



MINUTES

The Board of Trustees of the Public Employees Retirement Association met in a regular session in the Association offices, 60 Empire Drive, Room 117, Saint Paul, Minnesota, on Thursday, March 13, 2025, at 9:30 a.m., with notice given three days prior thereto by the Secretary.

The following members were present:

Thomas Stanley, President

Julie Blaha (In person)/Ramona Advani (Remote)
Paul Bourgeois (Remote)
Mary Falk (Remote)
Denny Flaherty
Paul Ford

Kathy Green (Remote)
Barbara Johnson
Jenni Konigsburg
David Minke
Thomas Thornberg

Constituting quorum.

Attorney General Representative: Frank Langan

Staff members present: Doug Anderson, Executive Director; Julie Leppink, Legal Counsel; Lance LaFrombois, Deputy General Counsel; Mark Sauceman, Chief Information Officer; Amy Streng, Legislative Policy Coordinator; Tracy Gebhard, Chief Financial Officer; Heather Schoenberger, Account Information Management Manager; and Gladys Rodriguez, Executive Assistant.

Others present: Nathan Jesson, MICA; Wade Laszlo, MNCORA; Harry Grigsby, AFL/CIO Retiree Council; Ann Lenczewski, LGN; Alex Hassel, LGN; Susan Lenczewski, LCPR; Merrill Bajana, Osmosis; Leonard Krumm, MMRA; Maura Allen, AG's Office; Rodney Rowe, Ed MN; Monica Byron, Ed MN; Brian Rice, AFCSME, MPFA, MPPF; Anne Finn, LMC.

1. Call to Order

President Stanley called the meeting to order at 9:30 a.m. The meeting was held both in person and remotely via interactive technology, as permitted by Minnesota Statutes Section 13D.015. Roll call was taken to establish a quorum.

He welcomed and introduced Trustee David Minke, appointed by the Governor as the representative of Counties, and announced the reappointment of Trustee Barb Johnson as the Representative of Cities.

Thornberg moved to adopt the agenda. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

The agenda was taken in the following order.

2. Approval of Consent Calendar

- February 13, 2025, Regular Board Meeting Minutes
- Operational Data Report

Thornberg moved to approve the Consent Calendar as presented. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

3. Combined Service Annuity Study

Reference was made to a memo from Doug Anderson dated March 13, 2025

Anderson noted that VIA Actuarial Solutions (VIA), the actuary for the Legislative Commission on Pensions and Retirement (LCPR), completed a Public Retirement Plan Portability Assumptions Study, which collects and analyzes membership data from all Minnesota statewide pension systems. The report outlines participant data, plan provisions, assumptions, and the methodology used to determine the results. PERA's retained actuary, GRS, has reviewed and approved the findings in VIA's report.

Staff recommended that the Board of Trustees approve the actuarial assumption changes recommended by VIA for the CSA and CBM loads used in the PERA plan actuarial valuations and direct staff to request that the LCPR approve the recommendations for use in the July 1, 2025 actuarial valuations.

Bourgeois moved to adopt the staff recommendation as presented. The motion was seconded by Blaha and passed unanimously by roll call vote.

4. 2025 PERA Legislative Agenda

Reference was made to a memo from Doug Anderson and Amy Strenge dated March 13, 2025

Strenge provided a legislative update, including details on the LCPR composition.

Anderson reported on financial incentives for fire departments joining the PERA Statewide Volunteer Firefighter (SVF) Plan, noting that the Legislature allocated \$5 million for departments enrolling on or after July 1, 2023.

The SVF Advisory Board met several times and established incentive amounts of \$10,000 per plan plus \$1,000 per active member for 2023–2025 entrants or until the funds are exhausted. In 2024, 23 plans with 526 members joined, and in 2025, 53 plans with 1,220 members enrolled.

Strenge presented a legislative initiative for the General Plan related to the postretirement increase. The Board has prioritized enhancing postretirement inflation protection for all members when financially feasible. The General Plan is uniquely positioned to address this while continuing progress toward full funding.

The current postretirement benefit is 50% of CPI, with a minimum of 1% and a maximum of 1.5%. The General Plan's funding ratio stands at 89.1%, with a 2.8% funding sufficiency. If all assumptions hold, the Plan is projected to reach full funding by 2034.

Staff engaged with member groups to develop a consensus plan for improving postretirement inflation protection for all vested members. These groups include AFSCME, SEIU, and MMRA, along with employer organizations such as AMC, MICA, LMC, and MSBA. SEIU and AFSCME submitted letters of support.

Staff has reviewed the following COLA proposal in consultation with stakeholders.

- Increase CPI cap from 50% of CPI to 100% of CPI
- Increase COLA max from 1.5% to 1.75%

- Modify the cessation of the employer's 1% supplemental contribution from 100% funding status to 98% funding status.
- Add language that reduces the COLA cap to 1.5% if the plan drops below 85% funding status for 2 years or 80% for 1 year. The COLA cap would increase back to 1.75% if the Plan improves.

