

Date: March 4, 2014

To: Larry Martin, Executive Director
Legislative Commission on Pensions and Retirement

From: Mary Most Vanek, Executive Director
Public Employees Retirement Association

Subject: Privatizations since Comprehensive Annual Report for fiscal year ending
June 30, 2013

Effective October 1, 2013, the Paynesville Area Health Care System is operated by CentraCare, a non-profit 501 (c)(3) entity. The former PERA covered employees are no longer contributing to PERA and are entitled to enhanced termination benefits at the 2 percent augmentation rates.

Effective January 1, 2014, the Sibley Medical Center of the City of Arlington, MN, is now operated by The Sibley Medical Foundation, a 501 (c)(3) entity of which Ridgeview Medical is the sole foundation member. Ridgeview organized as a private non-profit effective January 1, 2000. The former PERA members are entitled to enhanced termination benefits at the 2 percent augmentation rates.