

Minutes of the July 21 and 22, 1977 Meeting
Room 112 - 7:00 P.M., State Capitol

PRESENT: Representatives Patton, Beauchamp, Reding, Biersdorf, Donald Moe
Senators Stokowski, Strand, Renneke

The chairman, Rep. Patton, opened the meeting.

St. Paul Teachers Retirement Fund Assn. - Actuarial Valuation as of 12/31/76
Dr. Smith reviewed the actuarial valuation. Discussion followed.

Mr. Lyle Farmer, Sec/Treas of the St. Paul Teachers, requested that the Commission review the amortization date.

The average salary for the St. Paul teachers is noted at \$17,736 per year.

IRS Reporting and Qualification

Relative to complying with filing the IRS Form 5500, the Executive Secretaries of PERA, MSRS and TRA advised the Commission that they are filing the form in compliance with the IRS request. The NCSL Pension Task Force Resolution, distributed to the Commission members, resolves that the representatives of the Pension Task Force of the NCSL do not believe states should be mandated to file federal tax forms.

Rep. Biersdorf moved that the Commission write a letter to the IRS stating the Commission's position. Motion Carried.

Inquiry from NCSL Pension Task Force staff concerning federal civil service benefits for former spouse

John Mandeville reviewed the memo.

"A Senator in Congress plans to introduce legislation which would change the federal civil service employees' pension plan by requiring that a divorced spouse (who was married to a federal employee for at least 20 years and who has not remarried) would receive a proportionate share of benefits payable to the employee at retirement and to the employee's designated survivor after the employee's death."

Pension Coverage for CETA Program Employees

L. Martin reviewed a memo re this subject.

"A number of employees who are covered by public pension funds are employed through a public service employment program under the Comprehensive Employment and Training Act (CETA). CETA is a federal program and federal regulations govern the manner in which CETA funds are spent." Very few CETA employees are vested; federal regulations require that CETA contributions by the employer be placed in a separate reserve account and be made refundable if the employee terminates public employment prior to vesting.

A Subcommittee to study and coordinate federal regulations and state regulations was set up as follows: Sen. Stokowski, chairman, Rep. Donald Moe, Rep. David Beauchamp, and Senator Ogdahl.

Rep. Reding moved that the current bills from Stennes and Associates be paid.

Collin Peterson, Secretary

E. Diebel,
Steno