



December 19, 2007
Room 10 State Office Building

7th Meeting

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Call to order:

Representative Mary Murphy, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 9:40 a.m.

Commission Members Present:

Representatives Mary Murphy, Phyllis Kahn, Michael V. Nelson, and Steve Smith
Senators Don Betzold, Dan Larson, Ann Lynch, and Betsy L. Wergin

Commission Members Absent:

Representative Paul Thissen and Senator Mary A. Olson

Actuarial Presentation by The Segal Company

- Pension Funding 101
- Actuarial Assumptions
- Actuarial Results
- Key Issues Identified by the System

Ms. Cathie Eitelberg, Mr. Thomas D. Levy, and Ms. Susan Hogarth, The Segal Company, presented and responded to questions from members and staff.

Ms. Judith Johnson, Executive Director, MERF, responded to a question by Commission Deputy Director Edward Burek, explaining that the "required [contribution] rate" of 187.33% shown on page 27 is the rate which would be required if the active and post fund were merged.

Consideration of DTRFA Proposed Actuarial Assumption Changes

Mr. J. Michael Stoffel, Executive Secretary, DTRFA, presented and testified in support of the proposed actuarial assumption changes.

Mr. Brian Rice, General Counsel, Minneapolis Police Relief Association (MPRA), testified that MPRA has a current request to revise their mortality tables.

Rep. Kahn moved adoption of the proposed assumption/method changes, items 7, 9, 10, 11, 12, 13, and 17. **MOTION PREVAILED.**

Consideration of MSRS, PERA, and TRA Proposed Actuarial Assumption Changes

Mr. David Bergstrom, Executive Director, MSRS, requested the Commission to consider approval of the recommended non-statutory assumption changes for Minnesota State Retirement System (MSRS), Public Employees Retirement Association (PERA) and the Teachers Retirement Association (TRA). Mr. Bergstrom informed members that a bill is being drafted to implement the recommended statutory assumption changes. Mr. Bergstrom said that the recommendations were proposed by Mercer, reviewed and agreed to by The Segal Company, and approved by the respective pension plan boards.

Ms. Mary Vanek, Executive Director, PERA, and Ms. Laurie Hacking, Executive Director, TRA, testified in support of the proposed assumption changes.

Sen. Larson moved adoption of the recommended non-statutory assumption changes for MSRS, PERA, and TRA. **MOTION PREVAILED.**

Approval of Prior Commission Meeting Minutes

Sen. Betzold moved adoption of the March 28, April 24, and December 6, 2007, meeting minutes. **MOTION PREVAILED.**

Adjournment

The meeting adjourned at 12:12 p.m.