



15-B INSIDER



<http://www.mea15b.org>

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MICHIGAN EDUCATION ASSOCIATION

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NEW FACE IN THE 15-B CADILLAC OFFICE

From the Desk of Tabby:

Hello, my name is Tabby Grames (short for Tabitha). I was born and raised in Cadillac. I have one son (11) and one daughter (3), who keep me very busy! Prior to the MEA, I worked for an automotive company in Cadillac for 14 years. I am excited to be a part of the MEA team and look forward to meeting everyone!

LEGISLATIVE CHANGES IMPACTING CURRENT AND FUTURE SCHOOL EMPLOYEES

In early October, 2007, the legislature made changes to retirement laws affecting the public school employee retirement system as a part of the budget deal.

Beginning July 1, 2008, if a member purchases service credit that results in the member qualifying for a pension earlier than they could have without the purchase of service credit, the insurance premium subsidy does not begin until they would have been eligible for retirement without the purchase of the service credit. The insurance premium subsidy begins when the length of their purchased time needed to qualify has passed, or they reach age 60 – whichever comes first. Service credit purchased on or before June 30, 2008, will not affect the date the insurance subsidy begins. Note that current employees must commence purchasing their service credit prior to June 30, 2008 in order to avoid the limitations imposed by this new law. If a member enters into a TDP (Tax Deferred Payment) contract that carries the payment plan beyond June 30, 2008, the member will NOT be subject to the new rules.

Effective October 1, 2007, to reestablish membership after a period of deferment, a public school employee must earn at least one-tenth (0.10) of a year of service in each of the five years immediately preceding his or her retirement effective date, or must earn one-half (0.50) a year of service in the two fiscal years immediately preceding his or her retirement effective date.

To qualify for a full insurance premium subsidy, public school employees hired on or after July 1, 2008, must earn at least 25 years of service. If the employee earns less than 25 years, a graded insurance premium subsidy applies. The subsidy is 30% for the first ten (10) years, and four (4%) percent for each additional year of service beyond 10 years. The maximum subsidy is 90%.

Employees who are hired after July 1, 2008 will contribute 6.4% (current employees pay 4.3%) of their wages that exceed \$15,000. The existing graded rate still applies to wages that do not exceed \$15,000 for employees hired before July 1, 2008. This added contribution will only serve to lessen the employer's obligations to fund the pension plan.



SCHOLARSHIP INFORMATION

The coordinating council is awarding four (4) \$300 scholarships this year. Two (2) will be given to a child or dependent of a 15-B Support Staff (ESP) Bargaining Unit member and two (2) will be given to a child or dependent of a 15-B Teacher (EA) Bargaining Unit member. The applications were sent out the week of 2/4 to all high school guidance counselors, local association presidents and coordinating council delegates. Please contact one of these members for an application. The application must be returned to the UniServ office and postmarked no later than Friday, March 14, 2008.



OPIE REMINDER

Our banquet will be held on **Thursday, April 17th** at Timber Wolf Lake on M-66 in Lake City. Reservation forms are available through your local association or from the UniServ office. We are continuing to hold the price at \$15.00 per person on a first come-first served basis. Reservations are limited, so get yours in early!

Districts to See a Decline in Retirement Contribution

Michigan school districts received **good news** from the Michigan Public School Employee's Retirement System (MPSERS) for the second straight year. The percentage of payroll that school districts are required to contribute on behalf of their employees will actually decline in the 2008-09 school year. Currently school districts pay 16.72% of employees' earnings to MPSERS but next year the rate will be reduced to 16.54%. The change will go into effect October 1, 2008. This continues to be lower than the historic high of 17.74% required in 2006-07. Many school districts cite increased retirement costs as a rationale for employers demanding employees to take rollbacks in salary and benefits. It looks like some districts will need to adjust their projected budgets.

BARGAINING UPDATE

Unsettled Contract 07-08 – MESICK EA
Unsettled Contract 07-08-MESICK ESP

*** MARK YOUR CALENDAR***

Feb. 29 & March 1	Northern Zone Bargaining Training	Muskegon
March 7	Victory in 08 Training	MEA Headquarters
March 7 & 8	Northern Zone Bargaining Training	Alpena
March 17	Coordinating Council	7:07 MEA Office
March 21	MEA Office Closed	Good Friday
April 4 & 5	ESP Statewide Training	Grand Traverse Resort
April 17	OPIE Banquet	Timber Wolf Lake

