

A regular meeting of the Michigan State Employees' Retirement System Board was held at the State Secondary Complex, General Office Building, First Floor, Conference Room A, Lansing, Michigan, on May 27, 2010. The following members, staff and observers participated:

Members Present: David Dekker, Employee Member
Douglas Drake, Retiree Member
George Elworth, representing the Attorney General
Vernon Johnson, representing the State Treasurer
Craig Murray, representing the Deputy Auditor General
John Schoonmaker, representing the Commissioner of the
Office of Financial and Insurance Regulation

Staff Present: Phil Stoddard, Executive Secretary
Terry Rideout, Recording Secretary

Others Present: Thomas Quasarano of the Office of Attorney General; Alan Sonnanstine of Gabriel Roeder Smith & Co.; and Laurie Hill of the Office of Retirement Services.

Call to Order

Chair Douglas Drake called the meeting to order at 1:30 p.m.

Excusing Absent Members

John Schoonmaker moved, George Elworth supported, to excuse the absences of Calvin Frappier and Daniel McLellan. The motion carried unanimously.

Approval of Agenda

Vernon Johnson moved, David Dekker supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

John Schoonmaker moved, Vernon Johnson supported, to approve the regular session meeting minutes of April 15, 2010, with one correction. The motion carried unanimously.

Disability Retirement Applications

Non-Duty Disability Retirement Applications

David Dekker moved, George Elworth supported, to approve non-duty disability applications 2-7, and 9-10 as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Following discussion, David Dekker moved, Vernon Johnson supported to approve non-duty disability application 1 as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Following discussion, Craig Murray moved, Vernon Johnson supported to approve non-duty disability application 8 as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Duty Disability Retirement Applications

Craig Murray moved, George Elworth supported to approve duty disability applications 1-2 as presented in the Supplemental Information to the Agenda, 7B. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2010-705 SERS

The Board considered the case materials. Following discussion, Craig Murray moved, John Schoonmaker supported, that the Board adopt as its own the recommendations of the Presiding Officer in the Proposal for Decision dated February 17, 2010, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's application for duty disability retirement benefits using the corrected form of decision and order offered by Respondent. The date of February 13, 2008, in the first sentence of section 20 on page 10, was changed to June 2, 2009. The motion carried unanimously.

Proposal for Decision – Docket 2010-15854 SERS

The Board considered the case materials. John Schoonmaker moved, Vernon Johnson supported, that the Board dismiss Petitioner's request for non-duty disability benefits with prejudice. Following discussion the motion and support were withdrawn. The Board deferred action and directed staff to determine the circumstances surrounding Petitioner's failure to appear at the scheduled hearing.

Proposal for Decision – Docket 2010-2688 SERS

The Board considered the case materials. Craig Murray moved, David Dekker supported that the Board dismiss Petitioner's request for health care coverage benefits for Petitioner's granddaughter with prejudice. Following discussion the motion and support were withdrawn.

George Elworth moved, John Schoonmaker supported that the Board dismiss Petitioner's request for health care coverage benefits for Petitioner's granddaughter without prejudice. The motion carried unanimously.

Unfinished Business

Docket No. 2008-30506 – Amended Proposal for Decision

The Board considered the case materials. Craig Murray moved, George Elworth supported that the Board adopt as its own the recommendations of Presiding Officer Robert J. Meade in the March 15, 2010 Amended Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and grant Petitioner's application to transfer from the DC Plan to the DB Plan. The motion carried unanimously.

Special Reports

Actuarial Pension Valuation – Alan Sonnanstine of Gabriel Roeder Smith & Company provided highlights of the valuation for the period ending September 30, 2009.

Actuarial Health Care Valuation – Alan Sonnanstine of Gabriel Roeder Smith & Company provided highlights of the valuation for the period ending September 30, 2009.

Actuarial 5-Year Experience Study - Alan Sonnanstine of Gabriel Roeder Smith & Company provided a report. George Elworth moved, Vernon Johnson supported that the Board adopt the actuary's recommendations. Following discussion the motion and support were withdrawn. The Board deferred action to allow additional time to review the recommendations and asked that a document summarizing the items the Board is being asked to consider be provided at the next Board meeting.

Legislative Report

A report was provided for the Board's information. Phil Stoddard responded to questions regarding the status of the proposed pension reforms.

Executive Secretary Comments

Phil Stoddard commented on the passing of PA 77 (Health Care Trust).

Board Comments

No additional comments were received.

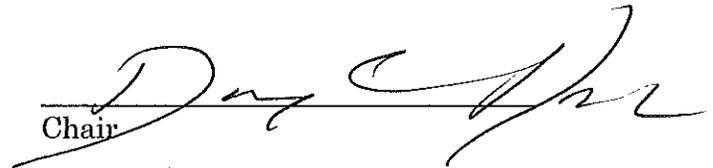
Public Comment

No comments were received.

Adjournment

John Schoonmaker moved, Vernon Johnson supported that the meeting be adjourned. The motion carried unanimously. The Chair adjourned the meeting at 4:05 p.m.

OFFICIAL MINUTES


Chair


Executive Secretary