



PERA

Defined Contribution Plan

Presentation to

Legislative Commission on Pensions and Retirement

November 4, 2015

PERA Defined Contribution Plan

- Established 1987 by the Minnesota Legislature
- Minnesota Statutes Chapter 353D
- Qualified 401(a): Satisfies the IRC in form and operation
- Tax-deferred contributions made by employee and employer

Membership

- Initially Established for Volunteer Ambulance Services Personnel
- Voluntary Membership
 - City managers, physicians may choose DB Plan

Sub-plan	Active Members	Inactive Members	Deceased Members	Total Members
Elected Officials	3961	2122	41	6124
Volunteer Ambulance	615	808	6	1429
Physicians	40	36	0	76
Volunteer Fire	69	5	0	74
City Managers	0	8	0	8
	4685	2979	47	7711

As of November 3, 2015

Contributions

- Tax-deferred
- Varies by sub-plan

Sub-plan	Employee	Employer
Elected Officials and Physicians	5.0%	5.0%
City Managers	6.5%	6.5%
Volunteer Fire	At least 7.5% combined	
Volunteer Ambulance	Determined by ambulance service	

Plan Benefits

- Benefit amount=total contributions plus investments
- Lump-sum Payment
 - To member (taxable, 20% required withholding)
 - Direct rollover (continues tax-deferred status)
- Monthly retirement benefit or annuitized options not provided
- Monthly disability benefits in \$100 increments available until account is depleted

Investment Choices

- Member-directed investing
- Minnesota Supplemental Investment Fund (SBI)
- \$57 million in assets
- FY 2015 overall performance 4.79%

	Share Value	Total	FY 2015 Performance
Balanced Fund	\$65.8808	\$27,814,857	5.13%
US Stock Active Fund	\$49.9378	\$9,372,966	7.92%
US Stock Index Fund	\$39.5469	\$8,018,700	7.29%
Bond Fund	\$17.8859	\$2,952,793	2.11%
International Stock Fund	\$7.6208	\$2,627,132	-3.79%
Stable Value Fund	\$1.5170	\$4,357,684	1.89%
Money Market Fund	\$1.0000	\$2,449,080	0.13%

As of October 22, 2015