



Mid-Valley Special Education Cooperative

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MEMO TO: Executive Advisory Board

FROM: Nancy Sporer
Director of Business & Human Resources

DATE: March 2, 2016

RE: **IMRF SETTLEMENT**

In June 2015 we received a letter from IMRF regarding an accelerated payment in the amount of \$26,897.59 due for a retired employee. In July we received another letter from IMRF regarding another accelerated payment due in the amount of \$28,119.33 for another retired employee. A request for review was sent to IMRF for both cases, and in August and September we received letters back from IMRF stating that both of our requests were denied. Both of these Administrative Staff Determinations were then appealed by Mid Valley arguing a wage exemption under the CBA and that IMRF should consider the actual rate of earnings, not the compressed pay schedule.

After reviewing the appeal, IMRF did agree that the 6% increase under the CBA was exempt. During the last year of pay for both retirees, they chose to have their pay compressed from 24 pays to 19 pays. IMRF determined that this change, not the contractual salary, put an additional amount in their final rate of earnings that resulted in the accelerated payment invoice. As a result of IMRF's agreement to the CBA exemption, the first accelerated payment was reduced to \$14,945.97 and the second one reduced to \$9,650.77 for a total savings of \$30,420.18.