



*PROFESSIONAL VIEW*

**PEA'S NEWSLETTER FOR JANUARY-MARCH, 2011**

[www.peaonline.org](http://www.peaonline.org)

**1<sup>ST</sup> QUARTER 2011 PRESIDENT'S UPDATE**

**Submitted by John F. Blackstone, P.E., President**

The Executive Committee is focused on bringing value to PEA. We accomplish this goal through communications, focus, privacy, services and gathering. When the Executive Committee is presented with an issue we use rigorous discussion to ferret out what to do. Everyone is encouraged to say what is in their mind and heart. This allows us to come to agreement on how to respond. Once we find common ground and agree on a course of action then we unanimously support the decision. We focus on PEA's mission, vision and bylaws. There are a plethora of work and social issues in this world. Although many of us may feel that an issue is unfair or unjust we are charged to address only those that fall within our mission, vision and bylaws. We are not charged with solving the world's problems. We are charged with solving PEA's problems. Many of the issues we address require discretion and privacy. When a member's position is in jeopardy it is imperative to keep the details private. No one wants to be the talk of the town as they face such a serious situation. The downside is that members don't know the full extent of these situations. One member of the Executive Committee remarked that they did not really understand the very serious nature of the business that the Executive Committee addresses before being elected. We provide services to members by retaining a very knowledgeable, hardworking attorney to advise us on labor law. We are very very fortunate to have such good counsel. He serves us well and responds to members needs. The Executive Committee gathers monthly to address PEA's business. Two steward meetings and

two general membership meetings are scheduled, one gathering each quarter to bring us together to communicate. We encourage open dialogue at the quarterly meetings. The executive committee needs to know what members think and want. Open discussion makes a healthy organization. The Executive Committee brought the dues issue to members at the June 2010 meeting. This is a topic that requires member approval and discussion. When the vote was called at the November General Membership meeting the Executive Committee had informed members so that they could vote with confidence.

The Executive Committee has addressed issues that range from small to large in the past year. At least two issues where it was not clear whether they fit PEA's mission, vision and bylaws were addressed in a very positive and thoughtful way. These issues fell in the gray area on the border but the Executive Board identified the portion that belonged to PEA. We were also able to prevent at least two members from being fired. And we addressed a bunch of other issues of importance to members including establishing health care costs prior to signing up for them rather than signing up for a plan then finding out the cost later.

The Sunday January 2 New York Times reported on the public view of public employees. There is sediment among some that public employees are overpaid and enjoy benefits that those they serve are not receiving. I strongly encourage every member to be knowledgeable about this issue. PEA has rigorously eschewed political involvement but I can tell you on this

matter ignorance is not bliss. The Executive Committee will hold a workshop soon to review our goals and strategic plan. We will include this issue in our discussion. We had an all day session to establish goals and strategic plan two years ago. We have accomplished almost all of those goals.

My experience is that healthy organizations know what they are about and communicate clearly with each other. Here is an example. I have a very comfortable relationship with the Executive Committee. It is very easy to sit with them at the General Membership and Steward meetings. And I notice that members have folks that they enjoy chatting with at the meetings. The result can be a division between the Executive Committee and members. The Executive Committee and members have an unintended barrier to communications. And, the Executive Committee are members of PEA. So the Executive Committee no longer sits

together at the Steward and General Membership meetings. We disperse ourselves. Although this may be uncomfortable it is imperative that obstacles between the Executive Committee and members be eliminated as much as possible. The Executive Committee needs a strong working relationship with stewards and members in order to serve you and bring value to members.

