



PERA

NEWS

Assets Over \$38 Billion

Serving over 440,000 public employees in Minnesota

SUMMER 2022

GENERAL

POLICE & FIRE

CORRECTIONAL

Legislative Update

The 2022 legislative session began on January 31 and ended May 23 at midnight. Throughout session, the Legislative Commission on Pensions and Retirement (LCPR) heard testimony from each of the statewide retirement funds on their proposed agendas. Various other stakeholder groups provided testimony and additional proposals for the Commission to review. These proposals included lowering the investment return to 7%, reducing employee contributions, modifying P&F benefit provisions, and providing lump sum payments to retirees. The 2022 Omnibus Retirement Bill was the only pension bill passed by the end of session and did not include these proposals.

HIGHLIGHTS OF THE 2022 OMNIBUS BILL

APRN

Advanced Practice Registered Nurses (APRNs) are now able to sign medical reports for all statewide Plans' disability process. APRNs are defined as a clinical nurse specialist, nurse anesthetist, nurse-midwife, or a nurse practitioner,

practicing within the scope of their professional licensure.

Deferred Segments

The 2018 Omnibus Retirement Bill eliminated the deferred segments alternative calculation. With the reinstatement, if a member ended service prior to January 1, 2012, and returned to PERA-covered service after a two-year break, they may be entitled to augmentation on their benefit calculation.

SVF

New entities joining the SVF Plan can now choose from one of three vesting schedules. The alternative benefit calculation has been eliminated for departments in SVF less than five years.

Police Study

The study is required to consider workers' compensation, disability, and pension benefits and the adequacy of these benefits for Minnesota police officers. The study will be conducted by Department of Labor with PERA participation and be completed by January 15, 2023.

EDUCATIONAL VIDEOS

We have two brand-new educational videos available on our website:

- **Lifetime Monthly Benefit Options** provides an overview of the monthly benefit options and the differences between each option.
- **Understanding your PERA Estimate** guides members through their estimate and explains different sections of the report.

View these and more videos at mnpera.org/education/member-videos.

Administer and promote sustainable retirement plans and provide services that our members value.

PRESIDENT'S MESSAGE



Thomas Stanley
President
PERA Board of Trustees

Summer is a time of transition at PERA. We look forward to beginning a new fiscal year (which starts on July 1), and we look back on what was accomplished in the current year. We're also hoping to be able to move past the pandemic and discover our "new normal," recognizing that challenges during the past two years will necessarily influence how we deliver services in the future.

We're excited to begin rolling out in-person outreach programs to various locations throughout the state. This summer, we will travel to Duluth and Mankato for individual counseling sessions and group educational programs. In St. Paul, we are kick-

starting the modernization of PERA's technology, which is intended to provide better member experiences, quicker and accurate access to individual account information, and improved supportability and security. Information related to these initiatives is found elsewhere in this newsletter.

As for our accomplishments, one highlight is a legislative change that corrected what the board determined to be an inequitable situation. Certain members who had separated from public service prior to 2012 and had not yet reached normal retirement age found themselves facing a possible reduction in pension benefits if they returned to work with a public employer during the pandemic. PERA staff investigated and discovered an unintended consequence of a legislative change years ago. They brought the matter to the board, expressing a desire to seek a change in the law. With the full support of the board and PERA leadership, technical changes were able to be made to the laws governing our retirement benefits, eliminating the identified problem, restoring the earned benefits, and adding clarity for members desiring to return to public service.

Our mission is "to administer and promote sustainable retirement plans and provide services that our members value." When PERA actively seeks legislative changes, it is because staff, the board, and stakeholders have recognized areas for change or improvement, and often worked together to reach a consensus as to what needs to be done. We will continue to look for ways to benefit those we serve, while at the same time protecting the integrity and sustainability of our funds.

PERA is Visiting Duluth and Mankato

PERA is hitting the road this summer! In July and August, we will be hosting member education programs and individual counseling sessions in Duluth and Mankato.

We will be presenting two different programs:

- **Ready to Retire**, which is intended for members who plan to retire within one year and focuses on the application process step by step.
- **From Hire to Retire**, which is designed for all members to learn about PERA benefits.

There will also be limited space available for individual meetings, which are for members who are within six months of retirement.

SCHEDULE

Duluth – July 13-14

Mankato – July 20-21

Mankato – August 11-12

Duluth – August 17-18

Members can view our calendar of events and register for a counseling session or presentation with their myPERA account or by calling our Member Service Center at 651.296.7460 or 1.800.652.9026.



