

1.1 moves to amend H.F. No. 3281, the first engrossment, as follows:

1.2 Page 145, after line 17, insert:

1.3 "Sec. 3. Laws 2006, chapter 271, article 3, section 43, as amended by Laws 2007,
1.4 chapter 134, article 11, section 11, the effective date, is amended to read:

1.5 **EFFECTIVE DATE.** ~~(a)~~ This section is effective the day following final enactment.

1.6 ~~(b) This section expires on July 15, 2009.~~

1.7 **EFFECTIVE DATE.** This section is effective retroactively from July 2, 2009."

1.8 Page 236, after line 15, insert:

1.9 "Section 1. Minnesota Statutes 2008, section 356.216, is amended to read:

1.10 **356.216 CONTENTS OF ACTUARIAL VALUATIONS FOR LOCAL POLICE**
1.11 **AND FIRE FUNDS.**

1.12 (a) The provisions of section 356.215 that govern the contents of actuarial valuations
1.13 must apply to any local police or fire pension fund or relief association required to make
1.14 an actuarial report under this section, except as follows:

1.15 (1) in calculating normal cost and other requirements, if required to be expressed as
1.16 a level percentage of covered payroll, the salaries used in computing covered payroll must
1.17 be the maximum rate of salary on which retirement and survivorship credits and amounts
1.18 of benefits are determined and from which any member contributions are calculated and
1.19 deducted;

1.20 (2) in lieu of the amortization date specified in section 356.215, subdivision 11,
1.21 the appropriate amortization target date specified in section 69.77, subdivision 4, or
1.22 69.773, subdivision 4, clause (c), must be used in calculating any required amortization
1.23 contribution, except that if the actuarial report for the Bloomington Fire Department Relief
1.24 Association indicates an unfunded actuarial accrued liability, the unfunded obligation is
1.25 to be amortized on a level dollar basis by December 31 of the year occurring 20 years

2.1 later, and if subsequent actuarial valuations for the Bloomington Fire Department Relief
2.2 Association determine a net actuarial experience loss incurred during the year which
2.3 ended as of the day before the most recent actuarial valuation date, any unfunded liability
2.4 due to that loss is to be amortized on a level dollar basis by December 31 of the year
2.5 occurring 20 years later and except that the amortization date for the Minneapolis Police
2.6 Relief Association is December 31, 2020;

2.7 (3) in addition to the tabulation of active members and annuitants provided for in
2.8 section 356.215, subdivision 13, the member contributions for active members for the
2.9 calendar year and the prospective annual retirement annuities under the benefit plan for
2.10 active members must be reported;

2.11 (4) actuarial valuations required under section 69.773, subdivision 2, must be made
2.12 at least every four years and actuarial valuations required under section 69.77 shall be
2.13 made annually;

2.14 (5) the actuarial balance sheet showing accrued assets valued at market value if the
2.15 actuarial valuation is required to be prepared at least every four years or valued as current
2.16 assets under section 356.215, subdivision 1, ~~clause (6)~~ paragraph (f), or paragraph (b),
2.17 whichever applies, if the actuarial valuation is required to be prepared annually, actuarial
2.18 accrued liabilities, and the unfunded actuarial accrued liability must include the following
2.19 required reserves:

2.20 (i) for active members:

- 2.21 1. retirement benefits;
- 2.22 2. disability benefits;
- 2.23 3. refund liability due to death or withdrawal;
- 2.24 4. survivors' benefits;

2.25 (ii) for deferred annuitants' benefits;

2.26 (iii) for former members without vested rights;

2.27 (iv) for annuitants;

2.28 1. retirement annuities;

2.29 2. disability annuities;

2.30 3. surviving spouses' annuities;

2.31 4. surviving children's annuities;

2.32 In addition to those required reserves, separate items must be shown for additional
2.33 benefits, if any, which may not be appropriately included in the reserves listed above; and

2.34 (6) actuarial valuations are due by the first day of the seventh month after the end of
2.35 the fiscal year which the actuarial valuation covers.

3.1 (b) For the Minneapolis Firefighters Relief Association or the Minneapolis Police
3.2 Relief Association, the following provisions additionally apply:

3.3 (1) in calculating the actuarial balance sheet, unfunded actuarial accrued liability,
3.4 and amortization contribution of the relief association, "current assets" means the value of
3.5 all assets at cost, including realized capital gains and losses, plus or minus, whichever
3.6 applies, the average value of total unrealized capital gains or losses for the most recent
3.7 three-year period ending with the end of the plan year immediately preceding the actuarial
3.8 valuation report transmission date; and

3.9 (2) in calculating the applicable portions of the actuarial valuation, an annual
3.10 preretirement interest assumption of six percent, an annual postretirement interest
3.11 assumption of six percent, and an annual salary increase assumption of four percent must
3.12 be used.

3.13 **EFFECTIVE DATE.** This section is effective the day following final enactment."

3.14 Page 238, after line 24, insert:

3.15 "Sec. 3. Laws 2009, chapter 169, article 7, section 4, is amended to read:

3.16 Sec. 4. **EFFECTIVE DATE.**

3.17 Sections 1 to 3 are effective January 1, 2010, ~~and~~ Sections 1 and 2 expire June
3.18 30, 2011.

3.19 **EFFECTIVE DATE.** This section is effective the day following final enactment."

3.20 Renumber the sections in sequence and correct internal references

3.21 Correct the title numbers accordingly