

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, July 19, 2018. The following members, staff, and observers participated:

Members Present: Charles "Dan" Christner, Retiree Member
 Laura Colligan, Reporting Unit Board of Control Member
 Liz Eastway, Non-Certified Educational Support Member
 Stephen Epstein, General Public Member, Investment Experience
 Ann Kroneman, Community College Administrator/Trustee
 Member
 Jeff Mills, Active Superintendent Member
 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; James Pearson of the MEA; Ronda Daugherty of IBM Watson Health; Don Johnson of Michigan Association of Retired School Personnel; Rosalyn Slade from Priority Health; Patricia Trelstad a retiree of Okemos Public Schools; Virginia Gibson and Brian Morris of Willis Towers Watson; Christal Smith from the Auditor General; Robert Dietzel and Philip Clark of Thrun Law Firm; Jocelyn Hain and Monica Valentine of Optum Rx; Angela Hua of Truven IBM; Caleb Chamberlain of Office of Retirement Services; Lori Shannon of Blue Cross Blue Shield Michigan.

Call to Order

Vice Chair Timothy Raymer called the meeting to order at 10:29 a.m.

Excusing of Absent Members

Ann Kroneman moved, Stephen Epstein supported, to excuse the absences of Mike Engle and Kevin Philipps. The motion carried unanimously.

Approval of Agenda

Dan Christopher moved, Laura Colligan supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

Stephen Epstein moved, Dan Christner supported, to approve the regular session meeting minutes of May 24, 2018. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 17-015623-ORS

The Board considered the case materials. Liz Eastway moved, Dan Christner supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 16, 2018, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability. The motion carried unanimously.

Proposal for Decision – Docket 17-005279-ORS

The Board considered the case materials. Liz Eastway moved, Dan Christner supported, that the Board adopt as its own the recommendations of the Presiding Officer in the October 3, 2017, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to include her responsibility stipends and one-time stipends in her Final Average Compensation (FAC). The motion carried unanimously.

Special Reports

Jocelyn Hain from Optum Rx presented the Annual Managed Prescription Drug Report.

Standing Reports

Legislative Summary - The Board received the current report.

Executive Secretary Comments

Executive Secretary, Kerrie Vanden Bosch, welcomed Jeff Mills to the board. Ms. Vanden Bosch also advised the Board that Public Act 181 was signed into law. PA 181 overrides the board's adoption of the 2.75% payroll growth assumption as part of the experience study. Instead, the payroll growth assumption will remain at 3.50% for the FY17 and FY18 valuations, and then gradually phase down 0.50% per year starting with the FY19 valuation until it reaches 0.00%.

Board Comments

No board comments were made.

Public Comments

No public comments were made.

Adjournment

Mark Howe moved, Jeff Mills supported, that the meeting be adjourned. The motion carried unanimously, and Vice Chair Timothy Raymer adjourned the meeting at 10:59 a.m.

OFFICIAL MINUTES

Signature on file
Chair

Signature on file
Executive Secretary