



February 19, 2010

Room 107 Capitol

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Call to order:

Senator Don Betzold, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 9:30 a.m.

Commission Members Present:

Representatives Mary Murphy, Phyllis Kahn, Michael V. Nelson, Steve Smith, and Paul Thissen
Senators Don Betzold, Ann Lynch, Mary A. Olson, Sandra L. Pappas, and Julie A. Rosen

Agenda Items

Review of the July 1, 2009, actuarial valuation reports.

Patrice Beckham and William Hogan, Milliman, Inc., presented the results of the review of the July 1, 2009, actuarial valuation reports and responded to questions from members.

Approval of prior Commission meeting minutes.

Rep. Kahn moved approval of the February 12 and February 16, 2010, meeting minutes. **MOTION PREVAILED.**

S.F. 2644 (Betzold); H.F. 2922 (Thissen): Administrative consolidation of MERF into PERA

Lawrence Martin, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the staff memo and policy issues raised by the bill. Mr. Martin reviewed amendment S2644-2A, indicating that on line 1.2, "July 29" should be "June 29."

Rep. Thissen moved amendment S2644-2A, amended on page 1, line 2, delete "July" and insert "June". **MOTION PREVAILED.**

Rep. Thissen moved amendment S2644-3A. **MOTION PREVAILED.**

Luther Thompson, Assistant Executive Director, MERF, testified in support of the bill and provided handout materials.

Leslie Thompson, Gabriel Roeder Smith, MERF consulting actuary, reviewed the matrix handout.

Mary Vanek, Executive Director, PERA, testified that the PERA Board remains opposed to assuming any of the MERF liability. Ms. Vanek indicated that PERA is concerned that the state funding provided in the bill will continue and not be removed by future legislative action.

Jim Grathwol, Minneapolis Public Schools, testified in support of the bill.

Barbara Johnson, President, Minneapolis City Council, testified in support of the bill.

Jerry Wilson, MERF retiree, testified in support of the bill.

David Johnson, attorney representing the Minneapolis Municipal Retirement Association, testified in support of the bill.

Rep. Nelson moved amendment S2644-1A. **MOTION PREVAILED.**

Rep. Thissen moved S.F. 2644/H.F. 2922, as amended, be recommended to pass and be included in the omnibus pension bill. **MOTION PREVAILED.**

Division was requested. Upon division, **MOTION PREVAILED.**

Sen. Lynch moved S.F. 2644/H.F. 2922, as amended, be recommended to pass and be forwarded to the Senate Committee on State and Local Government Operations and Oversight and to the House Committee on State and Local Governmental Operations Reform, Technology and Elections. **MOTION PREVAILED.**

LCPR09-070 (Atkins): PERA; Purchase of prior service credit for a period of omitted member deductions, Inver Grove Heights public school employee

Mary Vanek, Executive Director, PERA, provided to members a letter of agreement from Bruce Rimstad, Business Manager, Inver Grove Heights Community Schools.

Rep. Murphy moved LCPR09-070 be recommended to pass and be included in the omnibus pension bill. **MOTION PREVAILED.**

LCPR09-062 (Thissen): PERA-P&F/Faribault Fire; Revised post-retirement adjustment and annuity adjustment for retired Faribault firefighter

Rep. Thissen presented and testified in support of his bill.

James Fritz, the person affected by the bill, testified in support of the bill.

Mary Vanek, Executive Director, PERA, testified in opposition to the bill.

Rep. Thissen moved amendment LCPR09-062-2A.

Commission members expressed interest in hearing from the City of Faribault.

There was no action on the amendment and the bill was laid over.

Adjournment

The meeting adjourned at 12:30 p.m.

Lisa Diesslin, Commission Assistant