

**MAQUOKETA COMMUNITY SCHOOL DISTRICT
BOARD OF DIRECTORS
SPECIAL MEETING
THURSDAY, OCTOBER 13, 2016
TIME: 7:30 AM
PLACE: CENTRAL OFFICE**

I. ROLL CALL

II. CONSENT AGENDA

A. APPROVAL OF AGENDA

III. GENERAL BUSINESS OF THE BOARD

A. PERSONNEL

1. CONSIDERATION OF EARLY RETIREMENT PROGRAM

IV. ADJOURNMENT

The next regular Maquoketa Board meeting will be on Monday, October 17, 2016 at 5:30 pm.

I. ROLL CALL

II. CONSENT AGENDA

A. APPROVAL OF AGENDA

III. GENERAL BUSINESS OF THE BOARD

B. PERSONNEL

[AI] 1. CONSIDERATION OF EMPLOYEE EARLY RETIREMENT PROGRAM

In past years, the Maquoketa Community School District has offered an early retirement program to all employee groups.

Eligibility Criteria: (Both criteria must be met.)

1. Available to employees who have reached age 55 on or before July 31, 2017.
2. Available to employees who have completed 15 years of continuous service within the Maquoketa Community School District as of June 30, 2017.

The program benefit has not changed since the programs inception 16 years ago. Eligible employees are paid 50% of their final year base salary or wage in four equal installments spread over a two year period. A copy of the entire Early Retirement Plan along with Board Policy 407.6 is enclosed for the board's review.

Recommendation: It is recommended that the Board approve the Early Retirement Plan as presented.

Motion Required.

IV. ADJOURNMENT

The next regular Maquoketa Board meeting will be on Monday, October 17, 2016 at 5:30 pm.

MAQUOKETA COMMUNITY SCHOOL DISTRICT 2016-2017 EARLY RETIREMENT PROGRAM

WHEREAS, Iowa Code 279.46 allows a local school district to adopt a program for payment from the general operating and/or management funds of a monetary sum, continuation of health or medical insurance coverage, or other incentives for encouraging its employees to retire before the normal retirement date as defined in Chapter 97B; and,

WHEREAS, a one-time Supplemental Retirement Incentive provides two generally desirable benefits, i.e., it provides financial advantages for those persons who are near a personal decision to retire and it may enable necessary staffing modification to take place without disrupting careers of those who wish to stay on the job; and,

WHEREAS, at the discretion of the Board of Education a Supplemental Retirement Incentive may be offered to provide a one-time retirement incentive;

THEREFORE, be it resolved that the Maquoketa Community School District Board of Education ("the Board") hereby establishes the following provisions for implementing a Supplemental Retirement Incentive program for those employees submitting an application to the Maquoketa Community School District Administrative Office by 4:00 PM on Monday, December 5, 2016:

Provision #1

Purpose

It is the expressed intent of the Board, through this policy, to acknowledge employees who have provided years of service to the School District by offering them a voluntary early retirement incentive subject to the terms and conditions set out in this Policy.

Provision #2

Statement of Non-Discrimination

The School District will not discriminate against any employee on the basis of age, gender, sexual orientation, gender identity, race, color, creed, religion, national origin, or disability through the application or administration of this policy.

Provision #3

Definitions

a. **"Continuous Service"**: Continuous service must be consecutive employment starting with the current year of service and counting backward without any voluntary interruptions of service. Interruptions due to reductions in force or due to approved leaves of absence will not constitute a voluntary interruption in service, unless the interruption or leave exceeds twenty-four (24) consecutive months in length. However, the period of time during which an employee is absent due to a reduction in force or due to an approved leave will not be counted for purposes of determining the minimum years of service required to establish eligibility.

b. Regular Contracted Employee: A regular contracted employee is an employee who received a contract from the Board of Education for the 2016-17 school year. The hours and wages specified on this contract will be used in the determining Early Retirement Benefit.

Provision #4:

Early Retirement Benefit and Eligibility

Employees eligible to retire in accordance with the accompanying criteria will be provided an additional supplemental cash incentive equal to 50% of their current salary (excluding extra duty increments, teacher compensation, teacher quality payments, overtime and extended contract days) OR in the case of hourly employees, 50% of the employee's gross wages contracted for the course of the school year. The retirement incentive will be paid in 4 equal July and February installments, spread over fiscal years 2017-2018 and 2018-19. The payments will be made in the name of the employee into a 403(b) post retirement special pay program. In the event of death of the retiring employee prior to completion of the installment payments provided for in this section, the remaining installments shall be paid to the beneficiary designated by the employee on the attached form on the same basis that the retiring employee would have been entitled to the remaining installments had he or she survived.