The Board expressed support for this initiative, commending staff for their dedication, thorough due diligence, and extensive research. They also recognized the team's stakeholder engagement and careful analysis in developing a well-considered recommendation and solution.

Following discussion, Flaherty made a motion that the PERA Board of Trustees support increasing the General Plan postretirement benefit with provisions to ensure contribution rates are not increased and a plan sustainability provision is included and directs staff to continue to work with stakeholders and seek legislation to implement the change. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

5. 2025 Stakeholder Legislative Agenda

Reference was made to a memo from Doug Anderson and Amy Strenge dated March 13, 2025

Strenge presented an initiative proposed by the Minnesota Association of County Probation Officers (MACPO). Introduced as SF 1986/HF 1779, the legislative initiative establishes earlier unreduced retirement provisions within the General Plan for probation officers. It would allow probation officers to retire at age 60 or after 35 years of service. The cost of the initiative would be covered by employee contributions, which address both future and past service costs. The bill delays the benefit until January 1, 2028, and includes an employee contribution increase effective January 1, 2026.

Staff reviewed the initiative and raised policy concerns, ranging from administrative issues to the inclusion of past service in determining eligibility for an earlier unreduced retirement. Specifically, the assessment of costs for past service benefits to current and future members present an example of intergenerational inequity among the membership.

When reviewing the proposal, the Board noted that the exceptions within the Plan allocate the cost of the benefit inequitably within the group. Additionally, the proposal does not align with the Board's long-term positions or the metrics outlined in the scorecard.

The Board expressed that this issue may warrant further discussion and could be a potential topic for a workshop, particularly regarding 911 telecommunicators considering early retirement provisions. Another concern is the initiative's failure to address the intergenerational inequity aspect.

Ford moved that the PERA Board of Trustees opposes SF 1986/ HF 1779, which establishes earlier unreduced retirement provisions for probation officers within PERA General. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

Strenge also presented additional stakeholders initiatives:

- Pension Holiday for PERA General, PERA Correctional, & PERA P&F Plans – Governor proposed a 0.25% employee reduction for FY 26.
- Probations Officers and 911 Tele-communicators- Earlier retirement provisions.
- PERA General Plan Member Groups- Benefit increase for active members.
- Fire Member Organization (MPFF), Police Member Organization (MPPOA), Police Retiree

Organization (MPRPPA)- Increase COLA to match PERA General COLA formula and eliminate the additional 2-year COLA delay.

- Fire Member Organization (MPFF) and Police Retiree Organization (MRPPA)- Eliminate sunset provisions on two \$9M State contributions.
- MCPA (Minnesota Chief of Polices Association)- Working after retirement for P&F modifications.
- MNCORA (Minnesota Correctional Officer Retiree Association)- Add a dedicated Correctional member to the PERA Board.

6. Reference Material: Long-Term Positions

The Long-Term Positions document was included as a relevant reference for the discussions and decisions made during the meeting.

7. Attorney General Litigation Update

Johnson made a motion to close the meeting as permitted by Minnesota Statutes, section 13D.05, subdivision 3(a). The motion was seconded by Konigsburg and passed unanimously by roll call vote.

Thornberg made a motion to open the meeting. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

Assistant Attorney General Langan provided an update related to the Minnesota Duty Disabled Association v. PERA, Court File No. 62-cv-23-5420.

8. Date of Next Meeting

The next meeting will be held Thursday, April 10, starting at 9:30 a.m. in the Board Room 117 of the Retirement Systems of Minnesota Building.

9. Adjournment

There being no further business to come before the PERA Board, Ford made a motion to adjourn the meeting. The motion was seconded by Konigsburg and passed unanimously by roll call vote.

Meeting adjourned at 11:11 a.m.



Doug Anderson, Executive Director



Date: April 10, 2025
To: PERA Board of Trustees
From: Don Haller, Heather Schoenberger, Tim Knippenberg, Amy Brandenburg, Afiya Krueger, Stacey Salvinski, and Andrea Murphy
Subject: Operational Data Report

This memo includes PERA statistical data for the following areas:

- Active membership data for PERA’s plans
- Recipient data for retirement, survivor and disability benefits
- Application data for retirement, survivor, and disability benefits
- Refund payments processed
- Education initiatives for members and employers