#### PEA CALENDAR OF EVENTS 2011

Wednesday, March 2	Combined Stewards/Board Meeting
Tuesday, June 7	General Membership Meeting
Tuesday, September 6	Combined Stewards/Board Meeting
Wednesday, November 30	General Membership Meeting

## **ATTENTION**

### **SCHOOL DISTRICT EMPLOYEES**

**THE PROFESSIONAL EMPLOYEES ASSOCIATION EXECUTIVE COMMITTEE DISTRICT NEGOTIATIONS CHAIR REMAINS VACANT. ALL PEA MEMBERS EMPLOYED BY THE SAINT PAUL PUBLIC SCHOOLS ARE ELIGIBLE AND INVITED TO APPLY FOR THIS POSITION. IF MORE THAN ONE VOLUNTEER STEPS FORWARD THEN DISTRICT EMPLOYEES WILL ELECT THE SCHOOL DISTRICT NEGOTIATIONS CHAIR**

# PEA's Combined Stewards & Executive Committee Meeting and Dinner

**Wednesday, March 2 , 2011**

Location:

**Joseph's Grill**

140 South Wabasha  
(651) 222-2435

Social Time: 5:00-5:30 PM

**Meeting: 5:30-7:00 PM**

Dinner: 6:00-6:30 PM

***Reservations required: RSVP to Karin at [karin.anderson@ci.stpaul.mn.us](mailto:karin.anderson@ci.stpaul.mn.us)***

**Please plan to arrive before 5:30 PM** so we can order promptly and start eating around 6:00 PM. Dinner selections will be made from Joseph's menu; your dinner may include a dessert and non-alcoholic beverage of your choice. The meeting will be suspended when dinner is served so we can all enjoy our meal together.

## **AGENDA:**

1. Greetings & Introductions, President John Blackstone
2. Treasurer's Report, Maia Sierra
3. Legal Counsel's Report, Mike Wilde
4. Vice President's Report, Karin Anderson
5. Committee Reports
  - a. Personnel, Page Delong
  - b. City Negotiations, Paul Hogrefe
  - c. District Negotiations, Mike Wilde
6. Adjournment of Combined Meeting

The Executive Committee will hold a short meeting of the board following the adjournment of the Combined Meeting.

**NEXT GENERAL MEMBERSHIP MEETING: Tuesday, June 7, 2011 @ at Joseph's Grill**

## **THE CORNER**

**By Mike Wilde, Legal Counsel**

Maybe you've heard the ominous quote: "The average employee spends more time planning their next vacation than they ever spend on retirement planning." For your sake, I hope you're not one of the average employees. As members of PEA your employer is either the City of St. Paul or Independent School District #625. In either case, you are probably eligible for valuable retirement benefits through the Public Employees Retirement Association of Minnesota, but how much do you really know about PERA? Read on and learn a bit more and find out where to get even more information...

### **Introduction to and History of PERA**

The Public Employees Retirement Association (PERA) of Minnesota was established in 1931. PERA administers three statewide retirement plans providing defined benefit plan coverage to employees of local governments, school districts and the Minneapolis Employees Retirement Fund. PERA also manages a statewide retirement plan providing defined contribution coverage to elected government officials, city managers, and ambulance service and medical personnel. Finally, PERA oversees a lump-sum defined benefit fund for volunteer firefighters in the state. All these programs are tax-qualified retirement plans under Section 401(a) of the Internal Revenue Code.

The state legislature decided that a large retirement association would be able to operate more economically and efficiently than the smaller versions that currently existed, so on April 24, 1931 they established PERA, which officially began operations a few months later on July 1.

At the end of its first fiscal year in 1932, PERA had 2,103 members and just over \$110,000 in assets. Through the years those numbers grew steadily. Even during the great depression, PERA's assets increased when other retirement associations suffered losses.

Today, just 80 years after a small group started PERA to deliver much needed benefits to public employees, the Public Employees Retirement Association of Minnesota handles the retirement needs for over 2,100 participating local governmental units, more than 71,000 retirees and beneficiaries, and more than 200,000 active and/or vested members with assets of about \$18 billion dollars.

