



TO: Senator Lawrence J. Pogemiller
Representative Phyllis Kahn
Senator Scott Dibble
Representative Jim Davnie

FROM: Lawrence A. Martin, Executive Director

RE: Summary of Amendments to Blind Amendment LCPR11-12A; Minneapolis Fire and Police Relief Associations Consolidation

DATE: May 19, 2011

Senators and Representatives,

Based on errors, omissions, and clarifications identified for LCPR11-12A, I will have the following amendments available for the Commission meeting today:

- Amendment LCPR11-12A-1A (Source: Heather Johnston, City of Minneapolis).
The amendment clarifies the process for determining which MFRA and MPRA assets would not be transferred as securities and replaced by cash by the City of Minneapolis. It also moves the date for lump sum annual additional city contributions to PERA-P&F from December 1 to July 15 of the subsequent calendar year, to better match property tax receipts.
- Amendment LCPR11-12A-2A (Source: MFRA-PERA-P&F Consolidation Agreement)
The amendment adds two provisions (Agreement points 15 and 16) to the MFRA article, the retention of the current over 25 years contribution account with the current vendor rather than PERA and the MSRS Post Retirement Health Savings Account and the disposition of MFRA office equipment not wanted by PERA.
- Amendment LCPR11-12A-3A (Source: Brian Rice on behalf of Representative Kahn)
The amendment increases the service pension unit amount, surviving spouse unit amount, and surviving family maximum unit amount for current recipients by one unit, includes the current single retirees in the one unit additional amount, includes optional annuitants in the one unit additional amount on a actuarial equivalent basis, and requires both relief associations to consolidate as a condition for either to consolidate.
- Amendment LCPR11-12A-4A (Source: Commission Staff)
The amendment adds a provision essentially identical to Minnesota Statutes, Section 353B.14, from the 1987 police and fire relief association consolidation legislation, that establishes a procedure for the Legislative Commission on Pensions and Retirement to handle disputes if the consolidation causes an unintended adverse modification in benefit coverage, with subsequent corrective legislation if the dispute is determined by the Commission to have merit. An incorrect citation to MPRA law rather than MFRA law is corrected and an incorrect reference to the PERA executive director is corrected by the correct reference to the MPRA executive director.

If you have any questions about Amendment LCPR11-12A or these four amendments, please contact me (651-296-2750).

cc: Peter Ginder, City of Minneapolis
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