

**WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT
EARLY RETIREMENT INCENTIVE PLAN**

The Wapsie Valley Community School District Early Retirement Incentive Plan as described in this document has been approved by the District Board of Education. As approved, it applies only to Full-Time Certified District Employees.

Purpose

The Board of Directors of the Wapsie Valley Community School District has determined it appropriate to provide an early retirement incentive to employees of extended tenure who elect to retire from the District before July 1, 2008, pursuant to the terms of this Early Retirement Incentive Plan.

The purpose of this plan is to provide the District's employees with the option and opportunity for early retirement from their employment with the District. This Early Retirement Incentive Plan is designed to show the District's appreciation for the services an employee has rendered to the District, to aid the employee in their transition from public service to retirement, and to save District funds through a reduction in staff and/or replacement savings.

Plan Duration

The Board of Directors will review, renew and/or suspend this incentive plan on a yearly basis at their annual meeting in July. Any eligible employee who has not committed their participation in the plan prior to March 10, 2008, shall forever lose their opportunity to do so. This Early Retirement Incentive Plan does not vest rights in any District employee whether or not the employee is currently eligible for the plan.

I. EMPLOYEE REQUIREMENTS

A. Determining Eligibility:

An employee is deemed to be eligible for this plan when they will have completed at least fifteen (15) years of full-time contracted service as defined by the Master Agreement or Individual Contract with the Wapsie Valley Community School District by June 30, 2008 and when they will have attained at least fifty-five (55) years of age on or before that date.

However, no employee will be eligible for this Early Retirement Incentive Plan if the employee:

1. has received an official notice of layoff or termination; or
2. is subject to termination pursuant to Iowa Code Section 279.15 or 279.27; or
3. has previously received an Early Retirement Incentive from Wapsie Valley Community School District or any other educational institution in the State of Iowa.

B. Qualifying for Plan:

An eligible employee qualifies for this plan upon completion of the following requirements:

1. submission of a written application to participate in this plan by March 10, 2008, addressed to the Board Secretary (the Board of Directors reserves the right to waive strict compliance with the application deadline until April 1 if there are extenuating circumstances unknown

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Reviewed 7-2007

Revised 7-2007

to the employee at the time and the Board, in its sole discretion, decides to waive strict compliance with the application deadline);

2. submission of a written resignation to the Board of Directors on the same day as the submission of the written application to participate in the plan; and
3. the Board's acceptance of the written resignation. The resignation will not be binding unless the employee is eligible and appropriately qualifies under the plan and the Board accepts the employee's written resignation. The Board's acceptance of the written resignation will be considered final action and shall mean that the employee's application is accepted and the employee's contract and employment duties will end on the last day of the current fiscal year.

In all cases, completion of the above requirements is realized by receipt or certification by the Board Secretary.

II. BENEFITS

Benefit Calculation

Each eligible employee approved by the Board will receive \$15,000.00.

Health Insurance

The participant may elect to continue their existing single or family coverage under the District's health insurance program as long as they pay the monthly premiums and are permitted to continue coverage by the insurer.

To continue their health coverage, the participant shall pay the monthly premium amount to the District's business office each month on or before the 15th day of the month (the date the District's premium payment is made to the insurance carrier).

Nothing herein shall limit the District's ability to change the terms of its existing health insurance plan. This policy in no way guarantees that a participant will be provided any certain level of benefits or premiums during the time of the participant's participation in this plan.

Benefit Payment

The employee may choose how he/she will receive their early retirement incentive cash payment from the options below.

- A single payment in July of their retirement year.
- A single payment in January of the year after they retire.
- Two equal payments, one in July of their retirement year and the other in the following January.

If the participant dies before full payment of the Incentive is complete, and the participant has named a beneficiary, any remaining incentive amount shall, upon proper request and documentation, be paid to the named beneficiary. If no beneficiary is named, the amount due shall be paid to the participant's estate.

III. EMPLOYEE RIGHTS

In the event this Early Retirement Incentive Plan is altered or discontinued, persons who separate from the employment with the District under its provisions will continue to receive the benefits in effect and authorized by the Board of Education at the time the employee's letter of resignation was accepted.

The adoption of this Early Retirement Incentive Plan shall not vest any rights in any employee whether or not the employee is currently eligible for early retirement. Furthermore, the District shall not be obligated to provide any plan benefits to any employee after the expiration date of the Plan, except to those Early Retirement Incentive Plan participants whose early retirement pursuant to this plan has commenced prior to the expiration date.

IV. STATUS OF PARTICIPANTS

An employee who elects to participate in the District's Early Retirement Incentive Plan will become a retired employee and will be entitled to all rights and privileges of retired employees under applicable law and the policies of the Wapsie Valley Community School District Board of Directors.