New CIO and CFO at PERA

We would like to introduce our two newest members of the PERA leadership team:



MARK SAUCEMAN
CHIEF INFORMATION
OFFICER

In September 2021, Mark joined PERA as the agency's Chief Information Officer. Mark oversees our Information Services Development and

Network Operations divisions and will lead our technology modernization effort.

Prior to joining PERA, Mark spent 15 years at U.S. Bank as a Business Information Officer. He was responsible for the technology needs of several business lines, including Consumer Banking, Wholesale Banking, and Payments. He also led the software development Quality Assurance organization focusing on software testing, project management, and IT process improvement.

In his spare time, Mark enjoys spending time with family, traveling, cooking, and gardening. Having grown up in Kansas City, which is known for its BBQ, he loves to fire up his smoker and grill all year long.



TRACY GEBHARD
CHIEF FINANCIAL OFFICER

In April 2022, Tracy joined PERA as the agency's Chief Financial Officer. Tracy oversees PERA's financial activities, including financial reporting, budgeting, tax compliance, risk management, and internal controls.

Prior to joining PERA, Tracy spent almost 16 years at the Office of the Legislative Auditor. Tracy managed the audits of the Annual Comprehensive Financial Reports for PERA and two additional state administered public pension plans. She directed the audit work performed at the Minnesota State Board of Investment. Tracy also conducted and managed a variety of other audits, including those that assessed internal controls at various state agencies.

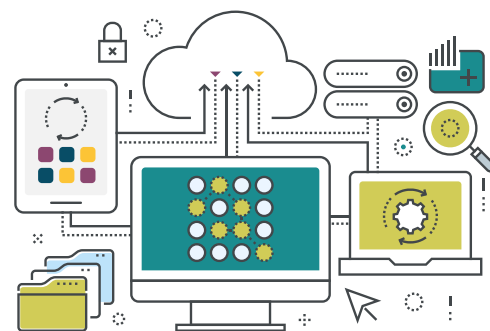
In her spare time, Tracy enjoys horseback riding, traveling, summers on the lake, and spending time with family and friends.

To learn more about PERA's leadership team and organizational structure, please visit mnpera.org/about/our-organization.

Modernizing our Technology

One of our strategic goals is to provide our membership with an optimal service experience. In the May board meeting, the Board of Trustees reviewed a multi-year road map to modernize our technology systems, which is a vital component of our member experience. The Board also approved the 2023 budget to begin phase one of the technology project. The first phase will focus on converting our current technology to a new platform.

Whether you prefer talking with us in person or remotely, we are expanding our options for members to connect with PERA service representatives. Or, if you prefer finding benefit information on your own, we are improving ways to receive customized information through myPERA and other online services. Technology updates also include improving our supportability and security across different devices.



We value our members and look forward to sharing these exciting changes with you during this multi-year project.



Public Employees Retirement Association
60 Empire Drive, Suite 200
St. Paul, MN 55103

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Coming Soon: PERA Board Election

Beginning in late summer 2022, we will begin our Board election process to fill five open positions.

BOARD OVERVIEW

PERA is governed by its Board of Trustees who approves the operating budget, decides legislative policy and priorities, establishes policies and procedures that govern operations at PERA, and directs the dissemination of information to PERA's members. In addition, the Trustees hear and rule on appeal matters of disabilitants, retirees, and members.

The Board consists of 11 members. The State Auditor is a member by statute, five trustees are appointed by the Governor to represent cities, counties, school boards, retirees, and the public, respectively, and the remaining five members are elected by the PERA membership at large.

OPEN BOARD POSITIONS

Five Board positions are up for election to serve for a four-year term. Three of the seats are filled by active, currently working members of PERA's three largest defined benefit plans. The fourth seat is designated to be occupied by an active member of

the Police & Fire Plan. The fifth seat is designated to be filled by a former member of PERA who is receiving either a retirement or disability benefit.

APPLICATION PROCESS

Election information and forms will be made available to interested candidates and announced on PERA's website in August 2022.

ELECTION VOTING

The five open positions are elected at large by active members and benefit recipients of PERA's General Plan, Police & Fire Plan, and Correctional Plan. Defined Contribution Plan participants are not eligible to vote unless they also participate in a PERA defined benefit plan.

Voting materials will be sent to eligible members and benefit recipients at the beginning of January and voting will close January 31.

For more information, visit our Board of Trustees web page at mnpera.org/about/board or contact Gladys Rodriguez at 651-201-2691 or gladys.rodriguez@mnpera.org.