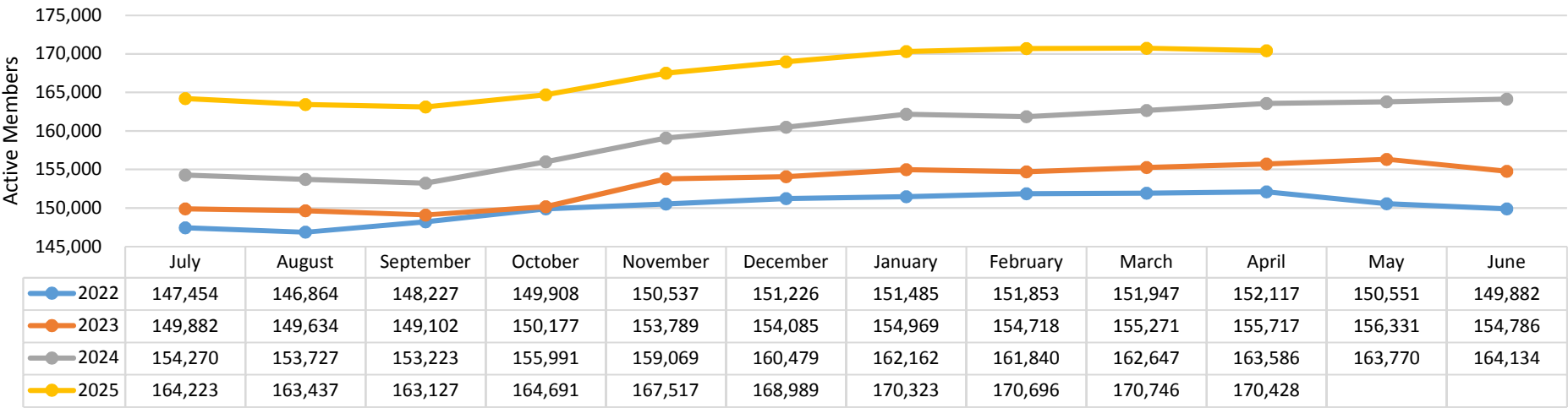
Active Membership Data (monthly)

This section provides membership data for each plan as of the first of the month, based on active status.

Coordinated

From July 2024 to April 2025, membership increased by 3.8% (6,205 members).

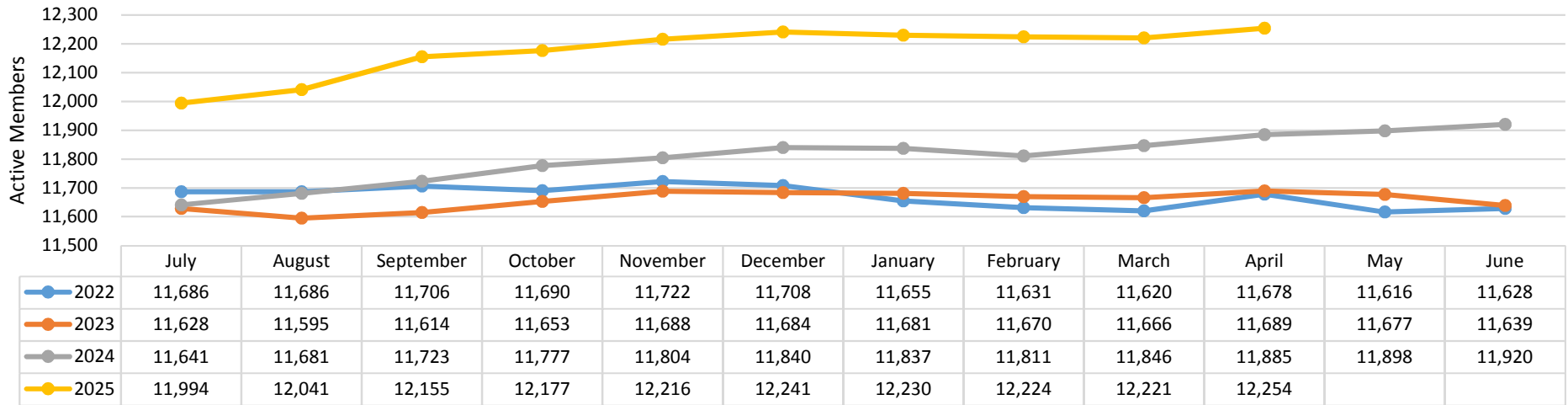
Coordinated



Police & Fire

From July 2024 to April 2025, membership increased by 2.2% (260 members).

