



# ISD Committee Meeting Minutes

Thursday November 16, 2017, 9:30 a.m.

MSBO Office, Lansing, MI

## Member Attendance

Auwers, Roger- Jackson ISD	Johnson, Rhoda- Genesee ISD
Bodiya, Paul- Macomb ISD	Kolb, Kevin- Gratiot-Isabella ISD
Bontekoe, Katrina- Wexford-Missaukee ISD	Ludlow, Mark - Calhoun ISD
Carnes, Jamie- Ionia County ISD	Marcel, Brian- Washtenaw ISD
Cloft, John- Wayne RESA	Monroe, Tina- Eaton ISD
Compton, Jolene- Bay-Arenac ISD	Rafferty, Kori – Calhoun ISD
Eastway, Elizabeth- Wexford-Missaukee ISD	Recor, Tracy- St. Clair County RESA
Ezikian, Steve, Wayne RESA	Schomisch, Lori- Clinton County RESA
Fleser, Lyndsey – Ottawa Area ISD	Shaffer, Belinda- Hillsdale ISD
Frank, Chris- Saginaw ISD	Weese, Stephanie- Montcalm ISD
Higgins, Mark- Mecosta-Osceola ISD	

## On-Line Member Attendance

Anderson, Shay- Clare Gladwin RESD	Lloyd, Abby- Allega AESA
Auel, Jason-Copper Country ISD	Matthews, Barb-Van Buren ISD
Baine, Dennis- Kent ISD	Porter, Cheryl- Lapeer ISD
Baker, Stephanie- Wexford- Missaukee ISD	Sandvik, Lisa-Eastern UP ISD
Berlin, Tim-Hastings SD	Saunders, Michelle- Oakland Schools
Bush, Peggy- Lapeer CS	Schultz, Jeanne- Bay-Arenac ISD
Converse, Deb- Northville PS	Shaffer, Belinda- Hillsdale Co ISD
Cook, Melissa- Alpena Montmorency Alcona	Shiery, Diane- Branch ISD
Dechnik, Kelli- St Joseph County ISD	Smith, Brandie- Wexford-Missaukee ISD
DeKuiper, Jodi- Newaygo RESA	Soto, Theresa-Lenawee ISD
Dillon, Patrick-Lamphere Schools	Thorp, Wendy-Hillsdale County ISD
Freer, Shawn-Macomb ISD	Tomyn, Jill- Utica CS
Harrie, Kerri-West Shore ESD	Vidak, Jennifer- West Shore ESD
Jenkins, Marlene-Oakland ISD	White, Sandy- Wyandotte PS
Lasich, Geoff- Negaunee PS	Williams, Sherry- Calhoun ISD
Latta Larsen, Cindy- Barry ISD	

- I. Call to Order – Kori Rafferty, Chairperson  
Introduction of Members/Guests – Kori Rafferty, Chairperson
- II. Approval of October 19, 2017 meeting minutes:  
Motion, Brian Marcel, Support Roger Auwers; Motion passed
- III. **Legislative Update – Annalisa Grunwald, MAISA**  
Discussed:  
*HB 5086 PPT*: Changes the date of calculating PPT. Allows school districts to be reimbursed for PPT loss related to debt. 3 to 4 million is estimated. Treasury wants this by the end of this year. But not expected to happen by then, maybe in January.

*SB 574:* PSA and charters included in regional enhancement millages. Many language changes. To be included PSA must operate a site and have enrollment as of count day. Cyber must have 80% enrollment within school district. PSA can only use funds for expenditures within that district. Charters are not included until a renewal. An ISD may be considered its own constituent district, could be used for center based students (at renewal only).

Guns in schools- number of bills in both chambers. *SB 584 and 585.* Exemption to concealed carry license. Additional training for special endorsement to carry in a no carry zone. Closes open carry loophole. Can open carry in no carry zone. Schools could not have policies for employees or public, only for students regarding no carry on school property. Private property owners can decide their own policy regarding weapons. For charters that lease from a private entity, they cannot make their own policy regarding the school and no carry.

*Fed level changes:* Tax plans that will impact schools. House- allow persons to use 529 accounts for private school tuition. House and Senate- state and local tax deduction eliminated or capped. Would cut into state revenues and hurt families. Deduction is used in all districts/areas.

#### IV. **Program – MPSERS 3% Issue- Mark Lachowicz, Plante Moran**

Discussed history of MPSERS 3%. See handout for details

Some highlights: PA 75: July 1 2010: mandatory participation begins. 3% ee deduction. If not vested you do not get the benefit (flaw). Challenged constitutionality of this deduction being mandatory, not negotiated, not part of a contract, but imposed by legislature.

PA300: effective 9-4-2012. Forfeiture provision eliminated, what ee puts in, they get out. Can opt in/out by choosing other plans. Elections were effective in February 2013. This was also challenged in court, but supreme court ruled it was constitutional

FICA taxability issue: IRS will not rule on PA 75 fica treatment until the constitutionality issue is resolved by the supreme court.

IRS Ruling will be prospective not retroactive....most likely.

Districts are receiving refunds for 2013 through current. Lots of uncertainty around where this will land. Question regarding the 3% accounts that were moved into 401k types of accounts for those that opted out of the health portion of retirement.

#### V. **MSBO Update – David Martell, MSBO**

Discussed: Bob is meeting with ORS and the budget office to discuss UAAL. Changing how it is going to be charged- currently based on payroll (prior year). Possibly will be looking at using operating expenses or purchased services to allocate those charges. This will impact how districts budget for this cost, and allocate those expenses. This includes all of the UAAL- 20.96% and the 11.7% (147c). This change will capture the changes when districts privatize.

ORS will release retirement rates soon, is a Feb 1<sup>st</sup> change. Still working on how to allocate the costs for the new 147 funds. MDE, MSBO, 1022 committee and ORS are working to clarify this issue.

Looking for MSBO members to run for the Board. Petitions are due to the nominations committee by Dec 1.

Just completed the leadership conference to plan for the annual conference. Annual conference this year is in Detroit. Cobo Center is the location, renovations are complete. Renaissance Center Marriott is the main hotel. Fine tuning the topics for the sessions right now based upon the feedback from the leadership conference. Goal is to have class registration by first week in February. Hotel block will be open Dec 1. Early Bird will be available for about a month.

Events: [See website for full list](#)

January 16-17, 2018 Financial Strategies, Grand Rapids, Amway Grand Plaza

April 17-19, 2018 Annual Conference, Detroit (Tigers vs. Orioles 17<sup>th</sup> & 18<sup>th</sup>@ 7:10, 19<sup>th</sup>@ 1:10)

**VI. Old Business - Roundtable Discussion/Announcements**

Discussed:

SE directors mtg reported out that significant disp is a countywide test. Dept has run estimates, 5 to 9 ISD's have issues, but the dept has not shared this information. It would be 15% of your total IDEA grant.

FS and At Risk- identifying students versus not identifying. How to target the funds to those students without identifying or targeting those students separately.

GSRP- ISD subcommittee drafted an email to Phil Boone and Richard Lower . Have not heard back.

Send Steve Ezikian list of services that are provided to local districts that we don't charge for. Not special ed. Anything that you are providing for free, or if there is a partial charge. He will send out ISD listserv email to remind/gather information.

**VII. Adjournment**

***Mark Your Calendar:***

Next meeting: December 21, 2017 – MSBO Office, Lansing

Programming:

Respectfully submitted,  
Stephanie Weese, CFO  
Secretary