### **New PERA Legislation in Minnesota**

The 2010 [Omnibus Pension Bill](#) included new laws affecting all three statewide pension plans administered by PERA. Financial times have been relatively tough for most everyone in the past few years and public retirement plans are not immune to financial struggles. Funding has declined for all three of the plans administered by PERA since 2008. You can access PERA's 2009 and 2010 Comprehensive Annual Financial Reports online at [\*http://mnpera.avenet.net/financialinformation\*](http://mnpera.avenet.net/financialinformation). In response to this challenging financial climate, the 2010 legislation seeks to improve PERA's future financial outlook by:

- 1) Increasing contributions to one of the larger plans under its authority by 0.25 % of pay each for employees and employers; and to the Police and Fire Plan by 0.2 % for members and 0.3% for employers, effective January 1, 2011;
- 2) Lowering the annual increase paid to benefit recipients to 1 % each year, beginning January 1, 2011. Annual increases would return to 2.5 % when the plans are again 90% funded. The increase would be 1 % in 2011 and 2012, and up to 1.5 %, based on inflation, beginning in 2013 for one of the plans.
- 3) Decreasing the interest the Association pays on refunds from the current 6 % per year up to 4 %.
- 4) Increasing the vesting requirements for newly enrolled members:
  - 5 years of credited service for certain plan members.
  - 50 % vesting after 5 years for certain plan members—increasing 10 % each additional year of service until fully vested after 10 years.

- 5) Reducing the growth rate of future deferred benefits to 1 % per year as of January 1, 2012. Benefits for members deferring after 2011 would be frozen at the level earned when the member leaves public service. (The benefits accrued prior to 2012 would remain unchanged.); and
- 6) Eliminating the 6 % interest earned on the escrow accounts of retirees who exceed PERA's earning limits beginning January 1, 2011.

In addition to the financial stability provisions above, the 2010 legislation also:

- 1) Transferred the administration of the Minneapolis Employees Retirement Fund to PERA July 1. MERF members, Minneapolis and other MERF employers, and the State remain responsible for all funding of the plan; and
- 2) Changed certain administrative procedures that deal with PERA's day to day operations and administration.

The benefit reductions included in the 2010 pension legislation are expected to save the three statewide plans about \$500 million annually, or \$2 billion over the next five years. The additional member and employer contributions are the final pieces of the reform puzzle needed to ensure financial stability for the three funds well into the future, so pay attention to any upcoming changes in contributions to PERA funds.

#### **The PERA Board of Trustees**

PERA is governed by its Board of Trustees. The Board approves PERA's operating budget, decides legislative policy and priorities, and hires the executive director. In addition, the Trustees establish the policies and procedures that govern operations at PERA, hear and rule on appeal matters of disabled claimants, retirees, and members, and direct the distribution of information to PERA's members. Board Trustees do not receive any compensation for their service to PERA, but are reimbursed for necessary expenses incurred in their service.

The PERA Board of Trustees consists of eleven members. The State Auditor is automatically a member of the Board by statute. Five trustees are appointed by the Governor to represent cities, counties, school boards, retirees and the public. The remaining five members are elected by the PERA membership at large to represent the general active membership and all benefit recipients. All elected and appointed Board members serve four-year terms. The State Attorney General's office provides legal counsel to PERA and its Board.

The PERA Board of Trustees takes official positions on various issues that affect PERA and supports a number of benefit improvements from time to time. In the short-term, the Board commits to benefit improvements only when sufficient funds are available to finance those upgrades.

#### **Contacting PERA**

PERA is located in the Retirement Systems Building at 60 Empire Drive, Suite 200 in St. Paul, Minnesota. The office hours are 8:00 - 4:30 Monday through Friday. [Contact information](#) and [directions](#) are available online at <http://mnpera.avenet.net>. To schedule an appointment please visit [My PERA](#) on the website or call 651-296-7460 and one of PERA's customer service representatives will get you scheduled. Start now because it is never too early to plan for your retirement.