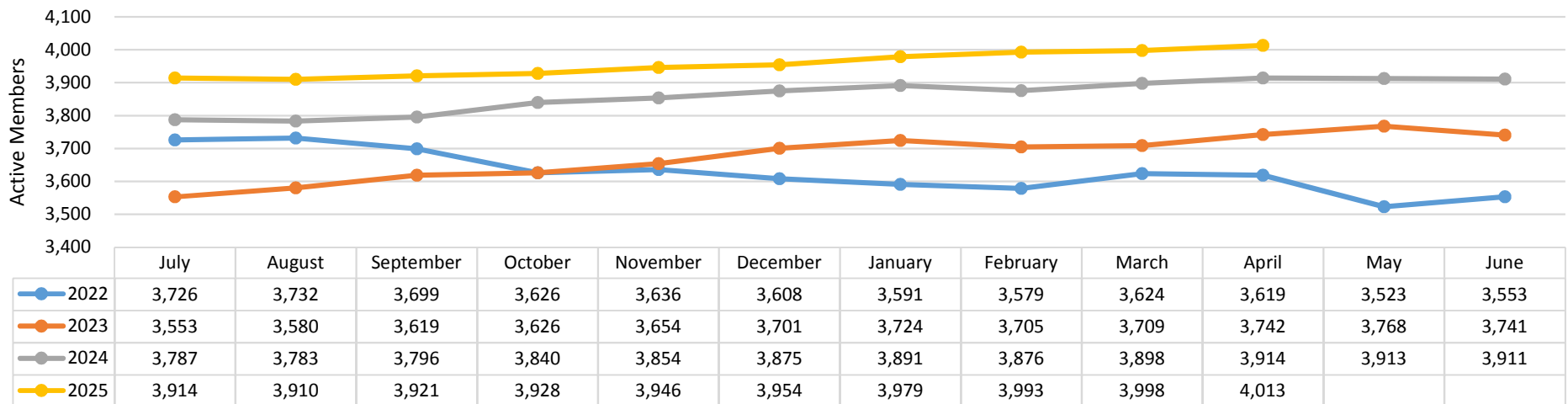
Police & Fire



Correctional

From July 2024 to April 2025, membership increased by 2.5% (99 members).

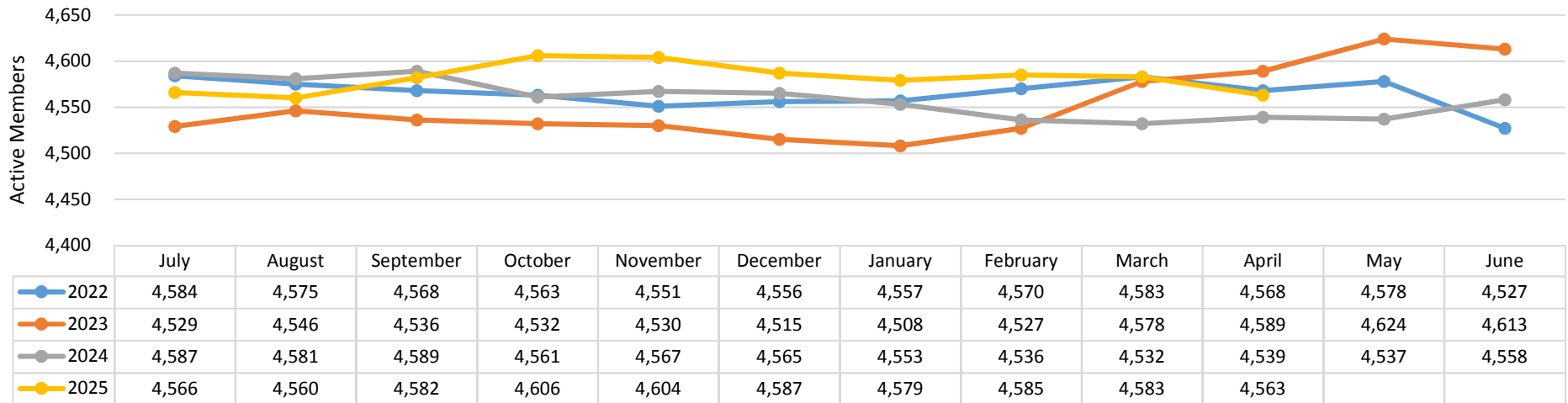
Correctional



Defined Contribution Plan

From July 2024 to April 2025, membership minimally changed during the year.

Defined Contribution Plan



Summary

Membership counts are summarized below as of the first of the month for March and April 2025.

Active Membership Counts – Defined Benefit Plans	March 2025	April 2025
Coordinated	170,746	170,428
Police and Fire	12,221	12,254
Correctional Plan	3,998	4,013
SVF - Monthly / Lump Sum Benefits	38 / 5,482	38 / 5,727
Privatization	1,783	1,769
MERF	1	1
Basic Plan	0	0
Exempt Plan	4,732	4,693
Total	199,001	198,923
Active Membership Counts – Defined Contribution Plan	4,583	4,563

