



# Chesapeake Public Schools

Office of the Superintendent

312 Cedar Road  
Chesapeake, Virginia 23322

June 20, 2013

Dear Colleague:

For many years Chesapeake Public Schools (CPS) has offered group retiree health and dental plans, generally referred to as "post-employment benefits". School Board Regulation 8-42 governs post-employment benefits and defines the eligibility conditions for participation and establishes contribution levels for eligible participants.

The School Board recently set a fixed amount for CPS contributions toward retiree premiums. Changes were also made to School Board Regulation 8-42 in eligibility and contribution levels. The purpose of this correspondence is to communicate these changes.

### Eligibility for Participation in the Plan

In order to participate in the CPS retiree health plan offerings, each participant must have participated in the active medical plan for at least two years immediately prior to their date of retirement. In addition, in order to be eligible to participate in the Medicare eligible plan, the following conditions must be met:

- **If hired before July 1, 2012:** the participant must have at least 10 years of service with CPS
- **If hired on or after July 1, 2012:** the participant must have at least 20 years of service with CPS

### Contribution Amounts

The School Board established a set of maximum employer contribution amounts for eligible non-Medicare eligible and Medicare eligible retirees as the CPS contributions toward your total premiums. These contribution amounts will apply to all future plan years beginning with the October 1, 2013 plan year, and will not increase in future years. The following have been established as the CPS maximum contributions:

- Non-Medicare eligible Retirees: maximum total contribution of **\$11,400** (\$950/month); set June 10, 2013
- Medicare eligible Retirees: maximum total contribution of **\$2,400** (\$200/month); set October 8, 2012

The amounts shown are the maximum employer contributions that are available. The actual amount any individual can receive may be a lesser percentage of these maximums, subject to the eligibility conditions and contribution levels in School Board Regulation 8-42, based on years of service and other factors as outlined below. Please note that non-professional employees will continue to receive a CPS contribution equal to \$4 per year of Virginia Retirement System (VRS) service in addition to the maximum contribution amounts shown above. Non-professional employees must have a minimum of 15 years in the Virginia Retirement System in order to receive the additional \$4 per year of VRS service.

### Contribution Levels

The contribution amounts detailed above are the maximum amounts that you may be eligible for at the time of retirement. The actual amount you will receive is determined by several factors as outlined in School Board Regulation 8-42, including date of retirement, date of employment, VRS years of service,

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*The Chesapeake Public School System is an equal educational opportunity school system. The School Board of the City of Chesapeake also adheres to the principles of equal opportunity in employment and, therefore, prohibits discrimination in terms and conditions of employment on the basis of race, sex, national origin, color, religion, age, or disability.*

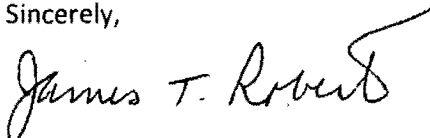
CPS years of service, and eligibility for normal or early retirement under the VRS pension plan. The tables below provide a summary of the various contribution levels.

<b>Non-Medicare Eligible</b>			
<b>ELIGIBILITY REQUIREMENTS FOR A CPS CONTRIBUTION</b>			
<b>CPS CONTRIBUTION LEVEL</b>	<b>IF HIRED BEFORE 7/1/12 &amp; RETIRED BEFORE 7/1/13</b>	<b>IF HIRED BEFORE 7/1/12 &amp; RETIRE ON OR AFTER 7/1/13</b>	<b>IF HIRED ON OR AFTER 7/1/12</b>
100% Contribution (\$950/mo.)	10+ yrs. CPS Service & 20+ yrs. VRS Service	10+ yrs. CPS Service & Eligible for Unreduced VRS Retirement	20+ yrs. CPS Service & Eligible for Unreduced VRS Retirement
75% Contribution (\$712.50/mo.)	10+ yrs. CPS Service & 15 to 19 yrs. VRS Service	20+ yrs. CPS Service & Eligible for Reduced VRS Retirement	20+ yrs. CPS Service & Eligible for Reduced VRS Retirement
50% Contribution (\$475/mo.)	10+ yrs. CPS Service & 10 to 14 yrs. VRS Service	15 to 19 yrs. CPS Service & Eligible for Reduced VRS Retirement	N/A

<b>Medicare Eligible</b>			
<b>ELIGIBILITY REQUIREMENTS FOR A CPS CONTRIBUTION</b>			
<b>CPS CONTRIBUTION LEVEL</b>	<b>IF HIRED BEFORE 7/1/12 &amp; RETIRED BEFORE 7/1/13</b>	<b>IF HIRED BEFORE 7/1/12 &amp; RETIRE ON OR AFTER 7/1/13</b>	<b>IF HIRED ON OR AFTER 7/1/12</b>
100% Contribution (\$200/mo.)	10+ yrs. CPS Service	10+ yrs. CPS Service & Eligible for Unreduced VRS Retirement	20+ yrs. CPS Service & Eligible for Unreduced VRS Retirement
75% Contribution (\$150/mo.)	N/A	20+ yrs. CPS Service & Eligible for Reduced VRS Retirement	20+ yrs. CPS Service & Eligible for Reduced VRS Retirement
50% Contribution (\$100/mo.)	N/A	15 to 19 yrs. CPS Service & Eligible for Reduced VRS Retirement	N/A

If you have questions concerning these benefits, please contact Financial Services at (757) 547-1343 for additional information.

Sincerely,



James T. Roberts, Ph.D.  
Superintendent