

ADMINISTRATIVE POLICY NO. 621

1. SUBJECT: RETIREMENT AND LIFE INSURANCE
2. OBJECTIVE:
 - 2.1. To establish an employee retirement and life insurance program.
3. POLICY:
 - 3.1. All employees who are classified as regular full-time employees that work in excess of 1,000 hours per calendar year are eligible to participate in the Retirement and Security program of Beartooth Electric Cooperative, Inc. (BEC) effective the first day of the month following one year of employment. The program consists of both a retirement fund and life insurance.
 - 3.2. Life insurance in the amount of one times the employee's November 15 base pay will be provided effective three months from the first day of employment. Premiums will be paid by BEC up until termination or retirement. Employees can elect to participate in available programs for additional life, spouse or child insurance to be paid 100% by the employee as an employee payroll deduction.
 - 3.3. Long Term Disability will be provided effective three months from the first day of employment. Premiums will be paid by BEC up until termination or retirement. Employees can elect to participate in available programs for short term disability as an employee payroll deduction.
 - 3.4. Retirement and Security Plan - A Retirement & Security Program will be made available by BEC to all eligible employees. BEC will contribute a percentage of the employee's base salary to maintain a 1.9 benefit accrual rate. All employees shall be entitled to full retirement at 62 years of age, or after 30 years of service.
 - 3.4.1. All employees hired after May 1, 2014 will not be eligible for the existing Retirement and Security Plan described above
 - 3.5. Savings Plan – Effective May 1, 2014 The NRECA 401k Savings Plan (Defined Contribution) will be established for all eligible employees hired before May 1 2014, after completion of one year of service. Each employee may contribute up to the maximum allowed by law.
 - 3.5.1. Effective May 1, 2014 BEC will contribute 5% of each employee's base earnings. On May 1, 2015 BEC will contribute 6% of each employee's base earnings. On May 1, 2016 BEC will contribute 7% of each employee's base earnings.

3.5.2. For all employees hired after May 1, 2014, the NRECA 401k Savings Plan (Defined Contribution) will be established for all eligible employees' hired after one year of service. BEC will contribute to the saving's plan 9% of each employee's base earnings. BEC will match up to an additional 3% of the employee's base earnings.

3.6. For retirement funding purposes, normal retirement shall be the earlier of the first day of the next month following the employee's 62nd birthday or completion of 30 years of service from the original enrollment into the program (a total of 31 years of employment). However, an employee may elect to postpone retirement to the first day of any subsequent month.

4. RESPONSIBILITY:

4.1. The General Manager and the Accounting Manager shall ensure that the provisions of this policy are followed.

Adopted: 02/22/2013
Revised: 06/30/2015
Reference: LV Policy 611
Review Date: June 2017

Attest: /s/ Richard Nolan
Secretary/Treasurer

Attest: /s/ Roxie Melton
Board President