

Legislative Retirement Study Commission
September 20, 1973 Meeting
1:00 P.M. - Room 107

MINUTES

The September 20th meeting of the LRSC was called to order by the chairman, Sen. Chenoweth.

PRESENT:	<u>Senators</u>	<u>Representatives</u>
	John Chenoweth	Donald M. Moe
	Mel Hansen	Robert Johnson
	Eugene Stokowski	Richard Parish
	Harmon Ogdahl	
	Jack Kleinbaum	
	Edward Gearty	

Also present: Dr. Franklin Smith, actuary; Frank V. Moulton, Exec. Sec.; John Lennis, Senate Counsel.

S.F. 1709 (Borden - H.F. 1468 (Cumminsky) - Statewide Police & Fire Bill
Sen. Borden presented a strike everything after the enacting clause amendment to S.F. 1709.

Mr. Dean Lund, League of Minnesota Municipalities, went through the bill and advised that the new language is a solution to a problem plaguing many communities across the state--financing the pension costs.

Objectives: 1. Freeze the deficit by 1980;
2. Force local officials to take a good hard look at the problem.

Mr. Lund explained that the language was drafted in consultation with most of the communities.

Some Provisions: 1. Portability which the funds do not have;
2. Pension benefits of present members are not reduced;
3. Employer-employee representation on governing body -
(3 of the 5 members to be employees/2 represent the public).
4. Increase employee contributions to 7% as of 7/1/72; and to
8% as of 7/1/74;
5. Refund of employee contributions without interest if employment is terminated before qualifying for a pension.

Representatives from the various communities, St. Cloud, Winona, Columbia Heights and Austin, testified in favor of S.F. 1709 as amended.

The following spoke in opposition to S.F. 1709 as amended:

Mr. Dick Feider, Pres., Minnesota Police & Peace Officers Assn.
Mr. Dick Nelson, Minnesota Police & Peace Officers Assn.
Mr. Robert Wetherille, Jr., Mpls. Fire
Mr. Gus Welter, Bloomington Volunteer Fire

It was concluded that there will be further consideration on this subject. There will also be a hearing on the Hewitt Police & Fire Plan before solving the problem.

Merging Funds from an Investment Standpoint - Mr. Robert Blixt, State Board of Investment:

Mr. Blixt advised the commission that merely putting all the funds together would not result in identical yields from all the funds and that if you buy at different times there will obviously be different results. Managing from an investment standpoint would not interfere with the administration of the funds.

Relative to proxies - it was pointed out that there is need for some guidelines in the statutes--need to work the problem out in the future.

Senate Council advised to take a look at H.F. 308 - housekeeping bill.

S.F. 312 (North) Legislators' Leave of Absence

Sen. North explained that this bill deals with public employees' right to maintain employment rights after serving in the Legislature--to gain back their public employment rights.

It was agreed that there should be equal treatment both in public and private employment in these circumstances.

There will be further discussion re this subject--talking about public office and not just legislative office. Should develop a broad policy for all employees.

Mr. Lennis is to work with Mr. Robert Johnson - also, the question of the rights of unsuccessful candidates should be protected--whether someone filing for office should have job protection.

Meeting adjourned at 10:00 P.M.

Donald M. Moe, Secretary

E. Diebel
Steno