

A regular meeting of the Michigan State Police Retirement Board was held on August 9, 2017, at the Stevens T. Mason Building, 530 W. Allegan Street, Lansing, Michigan. The following Board members and staff participated:

Members Present: Retired First Lieutenant Diane Garrison, Chair
 Insp. Steve O'Neill, representing Lieutenants and above
 Craig Murray, representing the Deputy Auditor General
 Cheryl Schmittziel, representing the Director of the Office of State Employer
 Detective Sergeant Mitchell Stevens, representing Sergeants and below
 Ron Farnum, for Attorney General
 Ann Storberg, representing the State Treasurer

Staff Present: Anthony Estell, Executive Secretary
 Lisa Reibold, Recording Secretary

Others Present: Patrick Fitzgerald of the Attorney General's Office, Kathleen Markman of the Attorney General's Office, Lois Musbach and John Karagoulis from Office of Retirement Services

Call to Order

Chair, Retired First Lieutenant Diane Garrison called the meeting to order at 1:36 p.m.

Excusing of Absent Members

Craig Murray moved, Detective Sergeant Mitchell Stevens supported, to excuse the absence of Bernard Kent and Captain Greg Zarotney. The motion carried unanimously.

Approval of Agenda

Insp. Steve O'Neill moved, Ann Storberg supported, to approve the agenda. The motion carried unanimously.

Approval of Minutes

Cheryl Schmittziel moved, Insp. Steve O'Neill supported, to approve the minutes as presented. The motion carried unanimously.

New Pension Recipients

The pension reports for February-April were reviewed. There were no questions or comments.

Elections of the Board Chair and Vice Chair

Insp. Steve O'Neill asked if there had been any nominations for recommendations for the office of chair. Executive Secretary, Anthony Estell advised that Insp. Steve O'Neill and Capt. Greg Zarotney had nominated Diane Garrison as the Chair. Insp. O'Neill asked if there were any further nominations from the floor. Being no further nominations, Insp. O'Neill closed the nominations. Craig Murray moved, Cheryl Schmittziel supported that Diane Garrison be re-elected as Chair. A voice vote was taken unanimously approving Diane Harrison for the office of Chair.

Chair Diane Garrison asked if there had been any nominations for recommendations for the office of chair. Executive Secretary, Anthony Estell advised that Diane Garrison and Capt. Greg Zarotney had nominated Insp. Steve O'Neill as the Vice Chair. Ms. Garrison asked if there were any further nominations from the floor. Being no further nominations, Ms. Garrison closed the nominations. Detective Sergeant Mitchell Stevens moved, Craig Murray supported that Insp. Steve O'Neill be re-elected as Vice Chair. A voice vote was taken unanimously approving Insp. Steve O'Neill for the office of Vice Chair.

New Business

John Karagoulis of Office of Retirement Services did a presentation on a proposed Dedicated Gains Policy for reducing the long-term rate of return assumption. Detective Sergeant Mitchell Stevens moved, Insp. Steve O'Neill supported the following motion:

Move to adopt, based upon the information supplied by ORS and the actuary, that in any fiscal year where the investment returns exceed the current assumed rate of investment return (AROR), the investment returns in excess of the current AROR will be used to permanently reduce the AROR in future years for pension and OPEB in accordance with the schedule provided by the actuary. The reduction to pension AROR will apply only to the non-hybrid plan until such a time when the non-hybrid AROR has been reduced to 7%. At that time, the AROR for the non-hybrid pension plan and the hybrid pension plan may be reduced below 7% upon Board approval.

The motion carried unanimously.

Old Business

Chair Diane Garrison referred to the pension overpayments discussed in the May 11, 2017, Board meeting and asked that Executive Secretary Anthony Estell report on the result of the pension overpayment.

Executive Secretary Anthony Estell reported that ORS will use the worker's compensation statute one-year recoupment provision as the guiding statute for the recovery of the overpayment to the duty disability retirees.

Legislative Report

There was no discussion on the report.

Executive Secretary Comments

No comments were received.

Board Comment

No comments were received.

Public Comment

No comments were received.

Adjournment

Ann Storberg moved, Craig Murray supported that the meeting be adjourned. The motion carried unanimously. The Chair adjourned the meeting at 2:14 p.m.

OFFICIAL MINUTES:

Signature on file
Vice Chair

Signature on file
Executive Secretary