

CHAPTER 422A

RETIREMENT ALLOWANCES, MINNEAPOLIS

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422A.01 DEFINITIONS.

[For text of subs 1 to 17, see M.S.1996]

Subd. 18. **Licensed peace officer.** "Licensed peace officer," for purposes of section 422A.151, means an employee of the metropolitan airports commission who was employed by the commission before June 30, 1978, and whose employment duties include, at a minimum, full-time service as an officer whose primary job it is to enforce the law, who is licensed by the Minnesota board of peace officer standards and training under sections 626.84 to 626.863, who is engaged in the hazards of protecting the safety and property of others, and who has the power to arrest by warrant.

History: 1997 c 7 art 1 s 138

422A.06 RETIREMENT FUND.

[For text of subs 1 to 7, see M.S.1996]

Subd. 8. **Retirement benefit fund.** (a) The retirement benefit fund shall consist of amounts held for payment of retirement allowances for members retired pursuant to this chapter.

(b) Assets equal to the required reserves for retirement allowances pursuant to this chapter determined in accordance with the appropriate mortality table adopted by the board of trustees based on the experience of the fund as recommended by the commission-retained actuary shall be transferred from the deposit accumulation fund to the retirement benefit fund as of the last business day of the month in which the retirement allowance begins. The income from investments of these assets shall be allocated to this fund. There shall be paid from this fund the retirement annuities authorized by law. A required reserve calculation for the retirement benefit fund must be made by the actuary retained by the legislative commission on pensions and retirement and must be certified to the retirement board by the commission-retained actuary.

(c) The retirement benefit fund shall be governed by the applicable laws governing the accounting and audit procedures, investment, actuarial requirements, calculation and payment of postretirement benefit adjustments, discharge of any deficiency in the assets of the fund when compared to the actuarially determined required reserves, and other applicable operations and procedures regarding the Minnesota postretirement investment fund in effect on June 30, 1997, established under Minnesota Statutes 1996, section 11A.18, and any legal or administrative interpretations of those laws of the state board of investment, the legal advisor to the board of investment and the executive director of the state board of investment in effect on June 30, 1997. If a deferred yield adjustment account is established for the Minnesota postretirement investment fund before June 30, 1997, under Minnesota Statutes 1996, section 11A.18, subdivision 5, the retirement board shall also establish and maintain a deferred yield adjustment account within this fund.

(d) Annually, following the calculation of any postretirement adjustment payable from the retirement benefit fund, the board of trustees shall submit a report to the executive director of the legislative commission on pensions and retirement and to the commissioner of finance indicating the amount of any postretirement adjustment and the underlying calculations on which that postretirement adjustment amount is based, including the amount of dividends, the amount of interest, and the amount of net realized capital gains or losses utilized in the calculations.

(e) With respect to a former contributing member who began receiving a retirement annuity or disability benefit under section 422A.151, paragraph (a), clause (2), after June 30, 1997, or with respect to a survivor of a former contributing member who began receiving a survivor benefit under section 422A.151, paragraph (a), clause (2), after June 30, 1997, the reserves attributable to the one percent lower amount of the cost-of-living adjustment payable to those annuity or benefit recipients annually must be transferred back to the deposit accumulation fund to the credit of the metropolitan airports commission. The calculation of this annual reduced cost-of-living adjustment reserve transfer must be reviewed by the actuary retained by the legislative commission on pensions and retirement.

History: 1997 c 233 art 1 s 64

422A.101 PREPARATION OF FINANCIAL REQUIREMENTS OF FUND; EMPLOYER CONTRIBUTIONS.

[For text of subs 1 to 2a, see M.S.1996]

Subd. 3. State contributions. (a) Subject to the limitation set forth in paragraph (c), the state shall pay to the Minneapolis employees retirement fund annually an amount equal to the amount calculated under paragraph (b).

