

A regular meeting of the Michigan State Employees' Retirement System Board was held at the State Secondary Complex, General Office Building, First Floor, Conference Room A, Lansing, Michigan, on May 17, 2012. The following members, staff and observers participated:

- Members Present:** Robert Brackenbury, representing State Treasurer
Douglas Drake, Retiree Member
George Elworth, representing the Attorney General
Matthew Fedorchuk, Employee Member
John Gnodtke, representing State Personnel Director
Randall Gregg, representing Commissioner of the Office of Financial and Insurance Regulation
Douglas Johnson, Retiree Member
- Staff Present:** Laurie Hill, Acting Executive Secretary
Chanda Donnan, Recording Secretary
- Others Present:** Patrick Fitzgerald of the Office of Attorney General; Juren Ekwejunor-Etchie from Office of Retirement Services; Mita Drazilov and Louise Gates from Gabriel Roeder Smith & Company, and Mary Pollock from State Employees Retirement Association

Call to Order

Chair Douglas Drake called the meeting to order at 1:34 p.m.

Excusing of Absent Members

George Elworth moved, Matthew Fedorchuk supported, to excuse the absence of Craig Murray and Robert Brackenbury. The motion carried unanimously.

Approval of Agenda

Douglas Johnson moved, Randall Gregg supported, to approve the agenda as presented. The motion carried unanimously.

Approval of Minutes

George Elworth moved, John Gnodtke supported, to approve the regular session meeting minutes of March 15, 2012, as corrected. The motion carried unanimously.

Douglas Johnson moved, George Elworth supported, to approve the closed session meeting minutes of March 15, 2012. The motion carried unanimously.

[Robert Brackenbury joined the meeting at this time.]

Disability Retirement Applications

Non-Duty Disability Retirement Applications

George Elworth moved, Randall Gregg supported, to approve non-duty disability applications 1-21 as presented in the Supplemental Information to the Agenda, 7A. The motion carried unanimously.

Duty Disability Retirement Applications

John Gnodtke moved, Matthew Fedorchuk supported, to approve duty disability applications 1-5 as presented in the Supplemental Information to the Agenda, 7B. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2012-1171 SERS

The Board considered the case materials. John Gnodtke moved, Randall Gregg supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 1, 2012, Proposal for Decision as modified by the Respondent's Exceptions, and deny Petitioner's application for disability retirement benefits on the basis that it was not timely filed under MCL 38.67a, using the form of decision offered by Respondent. The motion carried unanimously.

Proposal for Decision – Docket 2011-52268 SERS

The Board considered the case materials. Randall Gregg moved, Douglas Johnson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 2, 2012, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, as modified by the Respondent's Exceptions, and deny Petitioner's request to receive a retirement allowance for failure to meet the requirements of MCL 38.19(1), in the form of decision offered by Respondent. The motion carried unanimously.

Unfinished Business

Supplemental Proposal for Decision – Docket 2010-29527 SERS

John Gnodtke announced he would recuse himself from participating in discussion and voting on this matter.

The Board considered the case materials. Randall Gregg moved, Douglas Johnson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the

Supplemental Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to receive either a duty or non-duty disability retirement allowance for failure to meet the requirements of MCL 38.21 and 38.24, respectively. The motion carried.

Board Resolution Regarding Nason Disability Standard

The Board reviewed and considered the resolution to prepare and submit a Request for Rulemaking to the Office of Regulatory Reinvention on behalf of the Board in accordance with MCL 24.239(1) to rescind Board Rule 38.21(0) and 38.39(3) as rendered obsolete due to the Court of Appeals' decision in Nason, and that rescission of these rules be sought under the streamlined process provided for in MCL 24.244(1), which is reserved for obsolete or superseded rules. Douglas Johnson moved, Robert Brackenbury supported, to adopt the resolution as presented with corrections. The motion carried unanimously.

Update Regarding Rescission of Board Rules that Conflict with the Court of Appeals' decision in Nason v SERS

The Office of Regulatory Reinvention (ORR) instructed AAG Patrick Fitzgerald to complete the Request for Rulemaking form and submit the adopted Board resolution with it. ORR will then determine if steps will be taken to expedite the process.

Special Reports

Actuarial Pension Valuation – Mita Drazilov of Gabriel Roeder Smith & Company provided highlights of the valuation for the period ending September 30, 2011.

Actuarial Health Care Valuation – Louise Gates of Gabriel Roeder Smith & Company provided highlights of the valuation for the period ending September 30, 2011.

Legislative Report

A report was provided for the Board's information.

Executive Secretary Comments

No comments were received.

Board Comments

No comments were received.

Public Comments

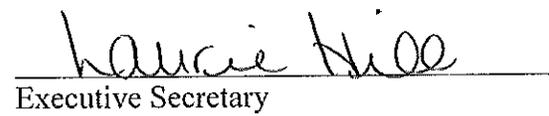
Comments were received from Mary Pollock.

Adjournment

John Gnodtke moved, Robert Brackenbury supported, that the meeting be adjourned. The motion carried unanimously. The Chair adjourned the meeting at 3:17 p.m.

OFFICIAL MINUTES


Chair


Executive Secretary