



September 16, 1987  
Room 10  
State Office Building

13th 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 3:10 PM.

Commission members present:

Representatives Karen Clark, Bob A. Johnson, Gerald Knickerbocker, Leo Reding and Wayne Simoneau  
Senators Donald Moe and Gene Waldorf

Members absent:

Senators Lawrence Pogemiller, Earl Renneke and Gene Waldorf

A quorum was present.

Rep. Simoneau introduced the sixth item on the agenda, the Informational Session on Minnesota Public Pension Plans: Pension Plan Demographic Characteristics and Pension Plan Oversight. Rep. Simoneau then introduced Arne H. Carlson, State Auditor, to be the first speaker as Mr. Carlson had a scheduling conflict. Mr. Carlson introduced Ben Pearce of the Relief Association Oversight Unit. Mr. Carlson gave a presentation on audit responsibility and also provided the Commission members with several handouts which included the following:

1. a memo to Wallace Dahl, Department of Revenue, from Ben Pearce with the subject "Updating on Fire and Police Relief Associations' Report Dated July 1, 1987, Pursuant to Minn. Stat. 6.495, Subd. 3";
2. a copy of a report titled "Police, Paid Fire and Volunteer Fire Relief Associations Assets, Liabilities and Unfunded Liabilities As of December 31, 1986";
3. a copy of a report labeled "Office of the State Auditor Financial Reporting for Minnesota Police and Fire Relief Associations"; and
4. a copy of a report labeled "Report of the State Auditor of Minnesota Volunteer Firefighters Relief Associations Service Pension Summary by Benefit Type and Compilation Report of Relief Associations For the Year Ended December 31, 1984".

Discussion followed.

Rep. Simoneau introduced Nellie Johnson, Acting Commissioner of the Department of Finance. Ms. Johnson introduced Ron Hackett from the Department of Finance and went on to make her presentation to the Commission on the role of the Finance Department. Ms. Johnson also provided the Commission with a copy of her presentation. Discussion followed.

Rep. Simoneau introduced Mike Ousdigian, former Executive Director of the Public Employees Retirement Association, to provide the history of the Pension Commission creation.

Rep. Simoneau introduced Lawrence A. Martin, Executive Director of the Legislative Commission on Pensions and Retirement, to give a presentation regarding the role and function of the Legislative Commission on Pensions and Retirement. Mr. Martin referred Commission members to his memo provided in their packets and then made his presentation.

Rep. Simoneau introduced Jon K. Murphy, PERA Special Assistant Attorney General, and Merwin W. Peterson, MSRS and TRA Assistant Attorney General, to give a presentation on the role of the legal advisor. Discussion followed.

Rep. Simoneau introduced John Asmussen, Deputy Legislative Auditor, to give a presentation on audit responsibility. Mr. Asmussen provided the Commission with two handouts, one regarding an MSRS audit and one regarding a PERA audit. Discussion followed.

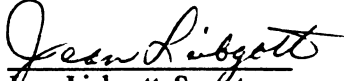
Rep. Simoneau reintroduced Larry Martin who referred Commission members to his memo included in members' packets dealing with the reporting and disclosure requirements of Minnesota public pensions plans.

Rep. Simoneau introduced Mike Gunvalson of The Wyatt Company. Mr. Gunvalson provided Commission members with two handouts. Mr. Gunvalson went on to review a three page handout regarding current plan demographics noting that the data was from the July 1, 1986 valuation reports.

Rep. Simoneau introduced James E. Heidelberg, Assistant Executive Director of the Legislative Commission on Pensions and Retirement. Mr. Heidelberg referred Commission members to his memo provided in their packets regarding pension plan demographics over time.

Mr. Heidelberg went on to give a presentation of his memo on authorized administrative expenses which was held over from the meeting of August 26, 1987.

The meeting adjourned at 6:00 P.M.

  
Jean Liebott, Secretary