

A regular meeting of the State of Michigan Retirement Board was held at 1:30 p.m. on Thursday, May 25, 2017, in the Board Room, First Floor of the Stevens T. Mason Building, 530 W. Allegan Street, Lansing, Michigan.

Members Present: Matthew Fedorchuk, representing State Employee & Retiree members  
John Gnodtke, representing State Personnel Director  
Laurie Hill, representing State Employee and Retiree members  
Molly Jason, representing the Attorney General  
Craig Murray, representing the Auditor General  
David H. Sawyer, representing retired JRS members  
Ann Marie Storberg, representing the State Treasurer  
LTC John Wojcik, representing the Military

Staff Present: Laurie Mitchell, Executive Secretary  
Marcy Best, Recording Secretary

Others Present: Mita Drazilov of Gabriel Roeder Smith & Company; Louise Gates of Gabriel Roeder Smith & Company; Jim Walkowicz from UAW Local 6000; and Kathy Markman of the Attorney General's Office

### **Call to Order**

Chair Laurie Hill called the meeting to order at 1:30 p.m.

### **Excusing of Absent Members**

John Gnodtke moved, Matthew Fedorchuk supported, to excuse the absence of Mark Boonstra. The motion carried unanimously.

### **Approval of Agenda**

John Gnodtke moved, Matthew Fedorchuk supported, to approve the Agenda as presented. The motion carried unanimously.

### **Approval of Minutes**

David Sawyer moved, John Wojcik supported, to approve the minutes as presented. The motion carried unanimously.

### **New Pension Recipients**

Informational payroll statistics lists were provided to the Board. There was no discussion on these items.

## Special Reports

Mita Drazilov of Gabriel Roeder Smith & Company presented highlights of the SERS, JRS, and MRP Actuarial Pension Valuation for the period ending September 30, 2016 to Board members and answered questions.

Louise Gates of Gabriel Roeder Smith & Company presented highlights of the SERS and JRS Actuarial Health Valuation for the period ending September 30, 2016 to Board members and answered questions.

## New Business

John Gnodtke moved, David Sawyer supported, that the Request for Declaratory Ruling be denied and the Order Denying Rehearing/Reconsideration be affirmed.

The motion carried unanimously.

## Administrative Hearings

The Board considered the case materials. John Gnodtke moved, Craig Murray supported that the Board adopt as its own the recommendations of the Presiding Officers in the Proposals for Decision with the correction of the Petitioner's age to be 58 at the time of the hearing on the top of page 2, Findings of Fact 1 in case number 15-018495-ORS; with the correction to delete the last paragraph of page 6 of the PFD in case number 16-010316-ORS; with the correction of all references to Petitioner from "she" to "he" in the PFD in case number 16-011064-ORS; including the proposed Findings of Fact and Conclusions of Law and deny Petitioners' applications for duty and/or non-duty disability retirement of the below listed cases:

2015-018495-ORS  
 2016-001094-ORS  
 2016-009573-ORS  
 2016-010102-ORS  
 2016-010269-ORS  
 2016-010314-ORS  
 2016-010316-ORS  
 2016-011064-ORS  
 2016-011128-ORS  
 2017-000274-ORS

The motion carried unanimously.

### Proposal for Decision – Docket 2016-011894-ORS

The Board considered the case materials. John Gnodtke moved, David Sawyer supported, that the Board adopt as its own the recommendations of the Presiding Officer as set forth in March 16, 2017 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to transfer or purchase

service credit in either the MPSERS or SERS and to recalculate her service credit. The motion carried unanimously.

#### Petition to the Board – Docket 2016-013745-ORS

The Board considered the case materials. John Gnodtke moved, John Wojcik supported, that the Board adopt as its own the recommendations of the Presiding Officer as set forth in the Order following the April 14, 2017 Post-Hearing Conference including the proposed Findings of Fact and Conclusions of Law and to deny Petitioner's request to leave the record open until June 26, 2017, to allow Petitioner to submit any deposition of Dr. Mark Adams that may be taken during that time.

John Gnodtke withdrew his motion and John Wojcik withdrew his support.

David Sawyer moved, Ann Marie Storberg supported, that the Board grant Petitioner's request to leave the record open until June 26, 2017, to allow Petitioner to submit any deposition of Dr. Mark Adams that may be taken during that time period. The motion carried unanimously.

#### **Legislative Report**

A report was provided for the Board's information.

#### **Report of Nomination Committee and Election of Officers**

Craig Murray reported that the committee nominates Laurie Hill for Chair.

Anne Marie Storberg reported that the committee nominates Mark Boonstra for Vice-Chair.

David Sawyer moved, John Gnodtke supported, to close the nominations and adopt the recommendations of the nominating committee; Laurie Hill be appointed Chair and Mark Boonstra be appointed Vice-Chair. The motion carried unanimously.

#### **Executive Secretary Comments**

Laurie Mitchell thanked the Board for their great work at their last board meeting to change the AROR for both pension and pre-funding of the health care benefit to 7.5%, which will go into effect October 1, 2017.

Laurie thanked Kathleen Markman for her assistance with the number of administrative hearing cases and the declaratory ruling for this board meeting.

Laurie advised the Board that this would be Marcy Best's last board meeting; she will be retiring effective May 31, 2017.

#### **Board Comments**

No board comments.

**Public Comments**

No public comments

**Adjournment**

John Gnodtke moved, Matthew Fedorchuk supported, that the meeting be adjourned. The motion carried unanimously. The Chair adjourned the meeting at 3:09 p.m.

## OFFICIAL MINUTES

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*(signature on file)*  
Chair

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*(signature on file)*  
Executive Secretary