

Legislative Commission on Pensions and Retirement  
January 15, 1976 Meeting  
Room 15, State Capitol - 7:00 P.M.

MINUTES

Senator Chenoweth opened the meeting.

PRESENT: Senators Chenoweth, Mel Hansen, Stokowski, Ogdahl  
Representatives Patton, Parish, Moe, Biersdorf, Beauchamp

Also Present: Sen. Gearty, Dr. Franklin Smith

The minutes of the December 18 and 19, 1975 meeting were approved.

Pre-1973 Retirees

Staff Memos: Effect of Proposed Increases on Hypothetical Pre 7/1/73 Retirees,  
Cost Estimates of Proposals for Increasing Benefits for  
Pre 7/1/73 Retirees, Previous Post Retirement Adjustments  
Granted to Members of MSRS, PERA and TRA

Sen. Mel Hansen moved that Proposal III (combination increase based on years of service and increase based on years retired) be used as a basis of the formula for use in the pre-1973 increase. Motion carried.

Rep. Parish moved that it be kept to the Basic retirees only and that the formula be cut to 3/4 of the formula.

Discussion followed relative to including the Coordinated retirees in the proposal.

Rep. Patton moved to amend the Parish motion; take approximately 40% of the figure and include the Coordinated group. Motion carried.

Vote was taken on the Parish Motion as amended:

Motion to include the figures - 10¢ for each full year of allowable service and 20¢ for each year of retirement for the Coordinated group; and 37-1/2¢ per month for each full year of allowable service plus 75¢ for each year of retirement for the Basic group. Motion carried.

The cost of this will be approximately \$15,400,000 for 16,000 beneficiaries.

The staff will receive information from the retirement funds as to the number of disabilitants and survivors. Staff will update its information as to the cost for providing the increase in benefits over the life of the annuitants.

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January 16, 1976 Meeting, Room 15, State Capitol - 9:00 A.M.

Sen. Chenoweth opened the meeting.

PRESENT: Senators Chenoweth, Mel Hansen, Ogdahl, Stokowski, Gearty  
Representatives Moe, Patton, Parish, Beauchamp, Beirsdorf

Also Present: Dr. Franklin Smith, actuary.

Chairman directed the staff to put together a bill for the pre-1973 increases as per the decisions of the previous meeting (1/15/76).

Election of Officers. The following were elected for the year 1976-1977.

Rep. Donald M. Moe - Chairman  
Sen. Eugene Stokowski - Vice-Chairman  
Sen. Wm. McCutcheon - Secretary

The elected chairman, Rep. Moe, took over the meeting.

Mr. Curtis Johnson spoke in behalf of the retired teachers. He stated that there are inequities in pension benefits because of the various kinds of pension funds in Minnesota.

Mr. Lyle Farmer, Sec/Treas of the St. Paul Teachers Retirement Fund, requested that the older first class city teachers be included in the benefit increases.

The University of Minnesota Faculty Supplemental Plan Valuations as of June 30, 1974 and June 30, 1975. (GVS No. 75-11). Dr. Smith went over the valuation. Discussion followed.

There has never been an actuarial survey on the University of Minnesota Basic Plan. Staff was directed to get more information on the University of Minnesota Basic Plan and to make a comparison of it with the state college teachers plan, and also include the social security benefits in the comparison.

Also, staff was requested to find out what other supplemental plans are in existence.

Highway Patrolmen Valuation as of June 30, 1975 (GVS No. 75-10)  
Dr. Smith went over the valuation. Discussion followed.

Discussion re overtime pay: Mr. Groschen explained that overtime pay is included within the pay period or the next pay period so that it cannot be accumulated in a large lump to be included in the high 5 computation.

Staff will get more information on how much overtime pay is being paid in the Highway Patrol.

Rep. Parish moved that the Stennes and Associates bills for the months October, November and December, 1975 be paid. Motion carried.

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Wm. McCutcheon

E. Diebel  
Steno.