A retired District employee may submit an application for employment with the District; however, the District shall not be required to employ the retired employee; provided however, that, at the sole discretion of the Board of Directors, the District may employ an Early Retirement Incentive Plan Participant as a temporary or substitute employee.

Each employee who elects to participate in the District's Early Retirement Incentive Plan must specifically agree to hold the District harmless and indemnify it if the participant submits an application for employment or otherwise attempts to be reemployed with the District. The participant is not precluded in any way from accepting employment (full-time, part-time, temporary or substitute) with any employer other than the District after fulfilling the terms of the employee's contract with the District.

WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT

EARLY RETIREMENT INCENTIVE PLAN AGREEMENT MEETING FORM

A meeting was held on the _____ day of _____, 20____, with the following people present:

The following items were discussed:

(Check if covered)

- Early Retirement Incentive Plan Benefits
- The employee has no obligation to accept early retirement.
- Early Retirement Incentive Plan Agreement Waiver and Release.
- The 45 days to consider the Agreement end as of March 10, 2008.
- The employee has the right and ability to revoke signed Agreement within 7 days after signing.
- A copy of the Agreement (including the Early Retirement Incentive Plan Description) and this document were given to the employee.
- The employee's right to consult an attorney to answer questions prior to signing Agreement or other Early Retirement Incentive Plan documents.

The signatures below signify only that the meeting described was held and the items indicated were reviewed. An employee's signature on this document cannot be used to prove assent to any terms of the Early Retirement Incentive Plan Agreement.

(Employee Signature)

(Date)

(Signature)

(Date)

(Signature)

(Date)

WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT

EARLY RETIREMENT INCENTIVE PLAN AGREEMENT RECEIPT FORM

I, _____, state that I received a copy of the Early Retirement Incentive Plan Agreement, including the Early Retirement Incentive Plan description, from a representative of the Wapsie Valley Community School District on the _____ day of _____, 20____. Upon receipt of those documents, I was informed that I have forty-five (45) days in which to consider these documents and agree that the forty-five day period in which to consider these documents expire on the 10th day of March, 2008.

(Employee Signature)

(Date)

WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT

EARLY RETIREMENT INCENTIVE PLAN AGREEMENT APPLICATION FORM

I hereby submit my formal application for participation in the Wapsie Valley Community School District's Early Retirement Incentive Plan.

As part of my application I will, by March 10, 2008, submit a resignation from my contract with the Board which will be effective at the end of my current contract. It is my understanding that this Application and my Resignation will be acted upon simultaneously by the Board of Directors and, provided I meet all qualifications and requirements of the Plan, both will be approved. If I do not meet all the qualifications and requirements of the Plan, my application and resignation will both be rejected.

(Employee Signature)

(Date)

Application received by the Board of Directors on _____, 20____.

(Board Secretary)

(Date)

Resignation received by the Board of Directors on _____, 20____.

(Board Secretary)

(Date)

Resignation accepted and Early Retirement Incentive Plan Participant approved by the Board of Education on _____, 20____.

(Board Secretary)

(Date)

WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT
FAIRBANK, IOWA 50629

BENEFICIARY DESIGNATION

FOR

EMPLOYEES VOLUNTARY EARLY RETIREMENT

Pursuant to the provision of the Employees Voluntary Early Retirement plan of the Wapsie Valley Community School District, Fairbank, Iowa I hereby designate

_____ of _____
(Name) (Address)

_____ - _____
(City) (State) (Zip Code)

as my beneficiary.

_____ (Employee Signature) _____ (Date)

_____ (Signature of Witness) _____ (Date)

WAPSIE VALLEY COMMUNITY SCHOOL DISTRICT

EARLY RETIREMENT INCENTIVE PLAN AGREEMENT WAIVER FORM

Despite the fact that I have been informed by a representative of the District that I have forty-five (45) days to consider participation in the District's Early Retirement Plan, I, _____, have voluntarily chosen to waive the forty-five (45) day time period to consider participating in the District's Early Retirement Incentive Plan and have decided to participate in the plan by signing the appropriate documents to participate in the Plan before the above-mentioned forty-five (45) day period has expired.

(Employee Signature)

(Date)

STATE OF IOWA)
)
BREMER COUNTY)

On this _____ day of _____, 20____, before me the undersigned, a Notary Public for the State of Iowa, personally appeared _____ to me personally known to be the identical person named in and who executed the foregoing instrument and acknowledged that they executed the same as their voluntary act and deed.

(Notary Public, State of Iowa)