

September 25, 1984 Meeting.
Fair Hills

MINUTES

Rep. John Sarna, Chair, opened the meeting.

PRESENT: Representatives John Sarna and Frank Rodriguez
Senator Renneke

Review of the Results of the 1982 and 1983 Local Police and Salaried Firefighters Association Actuarial Valuations

Karen Dudley reviewed the memo which covered the results of the 1982 and 1983 local police and salaried firefighters relief associations actuarial valuations. The unusually large increase in the unfunded accrued liability brought on by change in the mortality and withdrawal assumptions did not effect the gains in the funding to a large degree.

Gary Findley, Gabriel Roeder, appeared before the Commission relative to the fire and police valuations and stated that all funds will be 100% funded by the year 2010. Although the closed groups have no more contributions coming in, the money is there for all benefits to be paid to those people. If a fund should run out of money because of no more contributions, the municipalities will have to contribute annually to make the payments.

Review of Court Decisions Involving Red Wing Police Relief Association

Karen Dudley reviewed the two court decisions issued by the First Judicial District Court in April 1984. One decision was in regard to disability, and the other decision involved whether or not longevity pay should be included in the determination of the amount of a disability pension payment.

Discussion followed regarding longevity pay. There was a suggestion that the contribution base be raised to include prevailing pay.

Different Interpretations of Capped Escalator: Does 3.5% Escalator Apply to Surviving Spouse Benefits?

Karen Dudley reviewed the memo which dealt with a problem which developed from different interpretations of a 1980 law which permitted relief associations to adopt capped escalators.

Item not Included on Agenda:

Dick Feider, St. Paul Police, discussed the issue of the local police and fire funds transferring into the PERA P&F and being totally phased out. He discussed the problem of inequities in benefits resulting.

Several of the funds objected to this and stated that they will oppose any money being transferred out of their relief association.

Eleanor Diebel
Staff Secretary