

# **GRANITE POST-RETIREMENT BENEFITS**

**Presented by**

**Star Orullian, GEA Executive Director**

**November 11, 2020**

**What are the post-  
retirement benefits  
negotiated for you by the  
Granite Education  
Association?**

**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 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 30<sup>th</sup> year and looking at retirement.
- Bob has a spouse and two children on GSD medical insurance.
- Bob has always worked 3 jobs to make ends meet.
- Bob was always “too busy” to take any classes or to pursue a masters degree.
- Bob will be retiring from the Bachelor's lane.

## **Smart Sally**

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



**LET'S LOOK AT  
SOME NUMBERS**

# 5 YEARS WORTH OF MEDICAL COVERAGE

- Benefit is Equal to both Bob and Sally
  - Cost of family, couple single coverage (Select Med plus)
    - \$1,643 \$1,154 \$590 per month (If you qualify to get it)
    - One year = \$19,716, \$13,848 7,080
    - Five years = \$98,580, 69,240 35,400
  - Minus the contribution rate (the amount you pay)
    - Monthly about \$150, \$130, and \$50 x 12 months x 5 years =  
\$9,000, \$7,800 \$1,800
  - Total Value to employee for family coverage **\$89,580**
  - Total value to employee for couple coverage **\$61,440**
  - Total value to employee for single coverage **\$33,600**

# 12% OF FINAL BASE SALARY FOR 5 YEARS

## Busy Bob

- Ending base salary of \$65,979
- 12% of \$65,979 = \$7,917 per year
- 5 - years = \$39,587
- Total Benefit \$39,587

## Smart Sally

- Ending base salary of \$86,338
- 12% of \$86,338 = \$10,360 per year
- 5 - years = \$ 10,360
- Total Benefit \$51,802

\$12,215 more in value than Bob's

# 5 YEARS OF LIFE INSURANCE EQUAL TO YOUR FINAL BASE SALARY

## Buzy Bob

- Bob is insured for \$65,979
- Value of insurance (If you can get it) \$25 per month
- 12 months = \$300
- 5 years = \$1,500

## Smart Sally

- Sally is insured for \$86,338
- 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 = \$65,979

$0.005 \times 65,979 \times 30 = \$9,897$

Total Benefit \$**9,897**

## Smart Sally

Final base salary = \$86,338

$0.005 \times \$86,338 \times 30 =$

\$12,951

Total Benefit \$**12,951**

\$**3,057** more in value than  
Bob's

# COMBINED VALUE OF BENEFITS

## Busy Bob

Medical Insurance = \$89,580

Early Incentive = \$39,587

Life Insurance = \$1,500

Regular Benefit = \$9,897

Total Value for Busy Bob with -

Family insurance \$139,079

Couple insurance \$112,424

Single insurance \$ 84,584

## Smart Sally

Medical Insurance = \$89,580

Early Incentive = \$51,802

Life Insurance = \$1,800

Regular Benefit = \$12,951

Total Value for Smart Sally with -

Family insurance \$156,133

Couple insurance \$127,993

Single insurance \$ 100,153

\$15,569 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 WORTH OF DUES TO BELONG TO YOUR GRANITE EDUCATIONAL ASSOCIATION?

- Approximately \$700 per year x 30 years = \$21,000
- This one benefit we have negotiated and protected for you can be worth more than 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!**