

A regular meeting of the Michigan Public School Employees Retirement System Board was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, March 11, 2010. The following members, staff and observers participated:

Members Present: Ivy Bailey, Active Classroom Teacher Member
 Steven Jagusch, General Public Member, Investment Experience
 Paul Lerg, Retired Finance/Operations Member and as a representative of the largest retiree organization
 Edwin Martinson, Reporting Unit Board of Control Member
 Susan Meston, Active Superintendent Member
 John Olekszyk, Retiree Member
 Michael Ringuette, General Public Member, Actuarial Experience

Via Conference

Phone: Diana Osborn, Non-Certified Support Member

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

Others Present: Bonnie Carpenter, Marie Wilkerson, Don Miller, and Les Nixon of the Michigan Association of Retired School Personnel; Chuck Agerstrand and Earl Hagstrom of MEA-Retired; Mary Ellen Caldwell of Central Michigan University; Richard Schaper of Western Michigan University; Barbara Murphy, Regina Jamerson, and Patricia Soyemi of Blue Cross Blue Shield of Michigan; Chad Prittie of EyeMed; Lisa Eggert of Delta Dental; Dawn Parsons, Chad Hayden, and Mary Tinsley of CatalystRx; Richard Williams, Mark Williamson and Krista Davis of Williams & Co.; Ben Louagie of Gabriel, Roeder, Smith and Co.; Tony Suszek of AMA-ESD; Thomas Schimpf of the Attorney General's Office; and Laurie Hill and Brian McLane of the Office of Retirement Services.

Call to Order

Vice Chair John Olekszyk called the meeting to order at 10:30 a.m.

Excusing of Absent Members

Edwin Martinson moved, Stephen Jagusch supported, to excuse the absences of Lenore Croudy and Michael Flanagan. The motion carried unanimously.

Approval of Agenda

Paul Lerg moved, Steven Jagusch supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

Edwin Martinson moved, Ivy Bailey supported, to approve the minutes of the December 10, 2009, meeting as presented. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2009-15363 PSRS

The Board considered the case materials. Edwin Martinson moved, Steven Jagusch supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 21, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's application for non-duty disability retirement benefits, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2009-12403 PSRS

The Board considered the case materials. Edwin Martinson moved, Steven Jagusch supported, that the Board adopt as its own the recommendation of the Presiding Officer in the December 8, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's request for inclusion of payments made for FICA tax reimbursement, cash in lieu of health care, and payments in excess to the normal salary schedule in the calculation of his final average compensation, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2009-26405 PSRS

The Board considered the case materials. Susan Meston moved, Michael Ringuette supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 30, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and deny Petitioner's application for non-duty disability retirement benefits, using the form of decision and order offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2009-28987 PSRS

The Board considered the case materials. Ivy Bailey moved, Michael Ringuette supported, that the Board adopt as its own the recommendations of the Presiding Officer in the October 26, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for duty disability retirement benefits. The motion carried unanimously.

Proposal for Decision – Docket 2009-12783 PSRS

The Board considered the case materials. Edwin Martinson moved, Steven Jagusch supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 10, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law except for the changes requested by Respondent, and grant Petitioner's request to include Member Investment Plan reimbursements in his final average compensation and determine that \$6,288.13 of Petitioner's 2006 salary constitutes compensation in excess of the allowable increase established by the normal salary schedule and should not be included in his final average compensation, using the form of decision and order offered by Respondent. The motion carried with 7 yes votes and 1 no vote.

Proposal for Decision – Docket 2009-17679 PSRS

The Board considered the case materials. Edwin Martinson moved, Steven Jagusch supported, that the Board move to reject the recommendations of the Presiding Officer in the November 3, 2009 PFD, including the proposed Findings of Fact and Conclusions of Law, and remand the matter back to the Presiding Officer for a new hearing to determine exactly what Petitioner was paid in the 2002-2003 school year and, then, provide updated Findings of Fact and Conclusions of Law. The motion carried with 5 yes votes and 3 no votes.

Special Reports

Jon Braeutigam, Chief Investment Officer of the Bureau of Investments presented the Annual Investment Report to Board members and answered questions.

Legislative Committee Report

Committee Chair, John Olekszyk provided highlights of the Governor's proposed pension reforms.

Executive Secretary Comments

Phil Stoddard provided an update on the retirement proposals and noted that activity at the Office of Retirement Services had increased significantly. Phil noted that the most current information could be found on the Office of Retirement Services website and also thanked the retiree groups for helping to provide members with timely information.

Phil Stoddard congratulated Barbara Murphy of Blue Cross Blue Shield Michigan on her retirement and thanked her for representing “the finest in customer service” during her past 16 years as the Account Director for the Public Schools Retirement System.

Board Comments

John Olekszyk and Diana Osborn wished Barbara Murphy well in retirement and expressed their gratitude for her accessibility to members and the Board.

Public Comments

Comments were received from Don Miller, Earl Hagstrom, Thomas Lanway, Charles Agerstrand, John Krollek (sp), Barbara Murphy, and Tony Suszek.

Adjournment

Edwin Martinson moved, Ivy Bailey supported, to adjourn the meeting at 12:30 p.m. The motion carried unanimously.

OFFICIAL MINUTES



Vice Chair



Executive Secretary