

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, May 26, 2016. The following members, staff, and observers participated:

Members Present: C. Dan Christner, Retiree Member  
 Scott Koenigsknecht, Active Superintendent Member  
 Timothy Raymer, Representing Finance/Operations, Retirants,  
 Member of largest retirant organization  
 Michael Ringuette, General Public Member, Actuarial Experience  
 Larry Ward, Reporting Unit Board of Control Member  
 Mike Engle, Active Teacher  
 Stephen Epstein, General Public Member, Investments Experience  
 Ann Kroneman, Representing Community Colleges

Staff Present: Kerrie Vanden Bosch, Executive Secretary  
 Lisa Reibold, Recording Secretary

Others Present: Branko Bojicic of Blue Cross Blue Shield of Michigan; Rosalyn Slade and Kim Young with Priority Health; Ben Louagie and Gin Gibson of Towers Watson; Paul Lerg and Mark Guastella of Michigan Association of Retired School Personnel; Lisa Eggert of Delta Dental; Cara Dobie of Capitol Services; Patrick Fitzgerald and Kathleen Markman from the Office of Attorney General; Jeff Donahue of White Schneider, Kim Edwards of Michigan Education Association, Tom Silak of Northville EA, Richard Williams of Williams & Company, Marshall Grate of Clark Hill PLC, Mita Drazilov and Louise Gates of Gabriel Roeder Smith & Company, Meg Leonard, Anthony Estell and Mary Staley of the Office of Retirement Services

## **Call to Order**

Chair Scott Koenigsknecht called the meeting to order at 10:36 a.m.

## **Excusing of Absent Members**

Stephen Epstein moved, Dan Christner supported, to excuse the absences of Ivy Bailey, Kevin Philipps, Christine Veld, and Brian Whiston. The motion carried unanimously.

## **Approval of Agenda**

Michael Ringuette moved, Timothy Raymer supported, to modify the agenda to remove item 7B and approve the remaining agenda items as presented. The motion carried unanimously.

## **Approval of Minutes**

Dan Christner moved, Michael Ringuette supported, to approve the regular session meeting minutes of March 24, 2016. The motion carried unanimously.

## **Administrative Hearings**

### Proposal for Decision – Docket 15-044360-ORS

The Board considered the case materials. Michael Ringuette moved, Dan Christner supported, that the Board adopts as its own the recommendation of the Presiding Officer in the February 23, 2016, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

### Proposal for Decision – Docket 15-046167-ORS

The Board considered the case materials. Michael Ringuette moved, Stephen Epstein supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 11, 2016, Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

## **New Business**

### Declaratory Ruling – Northville Public Schools

Northville Public Schools filed a petition requesting the Board make a declaratory ruling on the following:

Regardless of any past practice, course of dealing, or contrary contractual provision, pursuant to MCL 38.1304(10) and (11) and 38.1371(5) and (6), for a member to receive service credit for any time the member is on either an employee organization professional services leave or employee organization professional services release time, whether to accept a position with an public school employee organization and/or to engage in any type of employment matter for an public school employee organization, the reporting unit must be reimbursed those sums paid to the Retirement Board by either the member on release time or by the public school employee organization on a current basis, meaning that the required reimbursement must occur no later than the end of the District's fiscal year in which the professional services leave or release time occurred, typically on or before June 30. When the District, as a reporting unit, is not reimbursed for the retirement cost, either by the member or

the public school employee organization, then wages paid to employees for such professional services leave and professional services release time are not considered reportable on the DTL2 record.

The Board considered the case materials. Michael Ringuette moved, Stephen Epstein supported, that the Board grant the request for a declaratory ruling to decide the applicability of Sections 4 and 71 of the Michigan Public School Employees Retirement Act, MCL 38.1304 and 38.1371, regarding a mandated statutory requirement for reporting release time as service credit. The motion carried unanimously.

The ruling reads in pertinent part as follows:

NOW, THEREFORE, the Board rules that it grants the request for declaratory ruling and adopts as its own the ORS determination of this issue dated April 13, 2016.

Said Declaratory Ruling is attached hereto.

### **Special Reports**

Mita Drazilov from Gabriel Roeder Smith & Company presented the Pension Valuation Report to Board members and answered questions.

Louise Gates of Gabriel Roeder Smith & Company presented the Health Valuation Report to the Board members and answered questions.

### **Standing Reports**

Legislative Summary - The Board received the current report.

### **Executive Secretary Comments**

Ms. Kerrie Vanden Bosch welcomed new Board member Ann Kroneman, Human Resources Director for LCC, to the Board representing Community College Administrators.

### **Board Comments**

None

## Public Comments

Comments were received from Marshall W. Grate of Clark Hill PLC representing Northville Public Schools.

## Adjournment

Larry Ward moved, Michael Ringuette supported, that the meeting be adjourned. The motion carried unanimously and Chair Koenigsknecht adjourned the meeting at 11:55 a.m.

## OFFICIAL MINUTES

Signature on file  
Chair

Signature on file  
Executive Secretary