

A regular meeting of the **Michigan Public School Employees Retirement System Board** was held at the General Office Building, 7150 Harris Drive, Conference Room B, Dimondale, Michigan, on Wednesday, June 5, 2013. The following members, staff, and observers participated:

Members Present: Stephen Epstein, General Public Member, Investment Experience
Jonathan Fielbrandt, Active Classroom Teacher Member
Scott Koenigsknecht, Active Superintendent Member
John Olekszyk, Retiree Member
Kevin Philipps, Representing Finance/Operations, non-Superintendents
Michael Ringuette, General Public Member, Actuarial Experience
Charles Thomas, Representing Finance/Operations, Retirants, Member of largest retirant organization
Larry Ward, Reporting Unit Board of Control Member

Staff Present: Phil Stoddard, Executive Secretary
Laurie Hill, Acting Executive Secretary
Chanda Donnan, Recording Secretary

Others Present: Joe Curtin, Mark Guastella, Don Johnson, Ken Kelly, Paul Lerg, Fayda Mills, Les Nixon, Carol Pratt, Catherine Spring, Bob Wiles and Marie Wilkinson of the Michigan Association of Retired School Personnel; Judy Foster, Roger Foster and Earl Hagstrom of MEA-Retired; Lisa Eggert of Delta Dental; Mita Drazilov, Curt Powell, Virginia Gibson, and Ben Louagie of Gabriel Roeder Smith and Co.; Janet Truant, Kathy Fridma of Catamaran; Carol Nolan of EyeMed; Regina Jamerson and Patricia Soyemi of BCBSM; Richard K. Schaper of Western Michigan University; Paula Brawdy of Priority Health; Kyle McLaughlin of the Office of Attorney General.

Call to Order

Vice Chair John Olekszyk called the meeting to order at 10:32 a.m.

Excusing of Absent Members

Scott Koenigsknecht moved, Jonathan Fielbrandt supported, to excuse the absences of Ivy Bailey, Michael Flanagan, Timothy Nelson, and Diana Osborn. The motion carried unanimously.

Vice Chair John Olekszyk announced Diana Osborn had tendered her resignation from the board effective this current month of June.

Approval of Agenda

Jonathan Fielbrandt moved, Kevin Philipps supported, to approve the agenda with the change of moving the presentations to the front part of the agenda. The motion carried unanimously.

Approval of Minutes

Jonathan Fielbrandt moved, Charles Thomas supported, to approve the regular session meeting minutes of March 21, 2013. The motion carried unanimously.

Nominations Committee for July Board Elections

Scott Koenigsknecht and Michael Ringuette will serve on the Nominations Committee, and will meet prior to the next meeting.

New Business

Scott Koenigsknecht moved, Larry Ward supported, to approve the actuarial rates for purchase of public school service credit effective January 1, 2014, following six months' notice to reporting units as prescribed by statute; and to review service purchase rates again in five years or sooner if need be. The motion carried unanimously.

Special Reports

Mita Drazilov of Gabriel Roeder Smith & Company presented highlights of the Actuarial Pension Valuation for the period ending September 30, 2012 to Board members and answered questions.

Curt Powell of Gabriel Roeder Smith & Company, presented highlights of the Actuarial Health Care Valuation for the period ending September 30, 2012 to Board members and answered questions.

Standing Reports

Legislative Summary

The Board received the current report.

Health Insurance Committee Report

Ben Louagie of Gabriel, Roeder, Smith and Company provided an update and recommendation to address the cost gap for the Board's consideration.

Administrative Hearings

Proposal for Decision – Docket 2012-001426 ORS

The Board considered the case materials. Michael Ringuette moved, Scott Koenigsknecht supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 20, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

Proposal for Decision – Docket 2012-001067 ORS

The Board considered the case materials. Scott Koenigsknecht moved, Michael Ringuette supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 5, 2012 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

New Business Continued

Requests for a Declaratory Ruling

Stephen Epstein moved, Kevin Philipps supported, that the Board meet in Executive Session under section 8(h) of the Open Meetings Act and section 13(1)(g) of the Freedom of Information Act, which exempts from public disclosure information or records subject to the attorney-client privilege to consult with the Board's attorney about his memoranda of legal advice regarding the requests for a declaratory ruling that appears on the agenda. A roll call vote was taken and the

motion carried unanimously. A brief recess was taken to allow the public to exit the room.

The Board entered Executive Session at 12:20 p.m.

The Board returned from Executive Session at 12:50 p.m.

Jonathan Fielbrandt moved, Michael Ringuette supported, that the Board take no action on the three declaratory ruling requests due to the pending Court of Appeals decision. The motion carried unanimously.

Executive Secretary Comments

No comments were received.

Board Comments

Jonathan Fielbrandt thanked the Board and ORS for his great experience while serving on the Board.

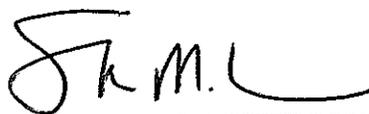
Public Comments

Comments were received from Earl Hagstrom.

Adjournment

Charles Thomas moved, Michael Ringuette supported, that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 12:54 p.m.

OFFICIAL MINUTES



Chair



Executive Secretary