



Rockford Area Schools ISD 883

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MEMORANDUM OF AGREEMENT ONE-TIME EARLY RETIREMENT INCENTIVE

This Memorandum of Agreement (“MOA”) is entered into by and between Independent School District No. 883, Rockford, Minnesota, (“School District”) and the Education Minnesota-Rockford (“Union”). The School District and the Union are referred to collectively as “the parties.”

WHEREAS, the Union is the exclusive representative of licensed teachers who are employed by the District;

WHEREAS, the Union and the District are parties to a collective bargaining agreement (“CBA”) governing the negotiated terms and conditions for teachers employed by the District;

WHEREAS, the District would like to offer eligible teachers a one-time early retirement incentive in addition to any retirement benefits, insurance benefits, or severance provided under the 2025-2027 CBA between the District and the Union; and

WHEREAS, the District’s reasons for offering a one-time early retirement incentive are to protect jobs, to provide greater stability in the workplace, to improve staff morale, and to improve the District’s financial status;

NOW, THEREFORE, the District and the Union agree as follows:

1. **Eligibility.** To be eligible for the early retirement incentive provided under this MOA, a teacher must meet all of the following requirements:
 - a. Eligible teachers must use the attached form to provide irrevocable notice of retirement effective June 30, 2027, and to apply for the early retirement incentive. Eligible teachers must submit the attached form to the District’s Superintendent by 4:00 p.m. on February 1, 2027. For purposes of this MOA, “retirement” means termination of services in the employing district and withdrawal from active teaching service.
 - b. Eligible teachers must have at least fifteen (15) consecutive years of teaching service in this District.
 - c. Eligible teachers must be at least age fifty-seven (57) or be eligible for Tier I retirement benefits as provided under Minnesota Statute 353, Subdivision 1a : “Rule of 90.”
 - d. Eligible teachers must currently contribute to the Minnesota Teachers Retirement Association (“TRA”) plan.
 - e. Eligible teachers must be licensed, in good standing, and a member of the teachers’ collective bargaining unit through June 30, 2027. A teacher who is discharged for cause or who resigns after receiving notice that the District intends to initiate termination or discharge proceedings, is not in good standing for purposes of this MOA.

2. **Retirement Incentive Payment.**

- For each eligible teacher, the District will make a one-time, lump sum, contribution in the amount not to exceed the equivalent of \$10,000 per eligible year up to initial Medicare eligibility (currently defined as 65 years of age by the US Department of Health and Human Services). The contribution will be made to the teacher’s Minnesota State Retirement System (“MSRS”) account. Under no circumstance will the total amount of the retirement incentive payment exceed \$50,000. These contributions are in addition to any severance, retirement, insurance, or other benefits described in the CBA. The contribution will be made during a regularly scheduled payroll period in June 2027. The table below is to be used as a guide.

Years to Medicare Eligibility	RAS ERI Maximum Contribution
1 (age 64 at retirement)	\$10,000
2 (age 63 at retirement)	\$20,000
3 (age 62 at retirement)	\$30,000
4 (age 61 at retirement)	\$40,000
5 (age 60 at retirement)	\$50,000
6 or More (age 57, 58, or 59 at retirement)	\$50,000

3. **Limitation.** The District’s obligation to make the payment described in the preceding paragraph of this MOA is subject to all federal and state laws. If the payment under this MOA plus the amount of any severance under the CBA (excluding payments for accumulated sick leave, if any) exceeds the teacher’s annual pay for 2026-2027, the payment under this MOA will be reduced in compliance with Minnesota Statutes section 465.72 so that the total amount of severance does not exceed the teacher’s annual pay for 2026-2027.
4. **Death of Teacher.** If an eligible teacher dies after the Board-approved retirement date but before the full retirement incentive payment has been distributed, the early retirement incentive will be paid to the teacher’s designated beneficiary.
5. **Separate from CBA and No Precedent.** This MOA is separate from, and not a part of, the CBA. Nothing in this MOA may be deemed to establish a precedent or practice or to alter any established precedent or practice arising out of or relating to the CBA between the District and the Union.
6. **Entire Agreement.** This MOA constitutes the entire agreement between the parties related to the early retirement incentive provided under this MOA. Neither party has relied on any statements, promises, or representations that are not stated in this MOA. The terms of this MOA supersede any and all prior agreements between the parties related to the early retirement incentive provided under this MOA. No amendments or modifications of this MOA will be valid unless they are in writing and signed by both parties. A copy of this MOA will have the same legal effect as the original.

IN WITNESS WHEREOF, the parties have voluntarily entered into this MOA on the dates shown by their signatures.

This MOA will not become effective unless and until it is approved by the District's School Board and is signed by both parties.

EDUCATION MINNESOTA-ROCKFORD

Union President(s)

Date: _____

INDEPENDENT SCHOOL DISTRICT NO. 883

School Board Chair

Date: _____

School Board Clerk

Date: _____

Member _____ introduced the following Resolution and moved its adoption:

RESOLUTION APPROVING RETIREMENT FOR THOSE TEACHERS WHO APPLIED FOR THE EARLY RETIREMENT INCENTIVE

WHEREAS, Independent School District No. 883 and Education Minnesota-Rockford entered into a Memorandum of Agreement ("MOA") providing a voluntary, one-time early retirement incentive for teachers who meet specific eligibility requirements and retire effective at the end of the 2026-2027 school year; and

WHEREAS, the Board has reviewed the list of the eligible teachers who applied for the early retirement incentive and the amount of the benefit that will be paid to them;

NOW THEREFORE BE IT RESOLVED by the School Board of Independent School District No. 883 as follows:

1. The Board hereby approves the retirements of the following teachers who have applied for the early retirement incentive outlined in the MOA: [TEACHER NAMES].
2. The Superintendent, or a designee, is directed to provide a copy of this resolution to the teachers named above.

The motion for the adoption of this Resolution was made by _____, and was duly seconded by _____.

Upon a vote being taken, the following voted in favor of the Resolution:

And the following voted against the Resolution:

Whereupon this Resolution was declared duly passed and adopted.

Rockford Area Schools/Education Minnesota - Rockford
Teacher Application to Apply for the Early Retirement Incentive (ERI)

Form must be received by the Superintendent of Schools no later than 4pm on February 1, 2027

Teacher Name: _____

If selected to participate in the Rockford Area Schools one-time Early Retirement Incentive offering, I am submitting my intent to retire at the conclusion of the 2026-27 school year. I understand that this decision is irrevocable, my employment will be terminated, and I will be withdrawing from active teaching service.

In agreement with the Early Retirement Incentive offering, I understand all rights and obligations contained in the Memorandum of Understanding.

Teacher Signature: _____

Date: _____

-----Below this line is for Office Use Only-----

Date Received by the Superintendent of Schools: _____

Approved for the Early Retirement Incentive (Y/N) : _____