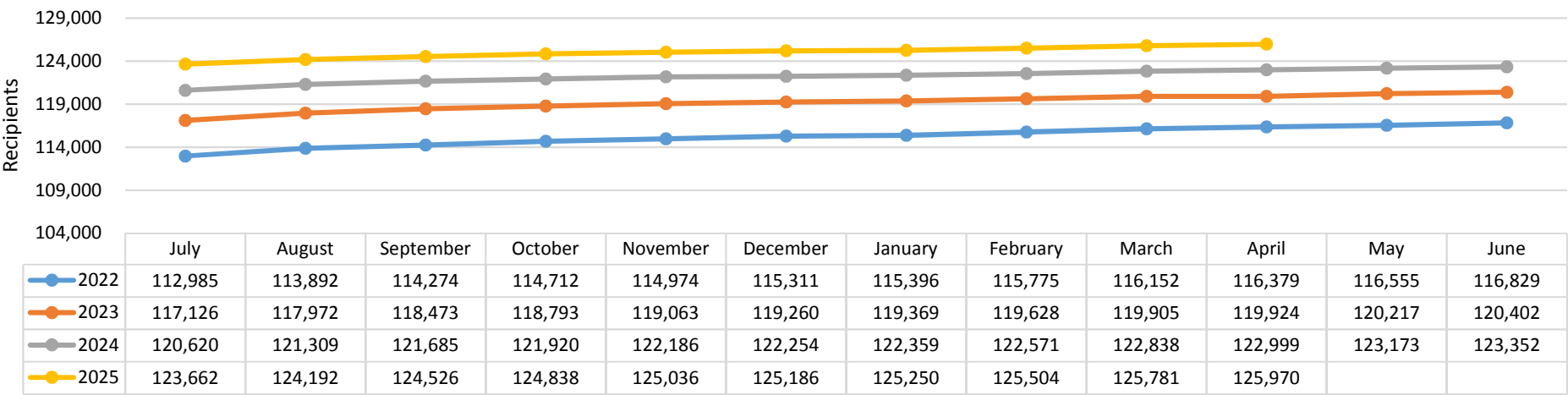
Benefit Recipients (monthly)

This section provides benefit recipient data for each benefit type, as of the first of the month.

Retirement

Recipients increased by 1.9% (2,308 members) from July 2024 to April 2025.

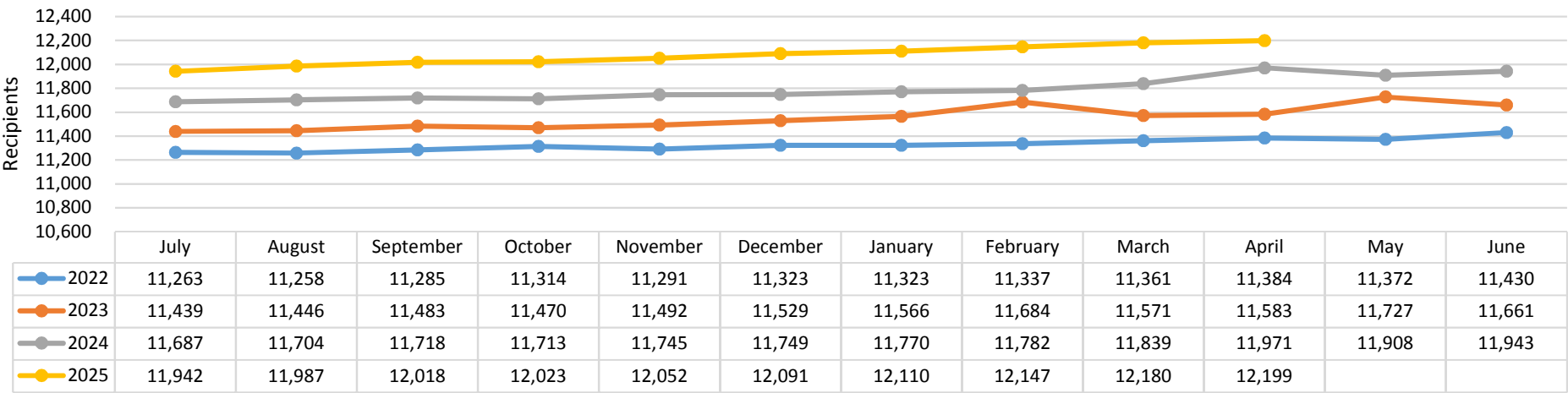
Retirement Recipients



Survivor

Recipients increased by 2.2% (257 members) from July 2024 to April 2025.

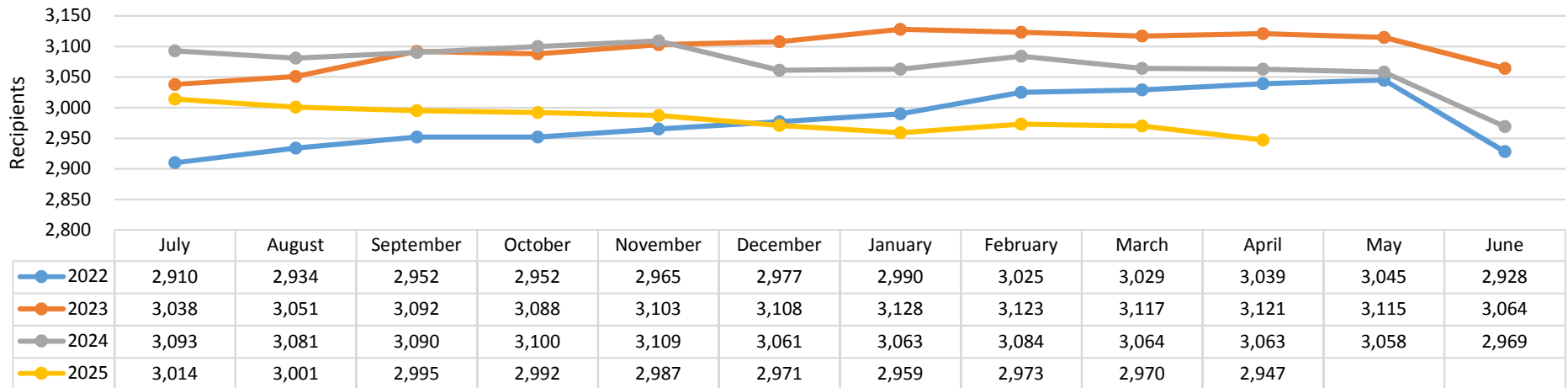
Survivor Recipients



Disability

Recipients decreased by 2.2% (67 members) from July 2024 to April 2025.

