

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, June 10, 2010. The following members, staff and observers participated:

Members Present: Lenore Croudy, Community College Trustee
 Michael Flanagan, Superintendent of Public Instruction
 Jonathon Fielbrandt, 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
 Diana Osborn, Non-Certified Support Member
 Timothy Raymer, Finance/Operations Member, Non-superintendent
 Michael Ringuette, General Public Member, Actuarial Experience

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

Others Present: Bonnie Carpenter Marie Wilkerson, Don Miller, and Joe Curtin of the Michigan Association of Retired School Personnel; Phyllis Rule, Mary Christian, Dan Rudd, Earl Hagstrom, Harvey Miller, and Judy Foster of MEA-Retired; Richard Schaper of Western Michigan University; Robert Dwan of Michigan School Business Officials; Branco Bojicic, Regina Jamerson, and Patricia Soyemi of Blue Cross Blue Shield of Michigan; Mary Ann Knowles and Paula Browdy of Priority Health; Carol Nolan of EyeMed; Lisa Eggert of Delta Dental; Dawn Parsons, and Kim Seelinger of CatalystRx; Richard Williams and Krista Davis of Williams & Co.; Alan Sonnanstine and Ben Louagie of Gabriel, Roeder, Smith and Co.; Steve Blahunka of Merrill Lynch; and Thomas Schimpf of the Office of Attorney General.

Call to Order

Chair Diana Osborn called the meeting to order at 10:30 a.m.

Excusing of Absent Members

Lenore Croudy moved, Susan Meston supported, to excuse the absence of Ivy Bailey. The motion carried unanimously.

Approval of Agenda

John Olekszyk moved, Michael Ringuette supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

Paul Lerg moved, Lenore Croudy supported, to approve the minutes of the April 22, 2010, meeting as presented. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2009-18527 PSRS

The Board considered the case materials. Susan Meston moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 18, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, and grant Petitioner's request to include the salary increases in the calculation of her final average compensation and reimburse Petitioner for the difference between the monthly pension amount Petitioner has received and what she is entitled to receive. The motion failed on a roll call vote with 3 yes votes, 5 no votes and 3 abstentions.

Lenore Croudy	Abstain	Jonathon Fielbrandt	No
Michael Flanagan	Abstain	Steven Jagusch	No
Paul Lerg	No	Edwin Martinson	No
Susan Meston	Yes	John Olekszyk	Yes
Timothy Raymer	Abstain	Michael Ringuette	Yes
Diana Osborn	No		

Paul Lerg moved, Edwin Martinson supported, that the Board reject the recommendations of the Presiding Officer in the March 18, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to include the salary increases in the calculation of her final average compensation and deny reimbursement for the difference between the monthly pension amount Petitioner has received and what she is entitled to receive, based upon Respondent's Exceptions and the administrative record, using the form of decision and order offered by Respondent. The motion passed on a roll call vote with 6 yes votes, 3 no votes and 2 abstentions.

Lenore Croudy	Yes	Jonathon Fielbrandt	Yes
Michael Flanagan	Abstain	Steven Jagusch	Yes
Paul Lerg	Yes	Edwin Martinson	Yes
Susan Meston	No	John Olekszyk	No
Timothy Raymer	Abstain	Michael Ringuette	No
Diana Osborn	Yes		

Proposal for Decision – Docket 2009-31368 PSRS

The Board considered the case materials. John Olekszyk moved, Edwin Martinson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 2, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, 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 2009-31329 PSRS

The Board considered the case materials. Edwin Martinson moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 2, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, 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 2010-9240 PSRS

The Board considered the case materials. John Olekszyk moved, Steven Jagusch supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 31, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, 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.

Special Reports

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

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

Actuarial 5-Year Experience Study – Alan Sonmanstine of Gabriel Roeder Smith & Company provided highlights of the study and responded to questions. Following discussion, Lenore Croudy moved, Michael Ringuette supported that the Board adopt the actuarial recommendations as presented. The motion carried unanimously.

Implementation of PA 75 of 2010 (Incentive & Reform) – Kathy Tober and KerrieVanden Bosch of the Office of Retirement Services provided an update.

Executive Secretary Comments

Phil Stoddard thanked staff for all of their hard work in assisting members during the short retirement window. “They are customer-focused – that’s who they are,” commented Mr. Stoddard.

Board Comments

No additional comments were received.

Public Comments

Comments were received from Bonnie Carpenter and Earl Hagstrom.

Adjournment

Edwin Martinson moved, Lenore Croudy supported, to adjourn the meeting at 12:50 a.m. The motion carried unanimously.

OFFICIAL MINUTES


Vice Chair


Executive Secretary