



MINUTES

The Board of Trustees of the Public Employees Retirement Association met in a special session in the Association offices, 60 Empire Drive, Room 235, Saint Paul, Minnesota, on Tuesday, January 9, 2018 at 9:30 a.m., notice having been given three days prior thereto by the Secretary.

The following members were present:

	Kathy Green, President	
Ross Arneson (via telephone)		Rebecca Otto/Ramona Advani (via telephone)
Paul Bourgeois		Thomas Stanley (via telephone)
Paul Ford (via telephone)		Lori Volz (via telephone)
Barbara Johnson		Lawrence Ward

constituting a quorum.

Board member absent: Leigh Lenzmeier, Mary Falk

Attorney General Representative: Christie Eller

Staff members present: Doug Anderson, Executive Director; Julie Leppink, Legal Director; Shana Jones, Policy and Organizational Planning Director; Deb Otto, Communication Specialist; Luis Argueta, Communication Specialist; Mary Daly, Executive Program Specialist and Gladys Rodriguez, Executive Assistant.

Others present: Matt Hilgart, AMC; Keith Carlson, MICA.

- 1.0 Call to Order President Green called the meeting to order at 9:30 a.m. The purpose of the special meeting was to discuss the Correctional Plan legislative proposal. She noted that Trustees Arneson, Ford, Otto, Stanley and Volz were participating in the meeting via telephone conference call as permitted by Minnesota Statutes Section 13D.015. Roll call was taken to establish quorum.

Johnson moved to accept the agenda as presented. The motion was seconded by Volz. Motion passed unanimously by roll call.

- 2.0 Decision Item **Correctional Plan legislative proposal**
Reference was made to a memo from Doug Anderson dated January 9, 2018.

Anderson engaged with stakeholder groups and after receiving additional input developed a modified proposal for consideration by the Board. Staff recommended that the Board adopt the modified proposal for the Correctional Plan post-retirement increase to provide 100 percent of CPI, with a 1 percent floor, and a 2.5 percent cap until the Plan's funding ratio, as measured on the annual July 1 valuation date on a market value basis, drops below 80 percent for one year or 85 percent for two consecutive years. If the funding ratio fails to meet the above stated threshold, the post-retirement increase would become 100 percent of CPI, with a 1 percent floor, and a 1.5 percent cap. Once the lower cap applies, no further triggers would exist.

Bourgeois moved to adopt the modified proposal for the Correctional Plan. The motion was seconded by Johnson. Motion passed unanimously by roll call.

3.0 Date of Next Meeting The next meeting of the PERA Board is scheduled for February 8, 2018, at 9:30 a.m. in the Board Room 117 of the Retirement Systems of Minnesota Building.

4.0 Adjourn *There being no further business to come before the PERA Board, Johnson moved to adjourn the meeting at 9:41 a.m. The motion was seconded by Volz. Motion passed unanimously by roll call vote.*



Doug Anderson, Executive Director
Saint Paul, Minnesota