

**MONROE COUNTY COMMUNITY SCHOOL CORPORATION**  
**BOARD OF SCHOOL TRUSTEES**  
**Special Meeting, February 5, 2010**

**MINUTES**

The Board of School Trustees of the Monroe County Community School Corporation met in a regular meeting at 4:00 p.m. on Friday, February 5, 2010, in the Temporary Administration Building, 401 East Miller Drive, Bloomington.

Board members present:

Jeannine Butler	President
Valerie Merriam	Vice President
Vicki Streiff	Secretary
Keith Klein	Assistant Secretary
Jim Muehling	Member
Lois Sabo-Skelton	Member
Sue Wanzer	Member

Also present:

J.T. Coopman	Superintendent
Tim Thrasher	Comptroller
Peggy Chambers	Assistant Superintendent for Human Resources and Personnel
Jan Bergeson	Director of Secondary Education
Cameron Rains	Director of Elementary Education
Janet Tupper	Administrative Assistant
Andy Graham	Reporter, <i>The Herald Times</i>

In addition to the above, teacher Nancy Stockwell and two representatives of Bloomington Community Access TV were present.

1. **CALL TO ORDER**

President of the Board, Jeannine Butler, called the meeting to order at 4:15 p.m. She explained that the only item of business for this meeting was to consider an early retirement incentive program for teachers and administrators in the school system.

2. **APPROVAL OF EARLY RETIREMENT INCENTIVE**

Ms. Wanzer moved approval of the Memorandum of Agreement and adoption of the Resolution establishing an early retirement incentive for teachers and administrators in the Monroe County Community School Corporation. Ms. Merriam seconded the motion.

Mr. Thrasher explained that the incentive consists of \$25,000 lump sum payment into staff members' 403b account. He said this plan helps employees in that taxes will not be withheld and it saves the school corporation the cost of matching social security withholdings. He said this incentive is effective if a minimum of 25 participate in the program. He said we normally have about ten retirees but a minimum of 25 is needed to realize the projected savings. Mr. Thrasher further explained details: teachers must have ten years experience with MCCSC, must be active during the 2009-2010 school year or on an approved leave, must qualify for unreduced benefits with TRF (Teachers Retirement Fund), must be in the bargaining unit, and could include others such as media specialists, counselors, etc. All staff members will be notified if the minimum number is met and if not, those who submitted a letter may revoke the notice of retirement if they wish to do so. Mr. Thrasher said staff members who qualify and who have already

submitted letters of retirement will receive the incentive. He said it is an effort to address some difficult situations that the Board and public know about. He pointed out that this is voluntary so he hopes that those who qualify are happy about it. He expects this will reduce the number of people at the bottom of the schedule who will have to be given RIF (reduction in force) notices. A maximum number to receive the incentive has not been set.

In response to questions, Mr. Thrasher said a VEBA program is in place and people meeting certain conditions will receive an amount between the time they retire and when they are eligible for Medicare – as long as they meet those qualifications. He said they will receive VEBA in a lump sum tax exempt payment with restrictive use for IRS approved medical expenses. He explained that the ‘pay out’ for sick days benefit was bought out in 2000. He said about 65 to 67 people qualify for this incentive; some under the age of 60 are eligible but those were not counted and it would only be attractive to them if they already plan to retire. He said the incentive would pay two full years of family health plan premiums and if an employee is 55 to 57 years old he/she is still looking at a lot of expense for insurance. He said those who retire stay on the health plan without going on COBRA until age 65 but they can use the incentive and VEBA money for medical costs. He added that 403b money can be used for whatever they want but the employee will pay taxes on it when it is withdrawn. If an employee is not in our health plan, he/she is not eligible for VEBA payment. Mr. Thrasher confirmed that employees are eligible for full retirement at age 55 with 30 years experience, at age 60 with 15 years experience or at age 65 and 10 years experience. He also confirmed that this is a one time incentive. He said if 25 people retire and are replaced with five positions, the annual savings would be about \$1.1 million.

When asked about MCEA (Monroe County Education Association) action on this plan, Mr. Thrasher said the UniServ Director was not available to attend this meeting but he had been corresponding with her. He said after spending time talking about all of this on Wednesday, the final version came to him via e-mail. Ms. Chambers confirmed that MCEA leadership was unable to be present but were very positive about the incentive program.

Board members voted on the motion to approve the Memorandum and adopt the Resolution as recommended. Aye: Butler, Klein, Merriam, Muehling, Sabo-Skelton, Streiff, Wanzer. Motion carried.

### 3. ADJOURNMENT

There being no further business to come before the Board, Dr. Butler declared the meeting to be adjourned at 5:30 p.m.

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Jeannine Butler, President

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Valerie Merriam, Vice President

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Victoria I. Streiff, Secretary

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Keith Klein, Assistant Secretary

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Jim Muehling, Member

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Lois Sabo-Skelton, Member

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Susan P. Wanzer, Member