Disability Recipients



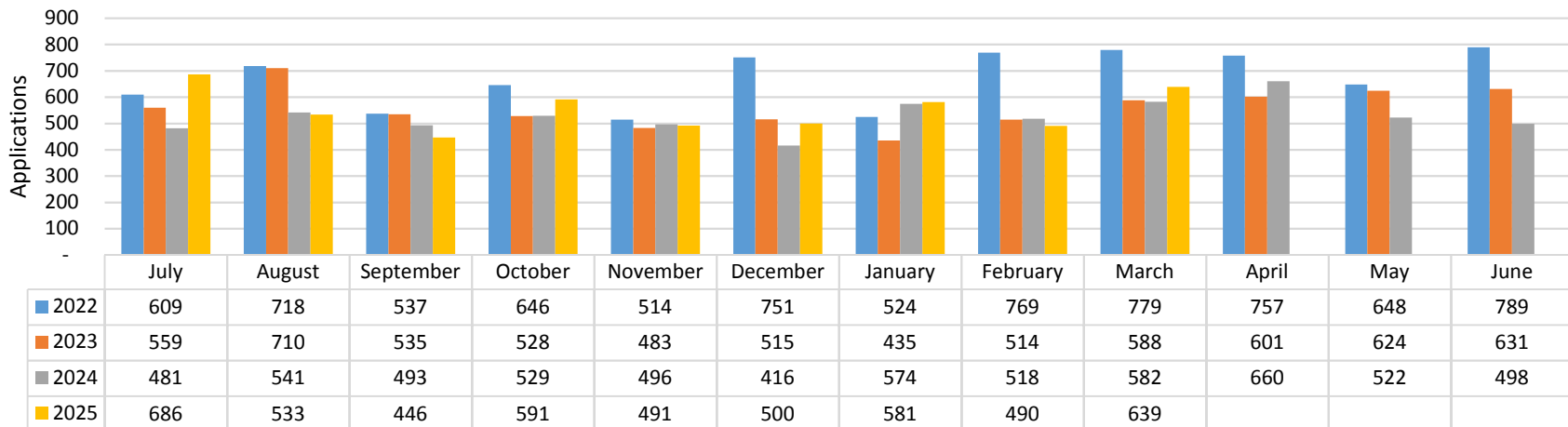
Benefit Applications Received (monthly)

This section provides the monthly benefit application data for each benefit type.

Retirement

From July 2024 to April 2025, applications averaged 550 per month.

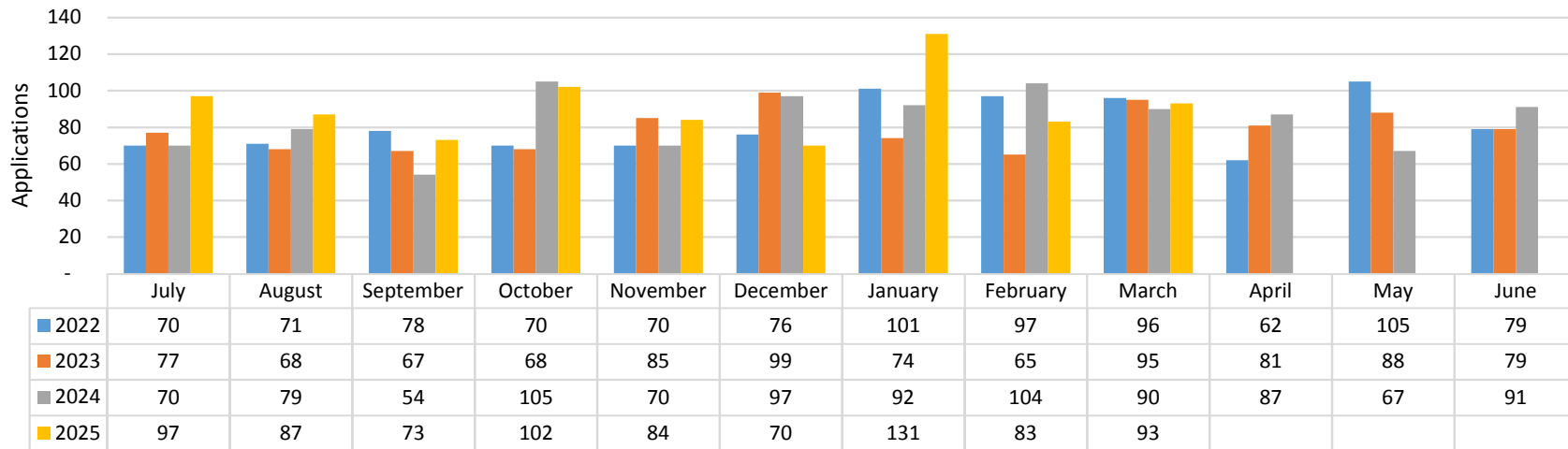
Retirement Applications



Survivor

From July 2024 to April 2025, applications averaged 91 per month.

