



MICHIGAN OFFICE OF RETIREMENT SERVICES

Big Plans. Small Steps.

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MSBO ISD Committee Meeting
October 17, 2024

Agenda

- Allowable Salary Schedule
- School Aid Budget, Section 147g
- Questions

Allowable Salary Increase



Changes to the Normal Salary Increase (NSI)

- **NSI Schedules:** the Normal Salary Increase (NSI) schedules described in the Reporting Instruction Manual will no longer be used past fiscal year 2020.
- **Salary Schedules:** ORS will request a salary schedule from reporting units for those positions that generally have fewer than three members in the same job classification.

About Normal Salary Increase Schedules

- What is a salary increase schedule?
- When will a salary schedule be requested?
- How can a reporting unit prepare for salary schedule request?



What if there isn't a schedule available?

- If a salary schedule doesn't exist for that position, then ORS will request a salary schedule for the most nearly identical job classification in that reporting unit or a similar reporting unit.



Determine Reportable or Nonreportable increases

- The salary schedule provided by the reporting unit is used to determine the allowable salary increase for the position.
- Wages above the salary schedule increase may be considered nonreportable.

Resources for Reporting Units

- Reporting Instruction Manual (RIM) section 4.05: Normal salary schedule.
- Salary Schedules and Allowable Salary Increase FAQs.



3% Healthcare Contributions



Section 147g

- School Aid Budget appropriated \$181.5 million.
- A reimbursement of the 3%-member healthcare contributions.
- Must be returned to employees.
- Payments to employers.



PA 127 of 2024

- Member 3% contributions.
- FY26 reduced UAAL Rate Cap.
- Increase in OPEB Normal Cost.
- Communication to employers and members.
- FY25 UAAL Stabilization Rate changes.



Questions



Contacts

Office of Retirement Services

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