

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, November 1, 2018. The following members, staff, and observers participated:

Members Present: Laura Colligan, Reporting Unit Board of Control Member
 Liz Eastway, Non-Certified Educational Support Member
 Stephen Epstein, General Public Member, Investment Experience
 Scott Koenigsknecht, Chair, Michigan Department of Education
 Ann Kroneman, Community College Administrator/Trustee
 Member
 Jeff Mills, Representing School Superintendents 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

Staff Present: Kerrie Vanden Bosch, Executive Secretary
 Caleb Chamberlain, Recording Secretary

Others Present: Kathy Markman of the Attorney General's office; Ben Louagie, Virginia Gibson of Willis Towers Watson; James Pearson of the MEA; Ronda Daugherty and Angela Hua of IBM Watson Health; Mark Guastella and Mike Sweet of Michigan Association of Retired School Personnel; Lisa Eggert of Delta Dental; Kelly Lahr of Priority Health; Anthony Estell of the Office of Retirement Services.

Call to Order

Chair Scott Koenigsknecht called the meeting to order at 10:30 a.m.

Excusing of Absent Members

Jeff Mills moved, Stephen Epstein supported, to excuse the absence of Ann Kroneman. The motion carried unanimously.

Approval of Agenda

Stephen Epstein moved, Kevin Philipps supported, to approve the agenda. The motion carried unanimously.

Approval of Minutes

Timothy Raymer moved, Kevin Philipps supported, to approve the regular session meeting minutes of September 13, 2018. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 18-003978-ORS

The Board considered the case materials. Timothy Raymer moved, Jeff Mills supported, that the Board adopt as its own the recommendations of the Administrative Law Judge in the September 7, 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 16-002847-ORS

The Board considered the case materials. Liz Eastway moved, Kevin Philipps supported, that the Board adopt as its own the recommendations of the Presiding Officer in the August 13, 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 18-003334-ORS

The Board considered the case materials. Timothy Raymer moved, Jeff Mills supported, the board adopt as its own the recommendations of the Presiding Officer in the September 4, 2018, PFD, including the proposed Findings of Fact and Conclusions of Law, and deny the Petitioner's request to rescind his election to join the Defined Contribution Retirement plan under MCL 38.1381d and instead join his employer's optional retirement plan under the Optional Retirement Act of 1967, MCL 38.381 *et seq.* The motion carried unanimously.

Special Reports

Angela Hua from IBM Watson Health presented the Health Care Plan Management Report and answered questions.

Mita Drazilov from GRS Retirement Consulting presented the Review of Optional Forms of Payment Factors and answered questions. Liz Eastway moved, Mike Engle supported that the board adopt the updated actuarial assumptions presented. The motion carried by unanimous vote.

Standing Reports

Legislative Summary - The Board received the current report.

Executive Secretary Comments

Executive Secretary Kerrie Vanden Bosch made mention of the rates of return on investments and the dedicated gains policy. Noting that there are no confirmed numbers, but the organization exceeded assumptions by 3-4% in fiscal year 2018.

Board Comments

There were no comments.

Public Comments

Mark Guastella from Michigan Association of Retired School Employees thanked the board and the ORS staff for hosting the meeting and commended the board on their financial management.

Adjournment

Timothy Raymer moved, Stephen Epstein supported, that the meeting be adjourned. The motion carried unanimously, and Chair Scott Koenigsknecht adjourned the meeting at 11:43 a.m.

OFFICIAL MINUTES

Signature on file
Chair

Signature on file
Executive Secretary