SUPPLEMENTAL AGREEMENT

THIS AGREEMENT, made this 13th day of January, 2011 by and between the KANE AREA SCHOOL DISTRICT (hereinafter called the "Board") and the KANE AREA EDUCATION ASSOCIATION, P.S.E.A. (hereinafter called "the "Association").

W I T N E S S E T H:

WHEREAS, the parties hereto are parties to a separate Agreement dated August 9, 2007, which said Agreement is in effect from July 1, 2008 to June 30, 2011, hereinafter referred to as "CBA"; and

WHEREAS, the parties desire to enter into an Agreement separate and apart from the CBA to expire on June 30, 2011.

NOW THEREFORE, in consideration of the above premises and the terms and conditions hereinafter set forth, it is hereby agreed as follows:

The Board shall provide a retirement incentive with the eligibility criteria and benefits as follows:

1. Eligibility Criteria – In order to be eligible for the retirement incentive set forth in this Supplemental Agreement, each employee must meet the following minimum requirements:
    (a) As of the intended date of retirement, the employee shall have a total of 80 (eighty) years combined age and years of credited school service in the Public School Employee's Retirement System.
    (b) The employee must submit an irrevocable letter of resignation to the Superintendent of Schools on or before March 4, 2011, and retire not later than June 10, 2011. The retirement must be accepted by the Board of School Directors at a public meeting.
    (c) The employee is not subject to permanent disability retirement at the time the notice of retirement is given to the Superintendent.

(d) The retirement shall not only be a retirement from the Kane Area School District, but, from teaching, except as a day to day substitute teacher in the Kane Area School District, in public schools in the Commonwealth of Pennsylvania.

2. Benefits – Employees meeting all the above requirements shall receive a Retirement Incentive and payment as follows:
   (a) An incentive benefit equal to $20,000, which shall be paid over a two-year period beginning June 24, 2011 at a rate of $10,000 per year, in the form of a non-elective employer contribution to a §403(b) Discriminatory Governmental Plan established for the employee. The second of two payments will be made on June 22, 2012. There shall be no cash payment option to this Retirement Incentive. Retirement Board regulations prohibit crediting such payment for retirement purposes.
   (b) In the event of death of the employee, any remaining installment would be paid to the estate of the retiree.

3. Procedure – In the event that an employee accepts any position, whereby the employee is eligible for participation in the Public School Employee's Retirement System, the employee shall, within ninety (90) days of the date of becoming eligible, repay to the District all sums paid to or on behalf of the employee.

4. Definition – For purposes of this Retirement Incentive, Credited School Service shall refer to that computation under 24 Pa. C.S. §8302, including any percentage increase provided by any amendment to 24 Pa. C.S. §8302.

5. The parties hereto represent and agree that this Supplemental Agreement was negotiated between the parties and that neither party has committed an unfair labor practice by negotiating and entering into this Agreement.

6. This Agreement shall automatically terminate on June 10, 2011, except for the obligation of the Board to make payments hereunder.

7. The Association agrees to hold harmless and indemnify the Board against any suits, claims or other items that may arise out of this Agreement.

IN WITNESS WHEREOF, we set our hands and seals the day and year first above written.

ATTEST:

Sheri S. Ryder
Secretary

KANE AREA SCHOOL DISTRICT

BY: Kenneth B. Law
President

ATTEST:

Joanne Perry
Secretary

KANE AREA EDUCATION ASSOCIATION

BY: Michael S. Szymanski 2/7/2011
President