

354A.29 ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION POSTRETIREMENT ADJUSTMENT.

Subdivision 1. **Articles of incorporation and bylaws.** Permission is granted for the St. Paul Teachers Retirement Fund Association under Minnesota Statutes, section 354A.12, subdivision 4, to amend its articles of incorporation and bylaws to provide postretirement adjustments under this section.

Subd. 2. [Repealed, 2009 c 169 art 7 s 3]

Subd. 3. [Repealed, 1Sp2011 c 8 art 2 s 22]

Subd. 4. [Repealed, 2009 c 169 art 7 s 3]

Subd. 5. [Repealed, 2009 c 169 art 7 s 3]

Subd. 6. [Repealed, 2007 c 134 art 7 s 3]

Subd. 7. **Eligibility for payment of postretirement adjustments.** (a) Annually, after June 30, the board of trustees of the St. Paul Teachers Retirement Fund Association must determine the amount of any postretirement adjustment using the procedures in this subdivision and subdivision 8 or 9, whichever is applicable.

(b) On January 1, each person who has been receiving an annuity or benefit under the articles of incorporation, the bylaws, or this chapter, whose effective date of benefit commencement occurred on or before July 1 of the calendar year immediately before the adjustment, is eligible to receive a postretirement increase as specified in subdivision 8 or 9.

Subd. 8. **Calculation of postretirement adjustments; percentage based.** (a) For purposes of computing postretirement adjustments for eligible benefit recipients of the St. Paul Teachers Retirement Fund Association, the accrued liability funding ratio based on the actuarial value of assets of the plan as determined by the two most recent actuarial valuations prepared under sections 356.214 and 356.215 determines the postretirement increase, as follows:

Funding ratio	Postretirement increase
Less than 80 percent	1 percent
At least 80 percent but less than 90 percent	2 percent

(b) The amount determined under paragraph (a) is the full postretirement increase to be applied as a permanent increase to the regular payment of each eligible member on January 1 of the next calendar year. For any eligible member whose effective date of benefit commencement occurred after January 1 of the calendar year immediately before the postretirement increase is applied, the amount determined under paragraph (a) must be reduced by 50 percent.

(c) If the accrued liability funding ratio based on the actuarial value of assets is at least 90 percent in two consecutive actuarial valuations, subsequent postretirement increases must be paid as specified in subdivision 9.

(d) If, following a postretirement increase under paragraph (a), the accrued liability funding ratio, based on the actuarial value of assets, falls below 80 percent for two consecutive actuarial valuations, the applicable postretirement increase must be reduced to one percent until January 1 of the calendar year next following the date on which the requirements for an increase under paragraph (a) are again satisfied.

Subd. 9. Calculation of postretirement adjustments. (a) This subdivision applies if the requirements of subdivision 8, paragraph (c), have been satisfied.

(b) A percentage adjustment must be paid under this subdivision to eligible persons under subdivision 7.

(c) The amount of 2.5 percent is the full postretirement adjustment to be applied as a permanent increase to the regular payment of each eligible member on January 1 of the next calendar year. For any eligible member whose effective date of benefit commencement occurred after January 1 of the calendar year immediately before the postretirement adjustment is applied, the postretirement adjustment amount must be reduced by 50 percent.

(d) In the event the accrued liability funding ratio based on the actuarial value of assets falls below 90 percent for two consecutive actuarial valuations, the applicable postretirement increase must be determined under subdivision 8 until January 1 of the calendar year next following the date on which the requirements of subdivision 8, paragraph (c), are again satisfied.

History: 1997 c 233 art 3 s 7; 2006 c 271 art 3 s 47; 2009 c 169 art 7 s 1,4; 1Sp2011 c 8 art 2 s 3-5; 2014 c 296 art 11 s 2; 2015 c 68 art 4 s 1-3