

Legislative Retirement Study Commission  
December 15, 1972 Meeting  
Room 116 - Administration Building

MINUTES:

The regular meeting of the Legislative Retirement Study Commission was called to order by the chairman, Calvin Larson, at 9:00 A.M.

PRESENT:	<u>Senators</u>	<u>Representatives</u>
	J. A. Josefson	Calvin Larson
	Mel Hansen	Donald Moe
	Richard Parish	Helen McMillan

Bill from Stennes & Associates for the month of November, 1972, was approved for payment.

PERA membership mailing - Mr. Ousdigian stated that this is the 41st PERA mailing, including the legislative program, to 74,167 members.

PERA Legislative Proposals - Most of the program is in bill form. The chairman requested that a memo be prepared on each of the proposals. Mr. Ousdigian submitted a written statement re the PERA 1973 Legislative Program indicating that the PERA Board of Trustees will support "to the hilt whatever even larger benefits the State Legislature might consider as due PERA members."

Statewide Judicial Plan - The Commission reviewed the provisions developed to date. Mr. Efron, State Bar Association, discussed the Bar's study of the plan and its amendatory suggestions and advised that the preliminary report has received the full support of the judges with the exception of the Supreme Court. The Bar's recommendations include:

- All sitting judges to be in a position to elect the normal retirement at age 65 or the pension payments according to present statutory provisions.
- Normal retirement at age 65 with 10 years service; mandatory retirement (savings clause) age 70; early retirement age 62; disability retirement at any time.
- 2-1/2% of average salary for each year of service.
- Benefit shall not exceed 60% of salary; minimum of 40% of final salary.
- Minimum death benefits.
- Post retirement survivor benefits - each judge to elect straight life annuity or joint and survivor annuity.
- Want Social Security integration upon enactment of the plan.
- Refunds with interest.
- When the Bar's plan is in its final form, a copy will be sent to the commission.

Mr. Joe Hamilton and Judge Peterson spoke in favor of the Bar's plan.

State Board of Investment - Mr. Blixt discussed some current plans and suggestions re the investment of the funds.

Duluth Survey Analysis as of 6/30/72 - Dr. Smith went over the survey and analysis.

Staff Memo - Administration of the Highway Patrolmen's Retirement Association -  
Mr. Testin went over the memo. This memo explains the suggestion that the administration of the Highway Patrol be put under the MSRS.

Rep. Helen McMillan moved that this proposal to put the administration of the Highway Patrol under MSRS be approved and put into bill form. Second by R. Parish, Motion carried.

Staff Memo - "Portability" of Pensions in Minnesota - Possible Improvements -  
Mr. Testin went over the memo.

Sen. Parish moved that the portability concept in this memo be drafted into bill form. (The staff will work out language with the various funds).

Re: Commission Report - The staff will submit report material for review and approval before being sent to the printer to the following commission members to be read and approved: Sen. Parish, Rep. Don Moe and Sen. Mel Hansen.

The following memos will be taken up at the January 4 meeting:

Rolling Averages for the Salary Assumption

Significance of Pension Formulas

Interest Assumption Change Consideration

Question of Revision of a Pension Policy

Average Salary versus Final Salary Plan

State Unclassified Employee Optional Plan Recodification.

Next meeting scheduled for January 4, 8:00 A.M., Room 118.

E. Diebel =Steno

Mel Hansen, Secretary