

Appendix C **to the Standards for Actuarial Work**

RULES FOR CALCULATING THE AMOUNT OF ASSETS TO TRANSFER FROM THE PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) GENERAL EMPLOYEES RETIREMENT FUND TO THE PERA LOCAL GOVERNMENT PROBATION AND TELECOMMUNICATOR RETIREMENT FUND

Application: This appendix applies to the PERA General Employees Retirement Plan (PERA General Plan) under Chapter 353 and the PERA Local Government Probation and Telecommunicator Retirement Plan (PERA Probation and Telecommunicator Plan) under Chapter 353H.

Authority: Laws 2026, chapter ..., article ..., section ..., require the executive director of PERA to direct its actuary to calculate the amount of assets to transfer from the PERA General Employees Retirement Fund (PERA General Fund) to the PERA Local Government Probation and Telecommunicator Retirement Fund (PERA Probation and Telecommunicator Fund). The session law states:

Subd. 2. **Transfer of assets.** (a) No later than 15 days after January 1, 2027, the assets attributable to the members of the general plan whose retirement plan coverage is transferred from the general plan to the probation and telecommunicator plan on January 1, 2027, must be transferred from the general employees retirement fund to the local government probation and telecommunicator retirement fund.

(b) The executive director must direct the actuary retained by the Public Employees Retirement Association under section 356.214 to calculate the assets to transfer under paragraph (a). The amount of assets to transfer must be calculated as provided in the appendix to the standards for actuarial work.

Effective date: Appendix C to the Standards for Actuarial Work is effective January 1, 2027, but only if legislation requiring the transfer of assets from the PERA General Fund to the PERA Probation and Telecommunicator Fund is enacted in 2026.

Method: The amount of assets to transfer from the PERA General Fund to the PERA Probation and Telecommunicator Fund must be calculated using the actuarial valuation as of July 1, 2026, and the following formula:

((market value of assets in the PERA General Plan – actuarial accrued liability for all inactive members in the PERA General Plan) * (accumulated employee contributions with interest for the members whose coverage is transferred from the PERA General Plan to the PERA Probation and Telecommunicator Plan on January 1, 2027 / accumulated employee contributions with interest for all active members of the General Plan)) + (interest on the foregoing product at the rate specified in Minnesota Statutes, section 356.59, subdivision 3, for the period beginning July 1, 2026, and ending on the date the assets are transferred) + ((PERA General Plan employee contribution rate + PERA General Plan employer contribution rate) * (for the period beginning July 1, 2026, and ending on the date the assets are transferred, the estimated salaries of the members whose coverage is transferred from the PERA General Plan to the PERA Probation and Telecommunicator Plan))

Assumptions: The amount of assets to transfer from the PERA General Fund to the PERA Probation and Telecommunicator Fund must be calculated using the actuarial assumptions under Minnesota Statutes, section 356.215, subdivision 8, for the PERA General Employees Retirement Plan.