**ATTENTION**  
**CITY OF SAINT PAUL EMPLOYEES**  
**JOURNEYWELL HEALTH ASSESMENT COMPLETION DEADLINE IS**  
**MARCH 9, 2011**

## **SOME TIPS FOR SIGNING UP WITH JOURNEYWELL**

**Submitted by Susan Henry**

### **Before You Begin**

Be aware that you will need to have a HealthPartners account. You can sign up for one in the middle of the JourneyWell process but you may find it easier to sign up for the account first. Just go to [www.healthpartners.com](http://www.healthpartners.com) and follow the instructions. Note: you'll need your health member id number for this.

If you already have a HealthPartners account, you'll need to have the user name and password so that you can log into it to get to JourneyWell.

During the assessment, you will be asked about your current prescriptions and test results (if any). If you want to include this information in your assessment, be sure to have it on hand before you begin.

### **To Sign Up**

These steps are based on the steps in the JourneyWell FAQ at:

<http://www.stpaul.gov/DocumentView.aspx?DID=15432>

1. Go to [www.healthpartners.com](http://www.healthpartners.com).
2. If you already have a HealthPartners account, simply enter the user name and password you set up. If you don't have an account, you'll need to set one up before you can go further.
3. Hit "Go."
4. Click on the Health and Wellness tab
5. Click on the small blue JourneyWell button.
6. Read the terms and click "I accept".
7. Click on the button titled *Take My Health Assessment* to begin.
8. Answer all of the health assessment questions.
9. Click the *Finish* button, and view your personal report.

### **For More Information**

The City has made a set of JourneyWell resources available at this link:

<http://www.stpaul.gov/index.aspx?NID=807>

### **ALERT: State Legislature Bills That Affect You**

All PEA members should be aware of current bills in the Minnesota State Legislature that affect us. The PEA Board encourages all of you to get involved and let your representatives know that public unions should be considered part of the solution to budget problems, and not demonized as the source of all problems. Of particular note right now are two bills:

- House File 192 which includes a call for a "right to work" constitutional amendment that would seriously impair PEA's ability to be an effective advocate for you. **Please note:** Constitutional amendments BYPASS the governor. Only a majority of both houses is required to put an amendment on the ballot.
- Senate File 56 which calls for an across-the-board salary freeze for all school district employees.

Please make your voice heard and advocate for fair treatment of public union concerns. You can learn more about these bills and also how to contact your representatives herre: [www.leg.state.mn.us](http://www.leg.state.mn.us)

Thank you!

**KARIN ANDERSON**  
**2010 MEMBER OF THE YEAR**

Submitted by Page DeLong

Congratulations to Karin Anderson, our 2010 member of the year. Karin works as a paralegal in the City Attorney's Office handling non-criminal lawsuits. She has served tirelessly on the Executive Board for many years, first as the Personnel Chair and most recently as our Vice President.

Karin showed her mettle when in the late 1990's the paralegals and law clerks needed to form a bargaining unit. AFSME Legal assumed that they would provide representation, but the affected employees, led by Karin, had different ideas. The two unions had a rather contested hearing and the BMS Commissioner awarded paralegals to PEA. And we are glad about that! Karin has assumed leadership roles within PEA and her department ever since.

Sincerity, reasonableness and passion are adjectives that describe Karin. She has a rare quality of being able to negotiate for the larger group without ever revealing that her goal is in direct conflict with her own interests. Keenly aware that power and authority are sometimes misused in ways that are offensive to the average worker, Karin works to promote an environment of respect and self worth for all of us. Karin believes in PEA and she believes in offering workers a voice of reason. She is a steadfast friend and all of us on the Executive Board are honored to work with her.

Karin is married to Eric Scheurle. They own two English Springer Spaniels, Oskar and Tuula, who compete in Rally, Obedience and Agility. Oskar and Karin are currently working on a CDX title. Karin also serves on the board of an international women's organization, PEO. When not in the show ring or at a PEA or PEO meeting, Karin enjoys downhill skiing, gardening, and sitting on her deck on a lovely summer evening enjoying conversation and a glass of wine with Eric.



