

MRSEA-South Central 12/01/08 Meeting Minutes

Bob Lamont, South Central president, called the meeting to order. He expressed concern that not everyone had received a meeting announcement. A show of hands revealed that better than a half a dozen people indicated that they didn't get the notice in the mail. Fred Maurer, MRSEA board liaison to South Central, wrote down the names of those who did not receive the announcement so that he could go back to St. Paul and investigate the matter.

Fred continued with his presentation regarding an update of the affects of the economic downturn on member retirement benefits. The MRSEA board has been watching the matter very closely and is aware that the State Board of Investment (SBI), the investment manager of all member retirement funds, has had some losses in recent months. The losses have been held to a minimum, however, due to SBI's more balanced approach to investment. The losses will likely have been substantial enough to trigger the combining of retired and active employee funds into one fund though, as has been discussed at previous meetings. That will require that future increases to member retirement benefits will be frozen at 2.5% per year. This will eliminate the highs and lows in benefit increases for the years to come. As an aside, it was indicated that the Social Security annual retirement benefit increase will be 5.8% for 2009. In conclusion, the main point of the presentation was said to help calm members down with regard to concerns of their state retirement benefits, because their benefits are believed to be secure.

Fred also touched on other topics in his presentation. The fall meeting of the MRSEA membership held in New Ulm was considered a great success. The location offered good variety to the meeting. Ideas for future meeting sites were sought. It was also noted that the open enrollment period for state health insurance is now complete. If anyone is having problems with the implementation of changes they made during the period, they were invited to call Fred of MRSEA for assistance. The final item of information presented was to inform members that MRSEA will be developing its own web site apart from the Minnesota State Retirement System (MSRS). The site address will be mrsea.org and will be available to post information regarding central and sub-chapter activities of the organization.

Bob returned to the podium to announce that the next order of business was to elect a new president. He asked members to consider nominations for the position and decided to draw for door prizes in the interim to give members time to consider nominations. After the drawing for door prizes was complete, Bob gave the podium back to Fred to conduct the election of a new president. In that nominations were slow to come in, members were strongly encouraged to give holding office in the organization serious consideration. Faye Krohn, former board and long time member, agreed to accept a nomination for president. A motion to nominate Faye was made and seconded. Due to

the absence of other nominations, nominations were closed, and Faye Krohn was elected president of MRSEA-South Central.

Bob returned to the podium to congratulate the new president, make a few parting remarks, and adjourn the meeting.