



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RACHAEL EUBANKS
STATE TREASURER

MICHIGAN EDUCATION TRUST MINUTES

The Michigan Education Trust Board held a regular meeting on February 4, 2021 at 1:00 p.m. as a Virtual Microsoft Teams Meeting.

Treasurer Rachael Eubanks called the meeting to order at 1:02 p.m.

Members Present:

Treasurer Rachael Eubanks, Present, Clinton County, East Lansing, Michigan
Robert Bowman, Present, Collier County, Naples, Florida
Virinder Moudgil, Present, Oakland County, Southfield, Michigan
Cheryl Bartholic, Present, Clinton County, East Lansing, Michigan
Ronald Wisner, Present, Kalamazoo County, Kalamazoo, Michigan
Dr. Dale Nesbary, Present, Muskegon County, Muskegon, Michigan
Ms. Marlin Williams, Present, Wayne County, Detroit, Michigan
Michael Flynn, Macomb County, Shelby Township, Michigan

Members Not Present:

Philomena Mantella

I. Approval of Minutes of Tuesday, December 8, 2020 Meeting

Treasurer Eubanks presented the minutes of the December 8, 2020 meeting to the Board for approval. Mr. Ronald Wisner, made a motion to approve the minutes, supported by Dr. Virinder Moudgil. The minutes were approved unanimously (8-0).

II. Public Comment

None

III. Executive Directors Report

Ms. Brewer gave a summary of the Executive Director's report noting that for the 2021 enrollment period as of January 27, 2021, MET sold 322 contracts. Contract sales were up 9.3%. Additional contributions made to PAYG contracts from October 1, 2020 – December 31, 2020 was \$776,557.35 in prepaid tuition.

Ms. Brewer also presented reports on the Marketing Subcommittee as well as the Finance/Investment Subcommittee.

IV. Financial Issues

A. Presentation by Woodrow Tyler and Nicholas Whitman, Bureau of Investments

Mr. Whitman provided an investment report stating that the MET I's market value was \$115.0 million as of December 31, 2020. He stated that MET I is closed to new contract receipts; correspondingly, assets decline as tuition obligations are met. MET I's estimated income and dividends over the next twelve months is \$2.4 million.

Mr. Tyler provided an investment report stating that MET II's market value was \$988.1 million as of December 31, 2020. He stated that MET II's estimated income and equity dividends for the next 12 months is \$27.4 million.

B. Presentation by Paul Wood of GRS

Mr. Paul Wood of GRS presented the interim results as of December 31, 2020. He stated that MET I Funded Ratio increased from 227% to 237%. The surplus increased from \$63.3 million to \$66.5 million. MET II Funded Ratio increased from 135.9% to 141.6%. The surplus increased from \$261.2 million to \$298.6 million due to the assets returns below the investment return.

V. Policy and Program Issues

A. MET Bylaws– Resolution 2021-1

Ms. Brewer presented the Resolution for the MET Bylaws. Ms. Brewer stated that at the Board meeting held 12/8/2020 Treasurer Eubanks recommended that MET update the Bylaws of 9/18/1987 to incorporate amendments approved to transfer or clarify delegation of authority. Treasurer Eubanks also recommended that the Bylaws include reference to Board Subcommittees.

Ms. Brewer recommended that the Board adopt Resolution 2021-1. Michael Flynn motioned to approve Resolution 2021-1 and was supported by Virinder Moudgil. The resolution was approved unanimously by a roll call vote, 8-0.

VI. Marketing and Public Relations

A. Presentation by Jill Holden of Gud Marketing

Ms. Jill Holden, Strategic Planning Director at Gud Marketing presented on the activities and results of the Year End 2020 marketing campaign with the overall goal of increased awareness of MET leading up to the holiday season.

Ms. Holden gave a brief update on the MET Marketing Committee meeting. Topics of discussion were historical research, tracking customer journey through contract purchase, simplifying language and branding, and the 2021 opportunities.

Treasurer Eubanks suggested adjournment of the February 4, 2021 MET Board Meeting. Ronald Wisner made a motion to adjourn the February 4, 2021 MET Board Meeting, supported by Virinder Moudgil. The meeting adjourned at 2:26 p.m.

Minutes were approved on: May 13, 2021



Chairman



Executive Director