**Report to Membership since the last newsletter November 2010**

**Totals: 303 Members**

**City: 236 (41 are fair share)**

**Schools: 67 (7 are fair share)**

**Welcome New Members:**

Catherine Penkert, Parks  
Jerod Anderson, Fire  
Denise H. Huynh, Schools  
Kenyatta M. Carter, Schools  
Joshua J. Glassing, Schools  
John J. Komarek, Schools  
Stacey K. Lackner, Schools  
Bouskham Moua, Schools  
Yer Vang, Schools  
Jose A. Rodriguez, Schools  
Michael W. Kimble, Parks

Oren Larsen, DSI  
Sonja M. Piper, Public Works  
Amy M. King, Schools  
Vickie Lee-Her, Schools  
Shannon D. McNulty, Schools  
Katrina Hartz Taylor, Libraries  
Patrick G. Murphy, Public Works  
Jesse P. Farrell, Public Works  
Regina Harris, Libraries  
Elena J. Iliarski, Water  
Sarah S. Zorn, PED

**Departing Members (promotion, retirement, resignation or lay off):**

May Soua Yang, Schools  
Geoffrey Miller, Schools  
Mandy Richie, Schools  
Thomas Watkins, Schools  
Howie Padilla, Schools  
Karen Mueller, Schools

Lisa Jones, Schools  
Angela Selb-Sack, Schools  
Laura Lee Olawsky, Schools  
Philip J. Belfiori, DSI  
Mai Xiong Vang, CAO  
Jordan Nguyen, Schools  
Denise Huynh, Schools  
Diane M. Sweet, Financial Serv.

**2011 EXECUTIVE COMMITTEE**

<b>PRESIDENT</b>	JOHN BLACKSTONE WATER - 1900 Rice St., 55113	266-6324
	e-mail address: <a href="mailto:john.f.blackstone@ci.stpaul.mn.us">john.f.blackstone@ci.stpaul.mn.us</a>	
<b>VICE PRES.</b>	KARIN ANDERSON CAO - 750 City Hall, 15 W. Kellogg, 55102	266-8765
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<b>TREASURER</b>	MAIA SIERRA SCHOOLS - 360 Colborne St., 55102	767-8269
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<b>SECRETARY</b>	BRIAN KRAWIECKI DSI - 375 Jackson St., Suite 200, 55101	266-9134
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<b>NEGOTIATIONS</b>		
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<b>SCHOOL</b>	<b>VACANT</b>	
<b>PERSONNEL</b>	PAGE DELONG RAMSEY PUBLIC HEALTH	266-1321
	e-mail address: <a href="mailto:page.delong@co.ramsey.mn.us">page.delong@co.ramsey.mn.us</a>	

## 2011 STEWARDS

CAO/OFS/HREEO/ MAYOR'S OFF/ COUNCIL RES/HR	REGINA ETOLL	500 City Hall, 15 W. Kellogg, 55102	266-8726
		e-mail address: <a href="mailto:regina.etoll@ci.stpaul.mn.us">regina.etoll@ci.stpaul.mn.us</a>	
FIRE	PAULA PETERSON	645 Randolph Ave., 55102	228-6203
		e-mail address: <a href="mailto:paula.peterson@ci.stpaul.mn.us">paula.peterson@ci.stpaul.mn.us</a>	
LIBRARIES			
Full-Time			
(Central /MMC)	SUSAN HENRY	MMC, 2109 Wilson Ave., 55119	501-6310
		Central Library, 90 W. 4 <sup>th</sup> St., 55102	266-7010
		e-mail address: <a href="mailto:susan.henry@ci.stpaul.mn.us">susan.henry@ci.stpaul.mn.us</a>	
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Part-Time	CHARLENE MCKENZIE	Rondo, 461 Dale St., 55103	266-7419
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SCHOOL DIST.	LYLA GRIFFIN	Purch. & Contract Serv., 360 Colborne, 55102	767-8288
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SCHOOL DIST.	MARIAN HENRICHS	Res., Eval., & Ass., 360 Colborne, 55102	767-8116
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WATER	JUSTINE ROE	1900 Rice St., 55113	266-1628
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