ITA Information Page

Retirement

Contractual Information Pertinent to Retirement and Retirees

Retirement Incentive: Article XXV.B states:

- ***1. Retirement Incentive Amount:*** *Upon retirement after twenty (20) years of service in the District, the teacher will receive the following: $6,000 plus .33 of daily rate for unused sick leave, capped at a maximum payment of $12,000. In order to receive this benefit,* ***the teacher must give the District ninety (90) calendar days notice prior to their date of resignation for the purpose of retirement.*** *The District shall post the vacancy, if the position is going to be filled, within five (5) business days of the Office of Human Resources receiving the official notification.*
- ***2. Payment of Retirement Incentive and IRC Section 403(b) Plan:*** *Subject to the other requirements and limitation of this Section B(2), the retirement incentive determined pursuant to Section B(1) above shall be contributed by the District, as a non-elective Article XXV: Faculty Salaries 45 employer contribution, to a tax-sheltered annuity contract within the meaning of Internal Revenue Code Section 403(b). The contribution shall be remitted by the District in the October following the fiscal year in which the resignation became effective, provided that the affected individual has satisfied the requirements of this Section B(2).*
    - *(a) The District's obligation to make the contribution described in this Section B(2) shall be conditioned upon (i) the District's receipt of the retiring individual's written agreement to indemnify and hold the District harmless from any income tax, employment tax, or other tax liability or reporting obligation that may be imposed on the District as a result of making such contribution, (ii) the District's receipt of the retiring individual's written acknowledgement that the District assumes no responsibility and makes no representations or warranties regarding how the contribution will be treated for purposed of the New York State Teachers' Retirement System and the benefits that may be payable to the individual pursuant to the New Your State Teachers' Retirement System, and (iii) the District's receipt of the retiring individual's written affirmation that the contribution will not exceed any Internal Revenue Code limit applicable to the individual. To the extent the amount of the incentive payment exceeds the Internal Revenue Code limit applicable to contributions on behalf of the retiring individual, the District shall pay excess incentive amount directly to the individual by the October following the fiscal year in which the resignation became effective.*
    - *(b) The District's obligation to make the contribution described above shall cease, and the entire retirement incentive described in Section B(1) shall be paid to the retiring individual in cash, if (i) the District's contribution ceases to be permitted by the New York State Retirement System, New York State law, New York State regulation, judicial decision, or any other decision, ruling or other action having the force and effect of law, or (ii) the favorable tax treatment currently extended to taxsheltered annuity contracts*

pursuant to Internal Revenue Code Section 403(b) ceases, is diminished, or becomes conditioned on the District making similar contributions on behalf of a group of District employees that is broader than the group of District employees who are eligible for the retirement incentive described in this Section B.
    - *(c) The District shall have no obligation to pay or contribute the retirement incentive described in this Section B in installments over more than one taxable year.*

Health Insurance in Retirement: Article XXIII.C states:

- ***1. For teachers who received a probationary appointment on or after July 1, 2003*** *("post-July 1, 2003 teachers"), the following terms shall govern their eligibility for, and participation in, the District's health insurance plan in retirement:*
    - *(a) This benefit is for teachers who upon separating service with the district retire into the NYS Retirement System of which they are a member.*
    - *(b) Years of Service. Upon retirement after fifteen (15) years of service in the District, post-July 1, 2003 teachers will be eligible to continue participation in the District's health insurance plan.*
    - *(c) Premium Co-Payment. In retirement, post-July 1, 2003 teachers shall continue to pay that percentage share of the premium for the District group health coverage that was in effect for them at the end of their active employment with the District.*
    - *(d)Further, upon reaching Medicare eligibility, post-July 1, 2003 teachers must enroll in Medicare Part B and pay the full premium cost of the Medicare Part B premiums, at which time their premium contribution toward the District group health coverage shall be reduced to 50% of the premium percentage share that was in effect for them at the end of their active employment. 2.*
- ***For teachers who received a probationary appointment before July 1, 2003*** *("pre-July1, 2003 teachers"), the following terms shall govern their eligibility for and participation in the District's health insurance plan in retirement:*
    - *(a) Years of Service. Upon retirement after ten (10) years of service in the District, pre-July 1, 2003 teachers will be eligible to continue participation in the District's health insurance plan. Article XXIII: Insurance, Credit Union/Bank, Annuities, Income Protection Plan, Tuition Waivers 41*
    - *(b) Premium Co-Payment. (i) In retirement, pre-July 1, 2003 teachers who retire before July 1, 2006, shall: continue to pay that percentage share of the premium for the District group health coverage that was in effect for them at the end of their active employment with the District; and upon reaching Medicare eligibility, enroll in Medicare Part B and pay the full cost of Medicare Part B premiums, at which time the District will begin to pay 100% of the group health premium; (ii) In retirement, pre-July 1, 2003 teachers who retire on or after July 1, 2006, shall: continue to pay that percentage share of the premium for the District group health coverage that was in effect for them at the end of their active employment with the District; and upon reaching Medicare eligibility, enroll in Medicare Part B and pay the full premium cost of the Medicare Part B premiums, at which time their premium contribution toward the District group health coverage shall be reduced to 50% of the premium percentage share that was in effect for them at the end of their active employment. 3. In retirement and upon reaching Medicare eligibility, teachers who are participating in the district's retiree health insurance, shall be covered*