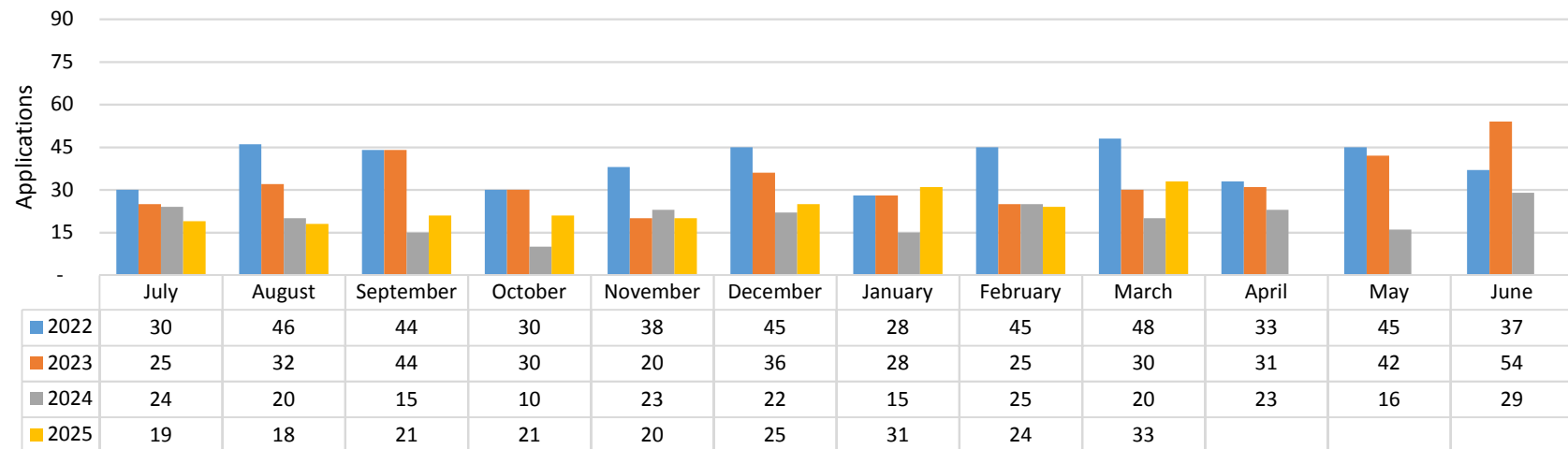
Survivor Applications



Disability

From July 2024 to April 2025, applications averaged 24 per month.

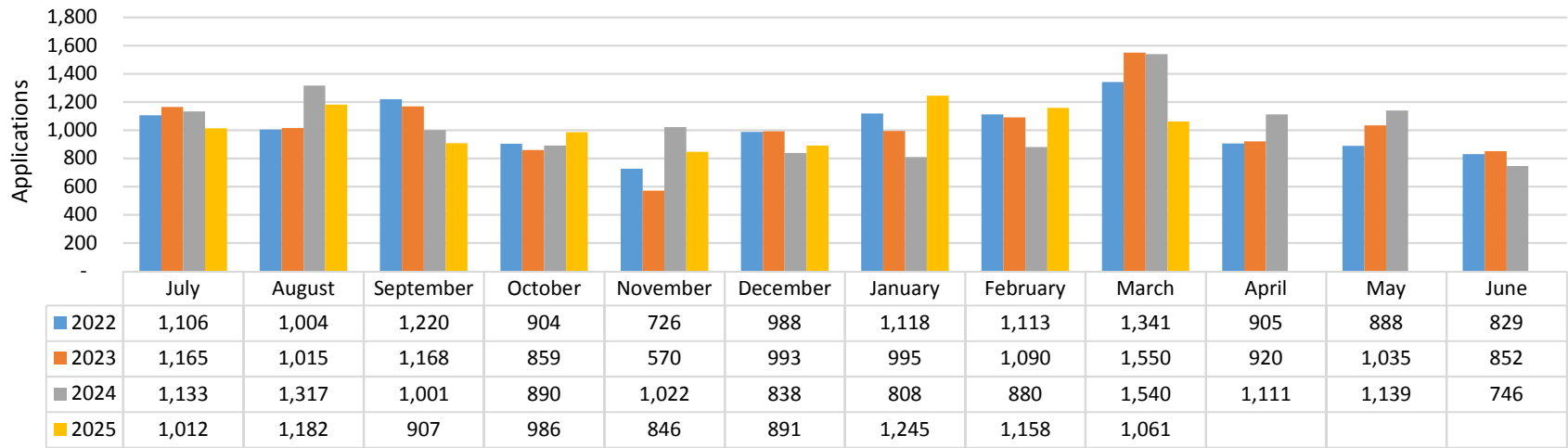
Disability Applications



Refunds Payments (monthly)

From July 2024 to April 2025, refund payments averaged 1,032 per month.

