

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, September 16, 2010. The following members, staff and observers participated:

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

Via phone: Susan Meston, Active Superintendent Member

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

Others Present: Bonnie Carpenter, Marie Wilkerson, Les Nixon, Chuck Abshagen, Bob Wiles, and Joe Curtin of the Michigan Association of Retired School Personnel; Charles Agerstrand and Earl Hagstrom of MEA-Retired; Richard Schaper of Western Michigan University; Mary Ellen Caldwell of Central Michigan University; Patricia Soyemi of Blue Cross Blue Shield of Michigan; Carol Nolan of EyeMed; Lisa Eggert of Delta Dental; Richard Williams of Williams & Co.; Ben Louagie and Virginia Gibson of Gabriel, Roeder, Smith and Co.; Thomas Schimpf of the Office of Attorney General; and Laurie Hill of the Office of Retirement Services.

### Call to Order

Chair Diana Osborn called the meeting to order at 10:33 a.m.

## Approval of Agenda

Lenore Croudy moved, Michael Flanagan supported, to approve the agenda as presented. The motion carried unanimously.

## Board Elections

Executive Secretary Phil Stoddard asked the Nominating Committee for nominations for the Office of Chair. John Olekszyk, on behalf of the Committee, nominated Diana Osborn for the Office of Chair. Mr. Stoddard asked if there were other nominations from the floor. Being there were no additional nominations a ballot was cast for Diana Osborn for the Office of Chair and approved unanimously.

Chair Diana Osborn asked the Nominating Committee for nominations for the Office of Vice Chair. Edwin Martinson, on behalf of the Committee, nominated John Olekszyk for the Office of Vice Chair. Chair Osborn asked if there were any other nominations from the floor. Being there were no additional nominations a ballot was cast for John Olekszyk for the Office of Vice Chair and approved unanimously.

## Approval of Minutes

John Olekszyk moved, Lenore Croudy supported, to approve the minutes of the July 29, 2010, meeting as presented. The motion carried unanimously.

## Administrative Hearings

### Proposal for Decision – Docket 2009-31330 PSRS

The Board considered the case materials. John Olekszyk moved, Edwin Martinson supported, that the Board deny Petitioner's Post Trial Motion to Supplement the Record. The motion carried unanimously.

Edwin Martinson moved, John Olekszyk supported that the Board adopt as its own the recommendations of the Presiding Officer in the June 23, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement benefits. The motion carried unanimously.

Proposal for Decision – Docket 2009-28988 PSRS

The Board considered the case materials. John Olekszyk moved, Paul Lerg 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 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 2010-16550 PSRS

The Board considered the case materials. Edwin Martinson moved, Jonathan Fielbrandt supported, that the Board adopt as its own the recommendations of the Presiding Officer in the June 30, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for inclusion of payments made for MIP in the calculation of his final average compensation. The motion carried unanimously.

Proposal for Decision – Docket 2010-15855 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 June 2, 2010 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 2010-9236 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 June 22, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law and deny Petitioner's application for duty disability retirement benefits, but grant her request for non-duty disability retirement benefits. The motion carried unanimously.

Proposal for Decision – Docket 2010-12745 PSRS

The Board considered the case materials. John Olekszyk moved, Edwin Martinson supported, that the Board deny Petitioner's Motion to Supplement the Record and her request for oral argument before the Board. The motion carried unanimously.

John Olekszyk moved, Edwin Martinson supported that the Board adopt as its own the recommendations of the Presiding Officer in the May 20, 2010 PFD, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement benefits. The motion carried unanimously.

### **New Business**

Resolution for the Office of Retirement Services – Michael Flanagan moved, John Olekszyk supported that the Board adopt the resolution as presented. The motion carried unanimously.

### **Standing Reports**

Health Insurance Committee Report – The Health Insurance Committee met prior to the Board meeting to review the proposed 2011 health care initiatives. On behalf of the Committee, Ben Louagie of Gabriel Roeder Smith and Co. presented the 2011 health care initiatives to the full Board and answered questions. Health Initiative Review Committee (HIRC) meetings have been scheduled for October 11 and October 15 to allow public comment on the proposed initiatives.

### **Executive Secretary Comments**

Phil Stoddard accepted the Resolution for the Office of Retirement Services on behalf of his deserving staff. He also thanked the retiree groups for their valuable assistance in communicating accurate information during the early retirement incentive.

Phil noted that the hybrid retirement plan for new hires has been named *Pension Plus*, and pertinent information for new employees is now on the ORS website.

Phil commented that the Health Insurance Committee, ORS staff and Gabriel Roeder and Smith have done a very creative job in developing initiatives that hold retirees totally harmless in meeting this year's cost goals, and reap the benefits of federal dollars available to the system today.

**Board Comments**

Comments were received from Diana Osborn, John Olekszyk, Jonathan Fielbrandt, and Lenore Croudy.

**Public Comments**

Comments were received from Earl Hagstrom and Charles Agerstrand.

**Adjournment**

Steven Jagusch moved, Lenore Croudy supported, to adjourn the meeting at 11:42 a.m. The motion carried unanimously.

**OFFICIAL MINUTES**

  
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Chair

  
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Executive Secretary