of final base salary for 5 Years

Busy Bob

- Ending base salary of \$48,632
- 12% of \$48,632 = \$5,386 per year
- 5 - years = \$29,179

Total Benefit \$29,179

Smart Sally

- Ending base salary of \$63,405
- 12% of \$63,405 = \$7,609 per year
- 5 - years = \$38,403

Total Benefit \$38,403

\$9,224 more in value than Bob's

5 years of life insurance equal to your final base salary

Busy Bob

- Bob is insured for \$48,632
- Value of insurance (If you can get it) \$25 per month
- 12 months = \$300
- 5 years = \$1,500

Smart Sally

- Sally is insured for \$63,405
- Value of insurance (If you can get it) \$30 per month
- 12 months = \$360
- 5 years = \$1,800

\$300 more in value than Bob's

Regular Retirement Benefit

Busy Bob

- Final base salary = \$48,632
- $0.005 \times 48,632 \times 30 = \$7,295$

Total Benefit \$7,295

Smart Sally

- Final base salary = \$63,405
- $0.005 \times \$63,405 \times 30 = \$9,511$

Total Benefit \$9,511

\$2,216 more in value than
Bob's

Combined Value of Benefits

Busy Bob

- Medical Insurance = \$70,140
- Early Incentive = \$29,179
- Life Insurance = \$1,500
- Regular Benefit = \$7,295
- Total Value for Busy Bob with -
Family insurance \$108,114
-Couple insurance \$90,174
-Single insurance \$66,954

Smart Sally

- Medical Insurance = \$70,140
- Early Incentive = \$38,403
- Life Insurance = \$1,800
- Regular Benefit = \$9,511
- Total Value for Smart Sally with
-Family insurance \$119,854
-Couple insurance \$101,914
-Single insurance \$78,696

\$11,740 more in value than Bob's

What are some of the things GEA has negotiated and protected for you?

- Retirement Benefits
- Preparation time and periods
- Steps and Lanes
- Improved Personal Leave Benefits
- Kept insurance increases to a minimum

What is the cost of a career's worth of dues to belong to your Granite Educational Association?

- Approximately \$500 per year x 30 years = \$15,000
- The retirement benefit we have negotiated and protected for you can be worth more than seven (7) times the amount of dues paid in an entire career. That is for just this one benefit!

To our members we say, “Thank
you for your support and
membership!”

To our non-member colleagues we
say, “Join Us!”

Help us to protect and improve
these valuable benefits!