

### **Retirement Benefit**

As an incentive to attract employees and to reward long service to the District, the Dubuque Community Schools will offer a retirement plan. The District will provide a suitable plan to include all administrators listed in policy 3502 (organizational chart), those on the administrative salary schedule, managers, assistant managers, coordinators, and specialists.

Adopted: March 11, 1985  
Revised: December 14, 2015  
Revised: December 9, 2019  
Reviewed: November 11, 2024

# DUBUQUE COMMUNITY SCHOOL DISTRICT

## RETIREMENT PLAN

### PURPOSE

This retirement plan is intended to promote the public good by enabling the administration and the Board of Education to (1) facilitate administrative reductions, (2) enable aspiring educational leaders an opportunity for leadership, (3) facilitate the health and welfare of administrators, and (4) effect a cost savings to the district.

### ELIGIBILITY AND PROCEDURE

1. The eligible employee must be 55 years of age or older by June 30 and have provided no less than 10 years of service to the district, of which the last five shall be consecutive full-time years of administrative service to the district prior to retirement.
2. Written application for retirement must be submitted to the Superintendent of Schools by January 30 of the current school year.
3. The eligible employee early retirement shall be voluntary on the part of the eligible employee. Termination of the eligible employee's continuing contract will be effective on the last day of the current contract.
4. The Board approval of the application and retirement benefits will serve as the agreement between the retiring eligible employee and the Board of Education.
5. Administrators eligible for these benefits are: all administrators listed in policy 3502 (organizational chart), those on the administrator salary schedule, managers, assistant managers, coordinators, and specialists.
6. Employees on disability leave are not eligible for the retirement incentive.

## INCENTIVE

An eligible employee, upon retirement, shall receive two benefits:

- a) a (one time) cash incentive, and
- b) health insurance.

1) Cash Incentive

- a. Eligible employees retiring prior to age 60 and who do not qualify for full retirement benefits under the Iowa Public Employees' Retirement System (IPERS) and who meet the service requirements for the Dubuque Community School District's retirement policy will receive the (one time) incentive based on the age and salary of the eligible employee at the time of retirement and shall be computed as follows:

<u>Age on June 30</u>	<u>% of Base Contract Salary in Last Year of Employment</u>
60+	50%
59	45%
58	40%
57	35%
56	30%
55	25%

- b. Eligible employees retiring prior to age 60 and who qualify for full retirement benefits under the Iowa Public Employees' Retirement System (IPERS) and who meet the service requirements for the Dubuque Community School

District's retirement policy will receive the maximum (one time) cash incentive of 50% of the eligible employee's base contract salary.

2. Method of Payment

- a. Approval by the Board will authorize the administration to implement and contribute to a plan that utilizes IRS Code Section 403(b) to save both the district and employee's payroll taxes on payments to employees at retirement. Payments to the plan will be made on or before July 31 of the year of retirement.

3. Insurance Incentive

- a. Upon retirement, the district will provide and pay for, from age 55 to age 65, health insurance benefits equal to those provided to eligible employees actively employed; the employer's contribution shall cease when the employee or family member attains age sixty-five.
- b. In the event there are insurance changes, retiree's insurance will be the same as actively employed staff.
- c. If the employee chooses to participate in the Health Insurance Program, the employee must notify the Payroll/Benefits Office in writing on or before June 1. Upon reaching the age of 55, the employee becomes eligible for insurance benefits as identified in 3.a above. Payment of premiums shall be deducted from the retiree's

bank account on the last business day of the month for coverage the following month. Failure to pay the advance premium by the due date shall cancel the insurance coverage and no re-admittance to the program will be allowed. It shall also be the responsibility of the retiree to provide any and all information necessary for participation in the program.

- d. An employee who is approved for retirement and chooses not to remain on the district insurance plan forfeits rights to further insurance benefits.