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55 State Office Building
St. Paul, Minnesota 55155-1201
Telephone (612) 296-2750
FAX (612) 296-1321
TDD (612) 296-9896
Lawrence A. Martin, Exec. Dir.
Edward Burek, Deputy Dir.
Jean A. Liebgott, Adm. Sec.
Lecia Churchill, Clerk

MEETING: Actuarial Services Subcommittee of the
Legislative Commission on Pensions and Retirement

PLACE: Room 15 Capitol

DATE & TIME: May 28, 1998 - 2:00-4:00 P.M.

AGENDA:

Review of the Proposals for Actuarial Consulting Services Received by the
Legislative Commission on Pensions and Retirement

Subcommittee Members

Senator Don Betzold
Senator Steven Morse

Representative Phyllis Kahn
Representative Harry Mares

Commission members who are not members of the Subcommittee are welcome to attend the
subcommittee meeting, but are not required to attend the subcommittee meeting.

Note: If accommodations for the meeting under the Americans With Disabilities Act are needed, please call
(612) 296-2750 ((612) 296-9896 for TDD) as far in advance as possible



**Comparison of Actuarial Compensation Rates
Milliman & Robertson, Inc.**

	<u>Actual Contract Compensation Rates</u>							<u>Proposed Rates</u>			
	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Regular											
Actuarial Vals.	\$132,000	\$140,000	\$145,000	\$150,000	\$140,000	\$144,000	\$148,000	\$156,000	\$160,000	\$165,000	\$170,000
Consol. Accts. (Per Acct.)	1,850	1,950	2,020	2,100	1,850	1,900	1,900	1,800	1,850	1,900	1,950
Quadrennial Exp. Studies	--	45,000	--	--	--	35,000	--	--	--	40,000	--
Actuarial Assump. Development	--	--	21,600	--	--	--	24,000	--	--	--	--
Projection Vals.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25,000 - 35,000*	--	--	--
Benefit Estimates	140/hr	140/hr	144/hr	148/hr	150/hr	150/hr	150/hr	160/hr	160/hr	165/hr	165/hr
Pre-Consol. Study	140/hr	140/hr	144/hr	148/hr	150/hr	150/hr	150/hr	160/hr	160/hr	165/hr	165/hr
LCPR Meetings	210/hr	210/hr	216/hr	222/hr	240/hr	240/hr	240/hr	250/hr	250/hr	260/hr	260/hr
Benefit Design Consulting	210/hr	210/hr	216/hr	222/hr	240/hr	240/hr	240/hr	250/hr	250/hr	260/hr	260/hr
Special Studies	140/hr	140/hr	144/hr	148/hr	180/hr	180/hr	180/hr	190/hr	190/hr	195/hr	195/hr

* \$190 per hour; indicated amount is estimated total for one pension plan; a second plan at the same time is indicated to be about one-half of the single plan cost.

Lawrence A. Martin
Legislative Commission on
Pensions and Retirement
5/28/98



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Information Regarding the Consulting Actuary Retained By
The Legislative Commission on Pensions and Retirement
FY 1997 and FY 1998

1. Fees Paid To The Consulting Actuary

a. Fiscal Year 1997

Actuarial Valuation	\$143,062.77
Police and Fire Consolidation Accounts	60,527.86
Experience Studies	35,000.00
Special Projects	<u>58,712.13</u>
Total	\$297,302.76

b. Fiscal Year 1998 (Through February, 1998)

Actuarial Valuations	\$148,000.00
Police and Fire Consolidation Accounts	66,014.42
Actuarial Assumption Development	21,625.18
Special Projects	<u>29,170.12</u>
Total	\$264,809.72

2. LCPR Meeting Attendance By Consulting Actuary

a. Fiscal Year 1997

Three Meetings During Session
 One Meeting During Interim

b. Fiscal Year 1998 (Through March, 1998)

Two Meetings During Session

Lawrence A. Martin
 Legislative Commission on
 Pensions and Retirement
 3/26/98