

MINUTES
Minnesota State Retirement System
Board of Directors
Thursday, March 20, 2025

The Board of Directors of the Minnesota State Retirement System (MSRS) met in regular session on Thursday, March 20, 2025 at 9:00 a.m., in the Retirement Systems of Minnesota Building, 60 Empire Drive, Suite 117, Saint Paul, Minnesota.

Members Present

All members attended in-person, unless noted otherwise.

Mary Benner, Chair; Wes Skoglund, Vice Chair [attended via video]; Chet Jorgenson; Jacqueline Terry; Jason Bonnett; Joseph Sullivan [attended via video]; Michael LeDoux [attended via video]; Michael Roelofs [attended via video]; Thomas Carr (representative for Erin Campbell, Commissioner of Minnesota Management & Budget); and David Stiggers (representative for Amalgamated Transit Union, Local 1005).

Others Present

All attended online, unless noted otherwise.

Maura Allen, the Office of Minnesota Attorney General [attended in-person]; Jeff Altringer, University of Minnesota; Mike Landers, Minnesota Retired State Employees Association; Merrill Bajana; Peter Benner [attended in-person]; and Shaun Van Vark.

MSRS Staff

All staff attended in-person, unless noted otherwise.

Erin Leonard (Executive Director); Mark Manion; Tim Rekow; Colleen Hazel; Kurt Augustin [attended online]; Chad Burkitt; Jenkins Vangehn; Teri Jauert; Linda Henderson; and Sallie Rasmussen.

Call to Order

Chair Benner called the meeting to order at 9:03 a.m. The agenda items were taken in the order as shown below.

Approval of Minutes of the Regular Board Meeting

The minutes of the regular Board meeting held Thursday, January 16, 2025, were submitted for approval.

Carr moved approval of the minutes of the regular meeting held January 16, 2025. Motion was seconded by Terry and carried unanimously by roll call vote.

Governance Manual Updates

The Board Governance committee met on February 24, 2025, to discuss changes to the following sections in the Governance Manual:

- Duties and Powers of the Board
- Board Orientation and Education Requirements
- Board Committees
 - o *Jorgenson noted an error in the description of the Facilities Management Committee (FMC). Upon discussion, the Board agreed the language should mimic the approved description in the 2022 version of the manual.*
- Oath of Office and Campaign Finance Board (New section)
- Policy on Filling Vacant Board Positions
- Policy on Removal of a Board Member

Jorgenson moved to approve the recommended changes to the Board Governance Manual with the exception of the noted change to the FMC language. Seconded by Terry and passed unanimously by roll call vote.

Writing Off of Uncollectable Debts

Colleen Hazel (MSRS Chief Financial Officer) presented memorandum *Writing Off Uncollectible Debts*, dated March 20, 2025. MSRS has participant account debts that are deemed uncollectable.

Carr moved to approve the write off of uncollectable debts totaling \$29,758.25. Seconded by Stiggers and passed unanimously by roll call vote.

Erin Leonard joined the meeting at 9:25 a.m.

Facilities Management Committee and Request for New Member

Mary Benner presented memorandum *Facilities Management Committee and Request for New Member*, dated March 7, 2025. The Facilities Management Committee (FMC) was created as the result of the Co-Tenancy Agreement between the Minnesota State Retirement System (MSRS), the Public Employees Retirement Association (PERA), and the Teachers Retirement Association (TRA) to oversee the management of the Public Pension Facilities and to assure the performance of the terms of the Co-Tenancy Agreement. The Committee is comprised of two representatives from each Board, with each representative having one vote. With the resignation of Tommy Bellfield, MSRS staff requested a volunteer from the Board to consider acting as the second representative for the Committee.

Michael Roelofs volunteered to be on the committee for the next meeting. After no additional volunteers came forward, roll call was taken and the Board unanimously approved Michael Roelofs to be on the Facilities Management Committee.

Correctional Plan Member Applicant Review and Selection

At the January 2025 Board meeting, the elected Correctional Plan member was removed from the Board. Following Board policy, MSRS actively reached out to solicit additional candidates for the Correctional Plan position. Candidates were required to complete a biographical sketch and collect signatures from 10 other active Correctional Plan members. Three candidates submitted their paperwork by the deadline and were

presented to the Board for consideration.

Jorgenson moved to nominate Amanda Biggins to fill the Correctional Plan member position on the Board. Seconded by Skoglund and passed unanimously by roll call vote.

Adoption of the Public Plan Portability Assumptions

Erin Leonard presented memorandum *Adoption of the Public Portability Assumptions*, dated March 11, 2025. In 2024 the Legislative Commission on Pensions and Retirement (LCPR) adopted a resolution directing their actuary (VIA Actuarial Solutions) to review and propose modifications to the current factors (assumptions) used to value liabilities of combined service annuities. These factors are also called “CSA Load Factors” and are used in the funding valuations for Minnesota public pension plans. MSRS and the other Minnesota public funds provided data to VIA allowing them to determine if the CSA load factors should be adjusted. Proposed updates were provided to MSRS and shared with the Board.

Carr made a motion to approve the proposed factors with the upcoming FY2025 actuarial valuations. Seconded by Stiggers and passed unanimously by roll call vote.

2025 Legislative Update

Jenkins Vangehn provided an update on the current legislative session. The Legislative Commission on Pension Retirement (LCPR) had a meeting on March 11 and 18, 2025. MSRS has two bills that the Board authorized staff to draft and request introduction at the legislature. The 2025 Administrative Bill which provides clarifying language in Minnesota Statutes section 352.22 and 356.636 was passed and adopted for inclusion in the 2025 Omnibus Pension Bill. The second bill which called for enhancements for members of the General Plan was discussed and laid over for more discussion until the next meeting.

Reports from Standing Committees

Leonard shared a brief update on the Audit Committee. There are currently a number of audits in progress on the topic of fraud. The findings of those audits are expected to be available by the May Board meeting.

Other Business

Leonard shared the fiscal year-to-date rate of return as of February 28, 2025, was 6.7%.

Next Meeting Date

The next meeting is tentatively scheduled for May 15, 2025. The following meeting is tentatively set for July 17, 2025.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 10:05 a.m.

Carr moved to adjourn. Motion was seconded by Terry and carried unanimously by roll call vote.

Informational Items:

FY2025 Financial Audit & Reporting Update

Contracts Summary

Summary Financial Information (unaudited)

Information Security Report – Protected Non-Public Data

Retiree Lists

Rate of Return –presented at meeting