

## Personnel

### Series 400

Policy Title Twelve-Month Secretary Voluntary Early Retirement Incentive Program Code No. 413.7

In the Marshalltown Community School District, a voluntary early retirement incentive program serves to assist qualified long-term employees transition from public service to retirement and to provide a strategy to control District costs by tailoring incentives to a current year's needs and the financial climate of the District.

All retirements under this Program shall be effective as of the last day of the July 1 – June 30 fiscal year with retirement benefits commencing as of the immediately following July 1. The District reserves the right to determine annually whether any retirement benefits will be made available in a given year, and , if so, to determine how many employees will be granted benefits. To that end, after finalized certified enrollment has been made public, the Board of Directors, at it sole discretion, may consider the availability of the Voluntary Early Retirement Incentive Program described herein for employees desiring to retire at the end of such fiscal year. If the board decides to take up the matter and concludes that it is in the District's interest to reactivate the Program for such year, eligible participants will be notified. If the board does not reactivate the program after finalized certified enrollment has been made public, the program will be deactivated for the fiscal year. The District expressly reserves the right to reject for any reason any application for retirement benefits.

There is no guarantee that this Program or any other form of early retirement benefit plan will be available for retirements in the future. The Program will automatically terminate if the

District no longer has the authority to levy a tax to fund the Program as provided in Section 279.46 of the 2013 Code of Iowa.

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

The District's Voluntary Early Retirement Incentive Program is available to eligible members of the twelve-month secretary staff as hereinafter set forth:

1. To be eligible for the Voluntary Early Retirement Incentive Program, a twelve-month secretary, as of June 30 must have attained at least 55 years of age, must have been employed by the District for at least 15 years and must have been employed by the District during the school year immediately preceding the retirement date on a regular full-time basis as a twelve-month secretary. A twelve-month secretary is defined as any employee of the school district, who is employed for 260 days on an eight hour a day schedule. Prior part-time years of service shall be recognized on a pro-rata basis for determining eligibility. A fiscal year of July 1 to June 30 will be used to calculate years of service.
2. Written application must be submitted to the Superintendent not later than the first working day of February of the given fiscal year. If the application is approved by the Board of Education, the twelve-month secretary will be considered to have voluntarily resigned and the twelve-month secretary's contract will be terminated as of the end of the current fiscal year.
3. The Voluntary Retirement Incentive Program is as follows:

- a. The retiree will be continued in the District's group hospital/medical and drug insurance plan covering regular full-time twelve-month secretary staff for a period of 96 months immediately following retirement or through the end of the month prior to the month the retiree becomes eligible for federal Medicare insurance coverage or until the retiree dies, whichever occurs earlier. The types and amounts of coverage to be provided to retirees shall be identical to the types and amounts of coverage in effect from year to year for regular full-time twelve-month secretary staff excluding dental and vision coverage. The District shall, during the continuation of this benefit, pay for the cost of the group health insurance coverage on behalf of the retiree the same amount being paid by the District on behalf of the retiree for the retiree's last full month of insurance coverage in the fiscal year (July 1 - June 30) immediately preceding July 1 of the year of retirement. The retiree shall pay any and all additional cost for such coverage; provided, however, that in the event of increases in the premiums for such coverage, the District will assume up to a 5% increase per year in its contribution toward the cost of such coverage. In the event the cost of coverage decreases due to changes in the types and amounts of coverage or for any other reason during the continuation of this benefit, the District's contribution toward the cost of coverage shall also decrease in the same percentage as the premium cost decreases; provided, however, that the District's contribution shall never be less than the amount applicable during the initial twelve month period following retirement. Failure on the part of the retiree to make payment to the District of the retiree's contribution toward the cost of the insurance coverage not later than the 22<sup>nd</sup> day of

the month preceding the month for which the premium is due will result in cancellation of the insurance and loss of coverage.

- b. Immediately after insurance coverage for the retiree ceases, the retiree's spouse, if then under 65 years of age, may elect to continue without interruption in the group insurance continuation program, with single coverage, at the spouse's cost, for a period of time which ends at the earliest of the following events: (i) the spouse attains 65 years of age; (ii) the spouse dies; or (iii) a period of seven (7) years elapses following the death of the retiree.
- c. The District will continue to pay, on behalf of the retiree, the full premium for group term life insurance coverage in the same face amount as in effect for the retiree immediately prior to retirement and such payments will continue for a period of 96 months or until the retiree dies or becomes eligible for federal Medicare insurance, whichever occurs earliest.
- d. In determining the amount which the District will contribute to the cost of the insurance coverage provided for hereunder after the initial year of retirement, the District's annual cost shall not exceed the amount reflected in the following schedule (which, for illustrative purposes, is based upon a cost in the initial year of retirement of \$500.00 per month):

- Year 1 - \$500.00
- Year 2 - \$525.00
- Year 3 - \$551.25
- Year 4 - \$578.81
- Year 5 - \$607.75
- Year 6 - \$638.14
- Year 7 - \$670.05
- Year 8 - \$703.55

All costs of the insurance coverage for each twelve month period following retirement (and for purposes of this calculation, the 96 month period of coverage commences as of July 1 of the year of retirement) in excess of the foregoing shall be the responsibility of the retiree.

For the District's Voluntary Retirement Incentive Program covering teacher personnel, see Board Policy No. 407.6.

Adopted: February 6, 2012

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September 8, 2014

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April 3, 2017  
November 19, 2018

Legal Reference: (Code of Iowa)

279.46 (2011)

Cross Reference: 407.6 Licensed Teaching Staff Voluntary Early Retirement Incentive Program