

Legislative Commission on Pensions and Retirement

55 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd.

St. Paul, MN 55155-1201

SENATE MEMBERS

Senator Julie A. Rosen, Chair
Senator Sandra L. Pappas, Secretary
Senator Gary H. Dahms
Senator John R. Jasinski
Senator Warren Limmer
Senator Dan Schoen
Senator David H. Senjem

HOUSE MEMBERS

Representative Tim O'Driscoll, Vice Chair
Representative Tony Albright
Representative Sarah Anderson
Representative Mary Murphy
Representative Roz Peterson
Representative Paul Thissen
Representative Bob Vogel

COMMISSION STAFF

Susan Lenczewski, Executive Director
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September 20, 2017

Room G-15, Capitol

MINUTES

Call to order:

Senator Julie A. Rosen, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 2:12 p.m.

Commission Members Present:

Representatives Albright, Murphy, O'Driscoll, Peterson, and Vogel
Senators Dahms, Jasinski, Limmer, Pappas, Rosen, and Schoen

Commission Members Absent:

Representatives Anderson and Thissen, and Senator Senjem

There is no audio recording of the meeting because the Senate hearing room audio was not functioning.

Agenda Items

#1 Approval of April 25, 2017, May 8, 2017, and May 10, 2017, meeting minutes.

Senator Dahms moved approval of the April 25, 2017, May 8, 2017, and May 10, 2017, meeting minutes. **MOTION PREVAILED.**

#2 Report from the pension fund executive directors:

- a. What impact does the 15.1% investment return for FY 2017 have on the funded status of the pension plans?
- b. How much did the 2017 veto of the pension bill cost the pension plans?

Erin Leonard, Executive Director, MSRS, provided copies and presented a plan financial status update for the MSRS General, Correctional, and State Patrol plans.

Doug Anderson, Executive Director, PERA, provided copies and presented a plan financial status update for the PERA General, Police & Fire, and Correctional plans.

Jay Stoffel, Executive Director, TRA, provided copies and presented a plan financial status update.

Jill Schurtz, Executive Director, SPTRFA, provided copies and presented a plan financial status update.

#3 Minnesota State Economist presentation summarizing national economic forecasts and thoughts on pension plan discount rate.

Laura Kalambokidis, Minnesota State Economist, provided copies and reviewed her presentation on rate of return and discount rate assumptions for public pension plans.

#4 SBI Report on the Combined Funds' investment rate of return for FY 2017.

Mansco Perry, Executive Director, SBI, provided copies and reviewed his presentation on the State Board of Investment, the Combined Funds asset allocation, long-term investment objectives, and investment returns.

#2b, continued. (Impact of 2017 Omnibus Pension Bill Veto)

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the increased costs and liabilities related to the veto of the 2017 Omnibus Pension Bill.

Adjournment

The meeting adjourned at 4:32 p.m.