

LEGISLATIVE RETIREMENT STUDY COMMISSION

330 State Capitol

Minutes

The regular meeting of the Legislative Retirement Study Commission was called to order by the co-chairman, Rep. D. H. Sillers, at 9:30 A.M., March 20, 1970, in Room 107, State Capitol.

PRESENT:	<u>Senators</u>	<u>Representatives</u>
	C. R. (Baldy) Hansen	Joseph O'Neill
	Mel Hansen	D. H. Sillers
	J. A. Josefson	
	Harmon Ogdahl	

ALSO PRESENT: Frank V. Moulton, Exec. Sec.; Blair Testin, Assistant; Dr. Franklin Smith, Stennes and Associates; Mike Ousdigian, PERA; C. Meehan, PERA; Gordon Williams, PERA; Bert W. Johnson, Minnesota Highway Patrol; Paul Groschen, MSRS; Arne Ulvi, MSRS; N. Gaasedelen, Mpls. Teachers Retirement Fund; T. E. Campbell, Minn. Govt. Engr. Council; James L. Jacobs, MSBA; Mark Evans, CMEA; Robert Reed, MEA; Richard M. Nelson, Minnesota Police Pension Council and Mpls. Police Relief Association; Dean Kendall, Richfield Fire Relief Association; Louis Claeson, League of Minnesota Municipalities; Albert E. Schulstad, Municipal Employees Retirement Board; Harvey W. Schmidt, TRA; Edw. H. Bolstad, MP & POA; Carl Gislason, MSCEU; Elton Erdahl, TRA; Harvey Schmidt, TRA.

MINUTES of the February 20 meeting were approved as mailed.

Bill in the amount of \$435 from Stennes and Associates for actuarial services from February 1 to February 28, 1970 were approved for payment.

STAFF MEMO - Supplemental Pension Guidelines - Memo was read and discussed.

Mr. Reed, MEA, stated that the MEA Board will be discussing this problem and that he will report back after the meeting.

STAFF MEMO - Employer Payment of Pension Contributions. Memo was read and discussed.

Mr. Ousdigian, PERA, stated that the PERA Board will discuss this subject and he will report.

Mr. Bolstad, Minnesota Police and Peace Officers Association, reported the subject of tax sheltered annuities was discussed at the National Conference

on Public Employee Retirement.

Mr. Gislason, Minnesota State Capitol Employees' Union, reported they are taking the position that they are going to attempt to get the retirement completely paid by the employer.

A letter will be sent to Sen. Harren advising that the Minnesota Pension program is based on sharing costs and that Minnesota has developed the philosophy that pension contributions should be equally shared (employer and employee) and that this has definite advantages for both. Pensions will no longer have the same degree of security as they now have in Minnesota if this policy is not followed.

Also, if the House is interested, a copy of the letter to Sen. Harren will be sent to the House Legislative Analyst.

Sen. Ogdahl requested that this subject be made a section of the Commission Report to the 1971 Legislature.

#### JUDGES

STAFF MEMO - Judges Comparison of Pensions - Memo was read and discussed.

n. Ogdahl moved that the Commission staff and actuary devise a plan for judges so that money can be invested. This could be considered along with the legislators and constitutional officers pensions. MOTION CARRIED

PERA ACTUARY MEMOS - Memos relative to the transfer of assets and old law liability were distributed to the members of the Commission.

#### REPORT ON THE ATTORNEY GENERAL'S OPINION RE DEPUTY REGISTRARS:

It was pointed out that the attorney general ruled that Deputy Registrars should have been paying on net income since 1963 instead of the gross income from fees.

This will be a subject for the next agenda in April.

Mr. Paul Groschen, Exec. Dir. of MSRS, will report on implementation procedure at the next Commission meeting.

Next Commission meeting - April 17 in Room 118.

Next PERA Subcommittee meeting - April 16, Room 118, 3:30 pm.

Next Statewide Subcommittee meeting - April 17, Room 118, 1:30 pm.

---

Mel Hansen, Secretary

E. Diebel, Steno.