Eligibility Criteria: (Both criteria must be met in this category)

1. Available to any regular contracted employee who has reached age 55 on or before July 31, 2016.
2. Available to any regular contracted employee who has completed 15 years of continuous service within the Maquoketa Community School District as of June 30, 2016 and is actively employed by the School District and fulfilling their contract during the last school year prior to early retirement.
3. The employee is not eligible for, applying for, or receiving benefits under a leave of absence or other School District plan,
4. The employee has not received a notice concerning termination of the employee's contract or employment, unless the notice is based upon reasons which are related to staff reduction, and
5. The employee has not previously received early retirement benefits from the School District.

Provision #5:

Retirement Date

Employees participating in the supplemental retirement incentive program will have an effective start date for retirement that coincides with the end of their 2016-17 employee contract and in no case later than August 7, 2017.

Provision #6:

Other Retirement Benefits

Any other retirement provision offered to Maquoketa Community School District employees shall be in accordance with said rights and privileges of such employees under applicable law, policies, administrative rules and provisions of the State of Iowa.

Provision #7:

Tax-Sheltered Annuity

Subject to applicable restrictions and limitations under Code sections 403b and 415, the participating employee's tax-sheltered annuity benefit, if any, shall be contributed by the School District directly to a tax-sheltered annuity qualifying under Code section 403(b) that is owned by the participating employee in four equal scheduled installments. The amount equal to one-fourth of the participating employee's tax-sheltered annuity benefit shall be contributed in July 2017, February 2018, July 2018, and February 2019.

Such contributions by the School District shall be made in a manner so as to qualify as non-elective employer contributions to a tax-sheltered annuity benefit for purposes of Code sections 403(b) and 415. In no event may the participating employee (or the participating employee's beneficiary) receive all or any portion of his or her tax-sheltered annuity benefit in cash or any other form of benefit in lieu of the annual contributions to the Participant's tax-sheltered annuity.

Provision #8:

Application

This Early Retirement Program will be in effect for the 2016-2017 school year only. This program is a one-time offer. The Board does not guarantee that any plan will be offered in subsequent years.

Retirement applications may first be submitted at 7:30 AM on Monday, November 14, 2016. Applications will not be accepted prior to this date and time.

The deadline for submitting an Early Retirement Application is 4:00 PM on Monday, December 5, 2016. Applications received after 4:00 PM on Monday, December, 5, 2016, will not be eligible for supplemental retirement incentives.

Application materials must include the following forms:

1. Request for Early Retirement and Resignation
2. Designation of Beneficiary Form
3. Agreement Not to Reapply for Employment. (However, this agreement does not prohibit the employee from applying to be a temporary or substitute employee.)
4. Early Retirement Application Verification Form

An employee's application for early retirement benefits is not, in itself, a resignation nor does it require the board to accept the application. However, acceptance by the Board of an employee's application for early retirement will be considered a

voluntary resignation and termination of the employee's contract of employment. If the Board does not accept the employee's application, the employee's contract will remain in effect.

Provision #9:

Selection of Applicants

The Board reserves the right to reject any application for early retirement benefits.

The Board reserves the right to limit the number of applications approved. If the Board decides that only a limited number of employees will be granted early retirement benefits, the Board will then determine the maximum number of employees who may receive the benefit. If there are more applicants than the Board will approve, employees will be selected based upon the date and time of receipt of the employee's application at the Maquoketa School District Central Office (see note below). **Applications will be acted upon in the order they are received. Applications may be acted upon immediately after receipt.**

NOTE: On the first day that applications can be submitted (Thursday, November 14, 2016 at 8:00 AM), a blind drawing will be held to determine the "order of receipt" of said applications. Any applications received on November 14, 2016, between 8:00 AM – 5:00 PM will be eligible for the blind drawing. The drawing will be held at the Central Administration Office at 612 S. Vermont Street, Maquoketa, IA at 5:01 PM. Employees are not required to be present but are welcome to attend. Subsequent applications will be considered in the order in which they are received.

Provision #10:

Financial Consequences

Employees are advised to seek independent advice with regard to tax or financial consequences associated with any action taken by them under this program.

Provision #11:

Right to Interpret, Amend or Revoke

The Board is the sole interpreter of all issues of interpretation arising under this policy regarding the early retirement program including, but not limited to issues of eligibility, timing and benefit calculation.

The Board reserves the right to revoke this Early Retirement Program or any provision of this policy at any time, with or without notice.

The Board also reserves the right to waive any requirement or condition of this policy at its discretion and at any time. Any decision by the Board to waive a requirement or condition that is a part of this policy shall not establish any precedent with regard to future requests for a waiver.

Kristy Haxmeier
Secretary, Board of Education