(b) The payment amount is an amount equal to the financial requirements of the Minneapolis employees retirement fund reported in the actuarial valuation of the fund prepared by the commission-retained actuary pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded actuarial accrued liabilities by June 30, 2020, less the amount of employee contributions required pursuant to section 422A.10, and the amount of employer contributions required pursuant to subdivisions 1a, 2, and 2a. Payments shall be made in four equal installments, occurring on March 15, July 15, September 15, and November 15 annually.

(c) The annual state contribution under this subdivision may not exceed \$10,455,000 through fiscal year 1998 and \$9,000,000 beginning in fiscal year 1999, plus the cost of the annual supplemental benefit determined under section 356.865.

(d) If the amount determined under paragraph (b) exceeds \$11,910,000, the excess must be allocated to and paid to the fund by the employers identified in subdivisions 1a and 2, other than units of metropolitan government. Each employer's share of the excess is proportionate to the employer's share of the fund's unfunded actuarial accrued liability as disclosed in the annual actuarial valuation prepared by the actuary retained by the legislative commission on pensions and retirement compared to the total unfunded actuarial accrued liability attributed to all employers identified in subdivisions 1a and 2, other than units of metropolitan government. Payments must be made in equal installments as set forth in paragraph (b).

[For text of subd 4, see M.S.1996]

History: 1997 c 202 art 2 s 48

422A.151 ALTERNATIVE CALCULATION OF ANNUITY.

(a) In the case of a contributing member of the Minneapolis employees retirement fund who is employed as a licensed peace officer or firefighter with the metropolitan airports commission and who retires, becomes disabled within the meaning of section 422A.18, or dies, the retirement, disability, or survivor allowance is equal to the higher of the following:

(1) the retirement, disability, or survivor allowance calculated for the person under the applicable provisions of the Minneapolis employees retirement fund; or

(2) the retirement, disability, or survivor benefit that the person would be entitled to upon meeting the applicable age and allowable service requirements of section 353.651, 353.656, or 353.657 if all employment as a licensed peace officer or firefighter with the metropolitan airports commission had been allowable service under the public employees retirement association police and fire fund, instead of being covered by the Minneapolis employees retirement fund. In computing the alternative benefit under section 353.651, 353.656, or 353.657, the applicable definitions and related provisions of chapter 353 must be used.

A firefighter or licensed peace officer terminating employment by the metropolitan airports commission after June 30, 1997, or the survivor of a deceased firefighter or licensed peace officer terminating employment by the metropolitan airports commission after June 30, 1997, under section 353.651, 353.656, or 353.657, shall receive a one percent lower cost-of-living adjustment than otherwise payable under section 422A.06, subdivision 5. If the cost-of-living adjustment payable under section 422A.06, subdivision 5, is less than one percent, the firefighter or licensed peace officer who retired after June 30, 1997, must not have a reduction in the previously received annuity or benefit amount, but future cost-of-living adjustments must be modified equal to the percentage the benefit would have been reduced below the person's current annuity or benefit amount to reflect the one percent lower cost-of-living adjustment under section 422A.06, subdivision 5.

(b) If a contributing member under paragraph (a) has periods of coverage by the Minneapolis employees retirement fund that include service other than employment as a licensed peace officer or firefighter as well as employment as a licensed peace officer or firefighter, the calculation of the benefit under paragraph (a), clause (2), may only utilize service as a licensed peace officer or firefighter employed by the metropolitan airports commission.

History: 1997 c 233 art 1 s 65

422A.24 ALLOWANCES NOT ASSIGNABLE OR SUBJECT TO PROCESS.

No money payable pursuant to this chapter shall be assignable either in law or equity or be subject to execution, levy, attachment, garnishment, or other legal process, except as provided in section 518.58, 518.581, or 518.6111, nor shall any of the proceeds of payments due pursuant to this chapter be subject to the inheritance tax provisions of this state upon transfer to a surviving spouse or minor or dependent child of the decedent or a trust for their benefit.

History: 1997 c 203 art 6 s 92