



March 18, 1987
Room 10
State Office Building

4th Meeting

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Representative Wayne Simoneau, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:30 PM.

Commission members present:

Representatives:

Clark
B. Johnson
Simoneau

Senators:

D. Moe
Renneke
Waldorf
Wegscheid

Members absent:

Knickerbocker
Reding

Members absent:

Pogemiller

A quorum was present.

Rep. Simoneau adjusted the agenda to move items 11 and 9 to follow the approval of the minutes.

Rep. Clark moved the minutes of March 11, 1987. MOTION PREVAILED.

Rep. Simoneau introduced Senator Metzen to speak to item 11 on the agenda, H.F. 99; S.F. 146: West St. Paul Police benefit increase. Jim Heidelberg, Assistant Director of the LCP&R, referred the Commission to the memo included in their packets and noted, on page 2 of the memo, the actuarial data supplied by Gabriel Roeder, the actuary for the West St. Paul police. Chuck Anderson, West St. Paul Police Relief Association, stated the bill had the unanimous approval of the West St. Paul city council.

Rep. Simoneau moved to recommend H.F. 99 and S.F. 146. MOTION PREVAILED.

Rep. Simoneau introduced item 9 on the agenda, H.F. 112; S.F. 98: Pre-73 retiree adjustment. Rep. Simoneau stated that he is opposed to taking 7 or 8 million out of the active funds and believes pre-73 increases should be paid for out of the general fund as has been done in the past. Rep. Simoneau requested Commission staff to draft a letter to the chair of the Appropriation Committee in each house stating the Commission's stand on this issue.

Rep. Simoneau introduced Robert Perkins, Commission actuary, to make his presentation to the Commission regarding the summary of 1986 actuarial valuations. The valuations cover 13 funds. Mr. Perkins reviewed the assumptions which are set by statute 356. He went on to note the 3 first class city teachers and MERF are not part of the Minnesota Post Retirement Investment Fund. Statute requires that most of the funds be fully funded by 2009 except for MERF which must be fully funded by 2017. Mr. Perkins went on to review the four actuarial recommendations. Larry Martin noted that these recommendations will be addressed in two pieces of draft legislation. Discussion followed

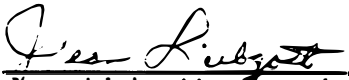
Rep. Simoneau asked if there were any reports from the Fund Administrators or the Executive Director of the State Board of Investment. There were no reports.

Rep. Simoneau went on to item 6 on the agenda, H.F. 463; H.F. 1105: Five Year Vesting and Minneapolis Police 5 year vesting respectively. Robert Perkins reviewed the 5 Year Cliff Vesting report provided to Commission members.

Rep. Simoneau introduced Rep. John Sarna who reviewed H.F. 1105. Rep. Sarna was assisted in his review by Ron Kastner, Brian Rice, and Duke Addicks. Duke Addicks, representing the city of Minneapolis, stated the bill does have approval from the city of Minneapolis.

Rep. Simoneau moved to recommend H.F. 1105. MOTION PREVAILED.

Meeting adjourned 7:00 P.M.


Jean Lieb Gott, Secretary