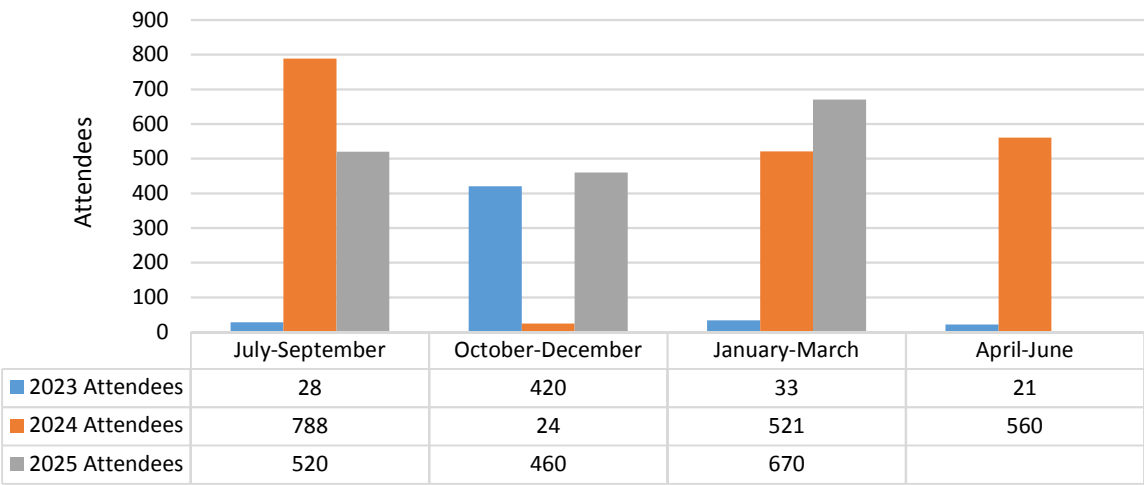
Refunds



Employer Education (quarterly)

In March, we hosted a live Q&A session about member demographics reporting and 181 employers attended. The next employer training in April will focus on the summer earnings report for school employers.

Employer Programs

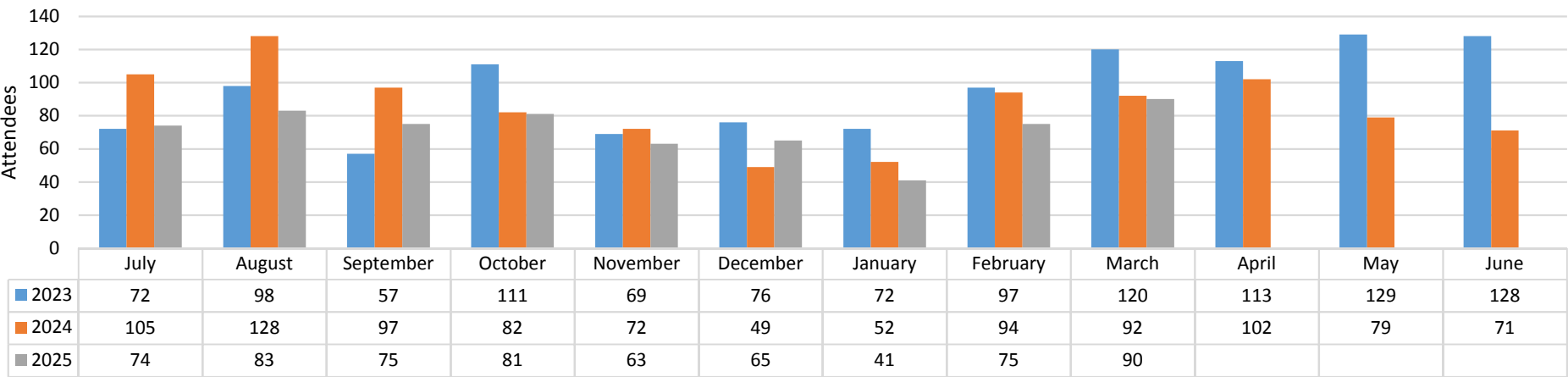


Member Education(per month)

Individual Counseling

Individual sessions averaged about 72 per month during fiscal year 2025. We offer in-person and phone options for individual meetings.

Member Individual Counseling



Group Programs

From May to September 2025, PERA representative will be traveling across Minnesota to 15 different cities. Two programs will be offered at each location.

Member Programs

