



<p align="center">Policy Title Voluntary Early Retirement</p>	<p align="center">Original Adoption Date 7/20/1972</p>	<p align="center">Policy Number HR-241</p>
<p align="center">Responsible College Division/Department Human Resources</p>	<p align="center">Responsible College Manager Title Chief Human Resources Officer</p>	
<p align="center">Policy Statement</p> <p>Retirement insurance benefits shall be available to regular full-time employees who are hired full-time as of 7/1/2013 for management/support and 7/1/2014 for faculty and who are eligible for retirement benefits from the Wisconsin Retirement System as of the effective date of resignation for retirement.</p> <p>Management/Support staff hired full-time after 7/1/2013 and faculty hired full-time after 7/1/2014 are not eligible for this benefit.</p> <p>A. Eligibility: Any regular full-time employee who requests retirement benefits who are eligible for and enrolled in the College's insurance plans effective on the date of retirement and who meets one of the following requirements will have insurance benefit premiums paid by the Board:</p> <ol style="list-style-type: none"> 1. Age 61 or older with at least 10 years of continuous full-time service with Lakeshore Technical College. 2. Age 60 with at least 15 years of continuous full-time service with LTC. 3. Age 59 with at least 20 years of continuous full-time service with LTC. 4. Age 58 with at least 25 years of continuous full-time service with LTC. 5. Age 57 with at least 30 years of continuous full-time service with LTC. <p>OR</p> <p>6. Any employee who retires under the Wisconsin Retirement System at age 55 or older but does not meet any of the age and service requirements will pay 100 percent of the insurance benefit premiums until age and service requirements are met. Upon attaining age and service requirements, insurance benefit premiums will be paid by the board for the retiree. Retirees cannot accumulate service time.</p> <p>7. Any employee who retires under the Wisconsin Retirement System and who meets the service requirements listed above may retire up to two years earlier than the associated age requirement and receive prorated insurance benefit premiums paid by the Board until the retiree reaches Medicare eligibility. Such proration would be determined by the following formula:</p> <p>(Months of regular benefit)/(Months of extended benefit) X 100%</p> <p>Example 1: An employee has 30 years of service at age 55 with a birthday in September. He can retire under A(5) above at age 57 with benefits until age 65. He chooses to retire when he turns 55. The regular benefit period is 8 years. The extended benefit period is 10 years. Choosing this option, the proration would be:</p>		



$$96/120 \times 100\% = 80\% \text{ for 120 months}$$

Example 2: An employee has 30 years of service at age 55 with a birthday in January. He can retire under A(5) above at age 57 with full benefits until age 65. He chooses to retire at the end of the school year in which he turns 55. The regular benefit period is 7 years 4 months. The extended benefit period is 9 years 4 months. Choosing this option, the proration would be:

$$88/112 \times 100\% = 78.6\% \text{ for 112 months}$$

Example 3: Under A(2) above, an employee with 15 years of service must be at least age 60 to retire with full benefits. He has the 15 years of service at age 58 and chooses to retire. His birthday is in July. His regular benefit period is 4 years 10 months; his extended benefit period is 6 years 10 months. The proration would be:

$$58/82 \times 100\% = 70.7\% \text{ for 82 months}$$

Example 4: A 55 year old employee has 25 years of service to LTC. His birthday is September. He chooses to retire at that time. Under A(4), he receives full benefits at age 58. If he chooses option 7, he could get extended benefits at age 56. He would need to pay the full premium for the first year of retirement. His prorated benefits for ages 56-65 would be:

$$84/108 \times 100\% = 77.8\% \text{ for 108 months}$$

8. *Define:* The following will not count as a break in service. - An employee designating family medical leave, other types of medical leave, or military service leave.

B. **Notice:** Employees who wish to retire must notify the district of their intent at least three months prior to the retirement date. Employees will complete the Early Retirement/Resignation Notice Benefit Request agreement form.

C. **Insurance Benefit Coverage:** Retirees' health, dental and life will be paid at the same rate as for active employees. The payments by the retiree and/or Board continue until the retiree reaches Medicare eligibility. Continuation of long-term care coverage shall meet carrier contract provisions.

D. **Termination of Insurance Premium Payment:** Health, dental and life premiums paid by the Board shall terminate when a retiree becomes eligible for any other group health coverage by virtue of the retiree's other employment or becomes eligible for Medicare or its successor federal health insurance programs.

E. **Other:** An employee electing early retirement shall be deemed to have resigned. Monies expended by the Board in payment of unemployment compensation claims based on prior employment with the board shall be deducted from the insurance premiums paid by the board.

Reason for Policy



It allows the employee to retire prior to age 65 and continue coverage of the College's insurance benefits.

Cross References and Legal Review

Historical Data:

Created/Adopted: 7/20/72; 7/1/73; 8/19/76; 3/19/81; 11/16/89; 5/17/90; 5/15/91; 5/20/92; 3/25/04

Reviewed/Revised: 7/77; 5/19/93; 7/1/00; 7/1/02; 3/25/04; 5/15/13; 7/1/14; 11/12/15; 7/1/16

Legal Reference: Wisconsin Statutes 40.23(2m)(f)

Cross Reference:

Legal Counsel Review and Approval:

Board Policy: III.A. General Executive Constraint, III.B. People Treatment, III.C. Compensation and Benefits

Definitions