

State of Minnesota \ LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

April 20, 1977
Room 112 Capitol
5:00 P.M.

MINUTES

The chairman, Al Patton, opened the meeting.

PRESENT: Al Patton, David Beauchamp, Leo Reding, Harmon Ogdahl, Roger Strand,
Eugene Stokowski, Earl Renneke

HF 686 (Dahl); SF 1055 (Dunn) Re election of Old Law Survivor's Coverage
Sen. Dunn explained the bill--the judges did not make the elections they should have made; they fully intended to have spouse's benefits.

Sen. Ogdahl recommended the bill to pass. Motion carried.

HF 1156 (Fugina); SF 1046 (Hughes) Higher Education Coordinating Board: Unclassifieds

Includes unclassified employees of the Higher Education Coordinating Board in the MSRS Unclassified Program rather than the MSRS regular plan.

Paul Groschen, Exec. Dir. of MSRS, explained that this group was put into the Unclassified Plan by mistake; he took them out and put them in the regular MSRS plan.

Mr. Laird spoke in behalf of the Higher Education Coordinating Board.

Bill was laid over for a policy decision.

HF 611 (Reding); SF 635 (Stokowski) Change in Benefit Payment Date
This bill was laid over from previous meeting.

Mr. Blixt, Exec. Sec. of the State Board of Investment, stated that the MAFB Fund can pay 4% on January 4, 1978 to all retirees.

All pre-1973 retirement annuitants, disabilitants, and surviving spouse benefit recipients will receive a one time lump sum payment on November 30, 1977 of \$250 for basic members and \$225 for coordinated members. The adjustment is payable to MSRS, PERA, PERA-PF, HP, TRA, and MMER retirees. All retirement annuities, disability benefits and survivor benefits shall be paid during the first week of the month in advance for that month rather than at the end of the month. As a result all recipients will receive an additional check, payable December 1 in addition to the normal check payment on November 30. Most of the cost of the lump sum payments will be funded from the excess actuarial reserves in the MAFB. Legislative widows will be included.

Rep. Reding moved that HF 611; SF 635 be recommended to pass (including clerical attachment) Carried

HF 848 (Patton); MMER: Phase Out or Coordination

The bill with technical delete everything after the enacting clause staff amendment A provides that all employees will be covered by PERA; Amendment B provides that the MMER fund would be retained but all newly hired would be coordinated with social security; also any existing employees who desire may coordinate.

Sen. Stokowski moved to accept Amentment B. Carried.

Sen. Stokowski moved to recommend passage of HF 838 as amended. Carried

Ren. Renneke voted "no".

HF 460 (Patton); SF 634 (Strand) MAFB Technical Amendments

This bill would correct a major error in the MAFB law concerning calculation of mortality gain or loss adjustments, including a 4% post retirement adjustment on January 1, 1978.

Rep. Patton moved the amendment Carried

Rep. Patton moved that HF 460; SF 634 as amended be recommended to pass. Carried

HF 491 (Kelly); SF 379 (Moe) Crookston Police
Laid over

Bernie La Chance, Crookston Police Relief, advised that they do not wish to go into PERA; that they would go to 8% contributions.

HF 411 (Simoneau); SF 637 (Schaaf) Columbia Heights Police
John Mandeville went over the memo.

Bruce Niaroki, Mayor of Columbia Heights, stated that all members agree to the bill.

The bill as amended was recommended to pass. Carried.

HF 688(Beauchamp); SF 656 (Peterson) Combined Service Annuity
This bill extends the coverage of the combined service annuity, Minnesota Statutes, Section 356.30, to the judges retirement fund.

It was concluded that there is need to take a look at this bill
Rep. Patton moved to lay the bill over. Carried.

HF 491 (W. Kelly); SF 379 (Moe) Crookston Police Relief Association
The bill provides for a service pension of 25% of the average monthly base pay of an individual officer upon completion of 15 years of service, plus 5% per year for each year in excess of 15 years to a maximum of 75%, payable at age 50.

Bill as amended was recommended to pass. Carried.

HF 1151 (Waldorf) - Ramsey County: PERA P&F Benefits for Sheriffs
This proposal would affect deputy sheriffs in Ramsey County who could appropriately have been covered by the PERA-P&F for service in the department prior to 1/1/70 but who instead were covered by the regular fund of PERA because they were not properly reported to PERA as being "police officers".

Sen. Stokowski moved to lay HF 1151 over.

(At the 4/28/77 meeting of the commission HF 1151 was recommended to be inserted into SF 181.)

E. Diebel
Steno

Eugene Stokowski
Secretary