by the District's Medicare Supplemental Plan that is equal to or better than the group health coverage plan that was in place when in active service.

Donations to ITA Sick Bank: Article XVII.C.4 states:
- *… teachers may donate up to 15 of their accumulated leave days to the bank at the time of their retirement.*
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Payment of Retirees serving as Long Term Substitutes: Article VIII.G states:
- *All Long-term Substitutes to any and all positions will receive the salary commensurate with their experience and education. Teachers who have retired from the District and are returning as longterm substitutes will be paid at the rate of pay received at the time of retirement.*

General Information about the New York State Teachers Retirement System (NYSTRS):

While each tier of the NYSTRS has slightly different requirements and details, the following guidelines for pensions apply to all Tier 4 teachers:
- Your pension is based on **the average of your highest three consecutive years.**
- If you have a partial year, it wouldn't be included in the pension calculation since you would earn less that year. Regardless, the time you work is included.
- Your final pension is a multiplier based on years worked multiplied by your average final salary.

The ITA has multiple active members who are elected to serve as NYSTRS Representatives. These members can assist you in understanding the NYSTRS system upon request. We can also provide you with a digital copy of the NYSTRS Active Members Handbook or provide contact information to connect with a NYSUT Benefits Consultant upon request.

Maintaining ICSD Health Insurance

All questions regarding ICSD health insurance, that can not be answered with the above contractual information, should be forwarded directly to the District Treasurer.

Additional Supports for Retirees:

The ITA actively maintains a Legacy Committee made up of former ITA members who are in retirement. The legacy committee aims to assist active members who are nearing retirement as well as provide an advocacy and action network for our retirees. Your contact information will be shared with our Legacy Committee Chair upon your retirement. Their contact information is available upon request to active members considering retirement.

Next Steps:

If you are ready for retirement, please take the following steps:

- Contact the ITA Administrative Assistant via email (ithacateachers@gmail.com) to notify them of your intent to retire. They will then prepare a letter for you to send to HR. This letter will ensure that your retirement is appropriately communicated and that your retirement incentive and unused sick days are appropriately handled.

  - In your communication be sure to include:
    i. Your complete name as recognized by the Human Resources Department
    ii. The school or schools you currently work in and the correctly spelled name of the Building Leader
    iii. The expected start date of your retirement
    iv. Your current sick day balance (this can be found in Wincap) and how you intend to use them
    v. Your plans to continue or discontinue ICSD health insurance in retirement
- Once you receive your draft letter, forward it to the Human Resources Department and your building Leader via email.
  - Our Administrative Assistant will include the names and emails of the applicable current Human Resources staff in their communication with you.
- Allow 1-2 weeks for your letter to be acknowledged and approved.
- Once your retirement is acknowledged, connect with your Building Leader to discuss next steps (ie: substitute assignment and plannings, classroom set-up, technology needs, keys, etc).
- Complete any *reasonable* requests from your Building Leader in a timely manner to best support your students, any support staff you work with, and your substitute.
  - If you are unsure whether a request is reasonable, please contact your ITA Building Representative to discuss the request before agreeing to it.

Was This Helpful?

If this document covers all of your needs, please proceed with declaring your retirement. If you have remaining questions, unique circumstances, want help considering your options, or just want to discuss the topic further, please contact the ITA Administrative Assistant to schedule a meeting with an ITA Officer.

(Information on this sheet is reflective of the current ITA Contract as of 7/12/23.)