

EARLY RETIREMENT INCENTIVE PLAN

DDC

An employee who chooses to retire from the Utah State Retirement System may be eligible to receive benefits of the North Summit School District’s Early Retirement Incentive plan. Eligibility for early retirement under this plan is restricted to those individuals who meet the following criteria:

1. Twenty (20) years of service at age 55; and the last ten (10) years must be with the North Summit School District.
2. Thirty (30) years of service at any age; and the last ten (10) years must be with the North Summit School District.

Superintendents’, Business Administrators’, Principals’, and Directors’ benefits will be based on where he/she would be on the teachers’ salary schedule according to years of service and education.

Classified Supervisors’ benefits will be based on where he/she would be on the classified salary schedule according to years of service.

(any school year must have an effective full time equivalent of at least .50 of contracted service to be counted for a year’s credit.)

Any employee retiring under the Early Retirement Incentive Plan may retire with the benefits as specified under “Benefits of Early Retirement Incentive Plan, but only for a five year period or until an employee qualifies for full social security benefits, whichever comes first.

Employees need to apply for the plan by March 1st preceding the school year of the early retirement implementation. The application for retirement consideration must be submitted in writing and signed by the employee and the employee’s supervisor, then turned into the Superintendent of Schools. (Application (s) must be approved by the Board of Education).

Any employee that has been notified of remediation/probation or suspension, will not be eligible for participation in the Early Retirement Plan until the reason(s) for remediation/probation or suspension has (have) been resolved.

Benefits of this Early Retirement Incentive Plan provided by the North Summit School District are independent of the Utah State Retirement System.

Payment of the benefits may be arranged by the employee and the district office in any manner agreeable to both.

Benefits of Early Retirement Plan are:

<u>20 Years</u>	<u>30 Years</u>
Step #1 – 15% of final salary	20%
Step #2 – 13% of final salary	18%
Step #3 – 11% of final salary	16%
Step #4 – 9% of final salary	14%
Step #5 – 7% of final salary	12%

If employees are eligible to receive all five (5) years of early retirement, they are entitled to the monetary benefits above Step 1 – Step 5. These steps will be paid in subsequent years upon retirement. Every year an employee chooses not to take advantage of early retirement benefits, they lose the top percentages. For example, an employee who has less than five years to reach full Social Security benefits will lose the highest steps first, i.e. (Step #1 and begin on Step #2).

After 20 years experience the percentage of the final salary will increase 1/2% per year up to ten years. (Example 21 years = 15 1/2%)

Under the Early Retirement Incentive Plan, the Board shall pay the 2009-2010 insurance rate (506) towards the current group health plan, accident and life insurance or another plan of the employee’s choosing on the employee for a maximum of five (5) years, or until the employee is eligible for full Social Security benefits, or unless covered by long term disability. The employee may choose not to claim that insurance benefit, and instead to receive the insurance amount as pay. In this case, the employee will be 100% responsible for all taxes on these monies. The employee may use their Early Retirement stipend to pay for their own and/or their family members’ health, accident, or life insurance coverage on the current district group plan or a plan of their choosing.

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