

A regular meeting of the **Michigan Public School Employees' Retirement System Board** was held at the Stevens T. Mason Building, 530 W. Allegan Street, First Floor Board Room, Lansing, Michigan, on Thursday, May 24, 2018. The following members, staff, and observers participated:

Members Present: Ivy Bailey, Active Classroom Teacher Member
 Charles "Dan" Christner, Retiree Member
 Laura Colligan, Reporting Unit Board of Control Member
 Liz Eastway, Non-Certified Educational Support Member
 Mike Engle, Active Classroom Teacher Member
 Stephen Epstein, General Public Member, Investment Experience
 Scott Koenigsknecht, Active Superintendent Member
 Ann Kroneman, Community College Administrator/Trustee
 Member
 Kevin Philipps, Representing Finance/Operations, non-Superintendents
 Timothy Raymer, Representing Finance/Operations, Retirants, Member of largest retirant organization
 Alan Sonnanstine, General Public Member, Actuarial Experience
 Mark Howe on behalf of Sheila Alles, Interim Superintendent of Public Instruction

Staff Present: Kerrie Vanden Bosch, Executive Secretary
 Lisa Reimbold, Recording Secretary

Others Present: Kathy Markman of the Attorney General's office; Mita Drazilov and Louise Gates from Gabriel Roeder Smith & Company; Ben Louagie and Virginia Gibson of Willis Towers Watson; James Pearson of the MEA; Denise Ford of OptumRx; Ronda Daugherty of IBM Watson Health; Paul Lerg, Don Johnson, Bob Wiles, Sally Wiles and Mark Guastella of Michigan Association of Retired School Personnel; Regina Jamerson of BCBSM; Lisa Eggert of Delta Dental; Rosalyn Slade from Priority Health; Paul Wood from MISD; Robert Schindler from Lusk Albertson Law Firm; Courtney VanCamp and Cara Dobie from Capitol Services representing Coalition for Secure Retirement-Michigan; Anthony Estell of the Office of Retirement Services.

Call to Order

Chair Scott Koenigsknecht called the meeting to order at 10:29 a.m.

Excusing of Absent Members

All Board Members were present.

Approval of Agenda

Ivy Bailey moved, Stephen Epstein supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

Ann Kroneman moved, Mark Howe supported, to approve the regular session meeting minutes of March 15, 2018. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 17-014647-ORS

The Board considered the case materials. Timothy Raymer moved, Kevin Philipps supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 26, 2018, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for duty disability. The motion carried unanimously.

Proposal for Decision – Docket 17-014661-ORS

The Board considered the case materials. Liz Eastway moved, Ann Kroneman supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 28, 2018, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and dismiss the appeal with prejudice for Petitioner's failure to appear at the hearing, and deny Petitioner's request for nonduty disability. The motion carried unanimously.

Election of Officers

Executive Secretary Kerrie Vanden Bosch asked the Nominating Committee for recommendations for the office of chair. On behalf of the Committee, Stephen Epstein nominated, and Ivy Bailey seconded Scott Koenigsknecht for the office of chair. Ms. Vanden Bosch asked if there were any further nominations from the floor. Being no further nominations, Ms. Vanden Bosch closed the nominations and a voice vote was taken unanimously approving Scott Koenigsknecht for the office of chair.

Chair Scott Koenigsknecht asked the Nominating Committee for recommendations for the office of vice chair. On behalf of the Committee, Liz Eastway nominated and Dan Christner seconded Timothy Raymer for the office of vice chair. Mr. Koenigsknecht asked if there were further nominations from the floor. Being no further nominations, Mr. Koenigsknecht closed the nominations and a voice vote was taken unanimously approving Timothy Raymer for the office of vice chair.

Special Reports

Mita Drazilov and Louise Gates from Gabriel Roeder Smith & Company presented the MPERS 5-year Experience Study. Questions were asked by board members and answered. Alan Sonnanstine moved, Mark Howe supported, that the Board approve the actuarial assumptions laid out in the 5-year study experience conducted by GRS, as

summarized in the memo from Kerrie Vanden Bosch to Scott Koenigsknecht dated May 24, 2018. The motion carried unanimously.

New Business

Resolutions for Board Consideration and Approval

Timothy Raymer moved, Stephen Epstein supported, that the Board adopt the Resolution honoring Michael Ringuette as presented. The motion carried unanimously.

Mark Howe moved, Ivy Bailey supported, that the Board adopt the Resolution honoring Brian Whiston as presented. The motion carried unanimously.

Declaratory Rulings

Batista - Patricia Batista filed a petition requesting the Board make a declaratory ruling on the following:

Petitioner hereby requests the ORS to declare the NSI as created and placed in the ORS Reporting Instruction Manual (“RIM”) to be unlawful and stricken from the RIM and to no longer be used in application to the Petitioner and all members of the Pension system.

The Board considered the case materials. Timothy Raymer moved, Ivy Bailey supported, that the Board deny Batista’s request for declaratory ruling, as unused vacation time is expressly excluded from the definition of compensation by the Retirement Act. MCL 38.1303a(3). The motion carried unanimously.

Thomson, Gaffney, Donahue, Koehler and Swantek – Christopher Thomson, Aaron Gaffney, Timothy Donahue, Ronald Koehler and Amy Swantek filed petitions requesting the Board make a declaratory ruling on the following:

Petitioner hereby requests the ORS to declare the NSI as created and placed in the ORS Reporting Instruction Manual (“RIM”) to be unlawful and stricken from the RIM and to no longer be used in application to the Petitioner and all members of the Pension system.

The Board considered the case materials. Liz Eastway moved, Kevin Philipps supported, that the Board deny Thomson, Gaffney, Donahue, Koehler and Swantek’s requests for declaratory ruling, since the issues presented have already been the subject of Board declaratory ruling orders, Board orders in administrative cases and/or judicial review. The motion carried unanimously.

Britten and Hewitt – David Britten and John Hewitt filed petitions requesting the Board make a declaratory ruling on the following:

Petitioner hereby requests the ORS to declare the NSI as created and placed in the ORS Reporting Instruction Manual (“RIM”) to be unlawful and stricken from the RIM and to no longer be used in application to the Petitioner and all members of the Pension system.

The Board considered the case materials. Timothy Raymer moved, Anne Kroneman supported, that the Board deny Britten and Hewitt’s requests for declaratory ruling for the reason that ORS will review and update as appropriate its policies relating to NSI in view of the concerns raised. The motion carried unanimously.

Standing Reports

Legislative Summary - The Board received the current report.

Executive Secretary Comments

Executive Secretary, Kerrie Vanden Bosch, advised the Board that this was the last meeting for Ivy Bailey. She is retiring as of June 30, 2018. Ms. Vanden Bosch thanked Ms. Bailey for her 14 years of service on the Board.

Board Comments

Ivy Bailey thanked the Board for allowing her to serve on the Board.

Public Comments

Bob Wiles from MARSP thanked the ORS for holding meetings for retirees in the upper peninsula. He also reminded everyone to vote in the primaries.

Adjournment

Stephen Epstein moved, Ivy Bailey supported, that the meeting be adjourned. The motion carried unanimously, and Chair Scott Koenigsnecht adjourned the meeting at 12:15 p.m.

OFFICIAL MINUTES

Signature on file
Chair

Signature on file
Executive Secretary