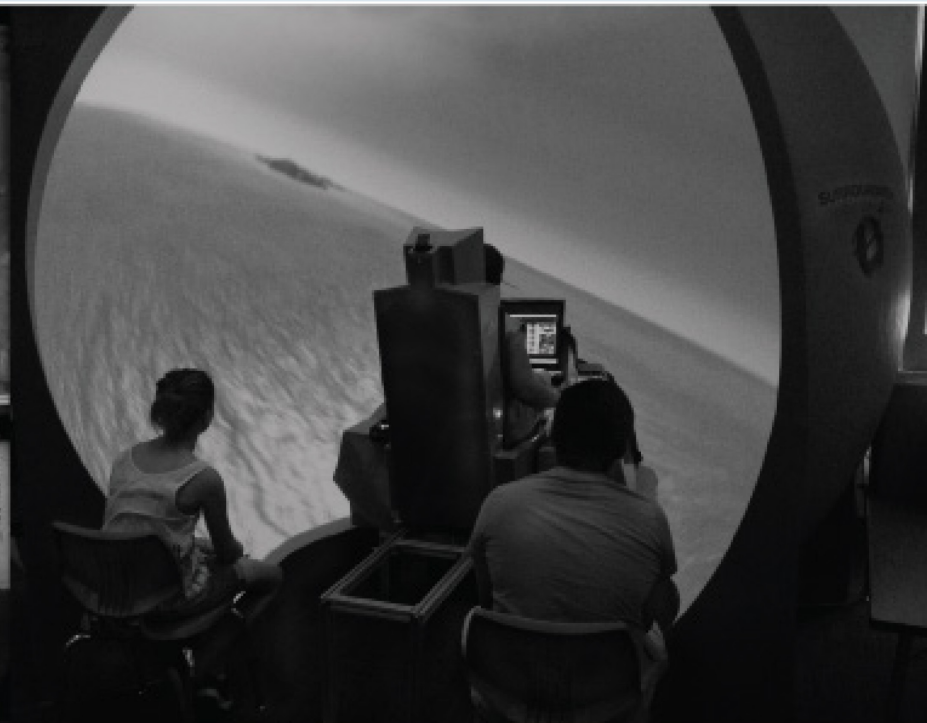


St. Paul Teachers' Retirement Fund Association

Serving the retirement needs of St. Paul Teachers since 1909



The Radio Operators – Horace Mann 1922

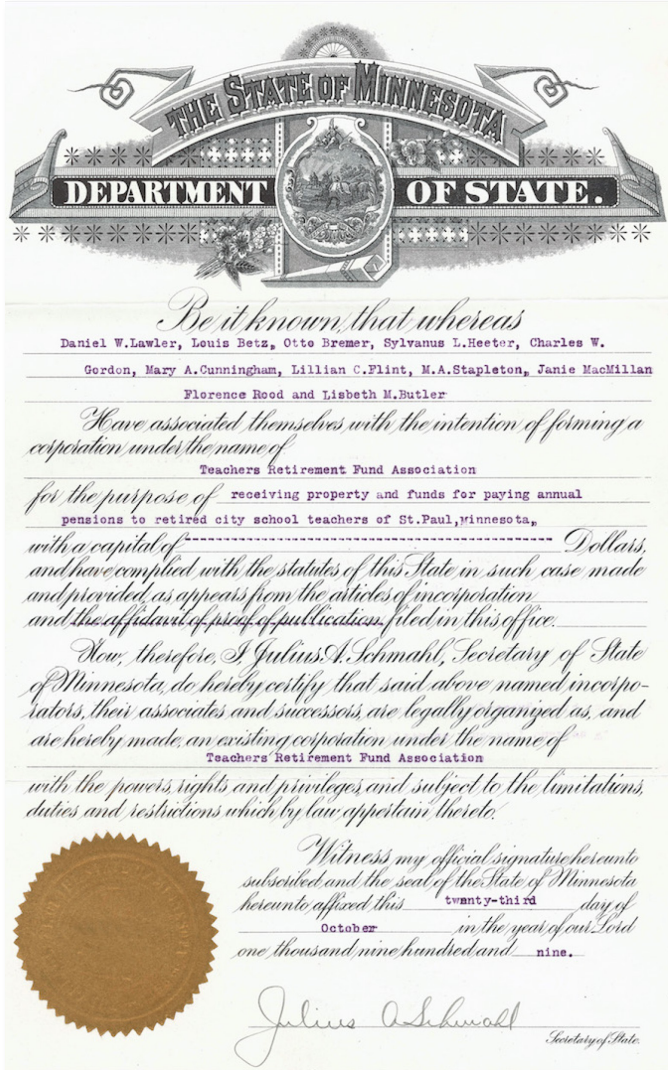


Aeronautics Training – Johnson Sr. High 2014

2023 Legislator Overview

Phillip Tencick
Executive Director/CIO

Mike McCollor
Board President



The St. Paul Teachers' Retirement Fund has been providing pension benefits to the teachers of St. Paul since 1909.

- **Governed by a Board of Trustees** consisting of nine elected active and retired members, and one *ex-officio* member by the Board of the Saint Paul Public Schools.
- **Subject to oversight by the MN Legislature** and the **LCPR**.
- **Audited** annually by the **Office of the State Auditor**.
- **Actuarial and funding calculations** performed by a **nationally recognized, independent firm, Gabriel Roeder Smith**.
- **Investment performance and diligence** evaluated by a **nationally recognized investment consultant, Asset Consulting Group**.
- **Professionally managed** by an experienced leadership team and staff.

Plan Overview

Includes licensed teachers and staff of Independent School District No. 625 and some Saint Paul College faculty.

	FY2022	FY2021	FY2020
Total Members	13,210	12,972	12,972
Active	3,528	3,399	3,445
Retirees & Survivors	4,232	4,152	4,082
Disability Retirements	21	21	20
Deferred	5,429	5,355	5,325

\$1,901 FY2022 Average New Retiree Initial Benefit

Plan Overview

(June 30, 2022)

Funding Status

68.7% Funded (actuarial value)

\$ 1.2 Billion Assets

\$ 1.7 Actuarial Accrued Liability

(\$ 0.5) Billion Unfunded Liability

Contribution Requirements

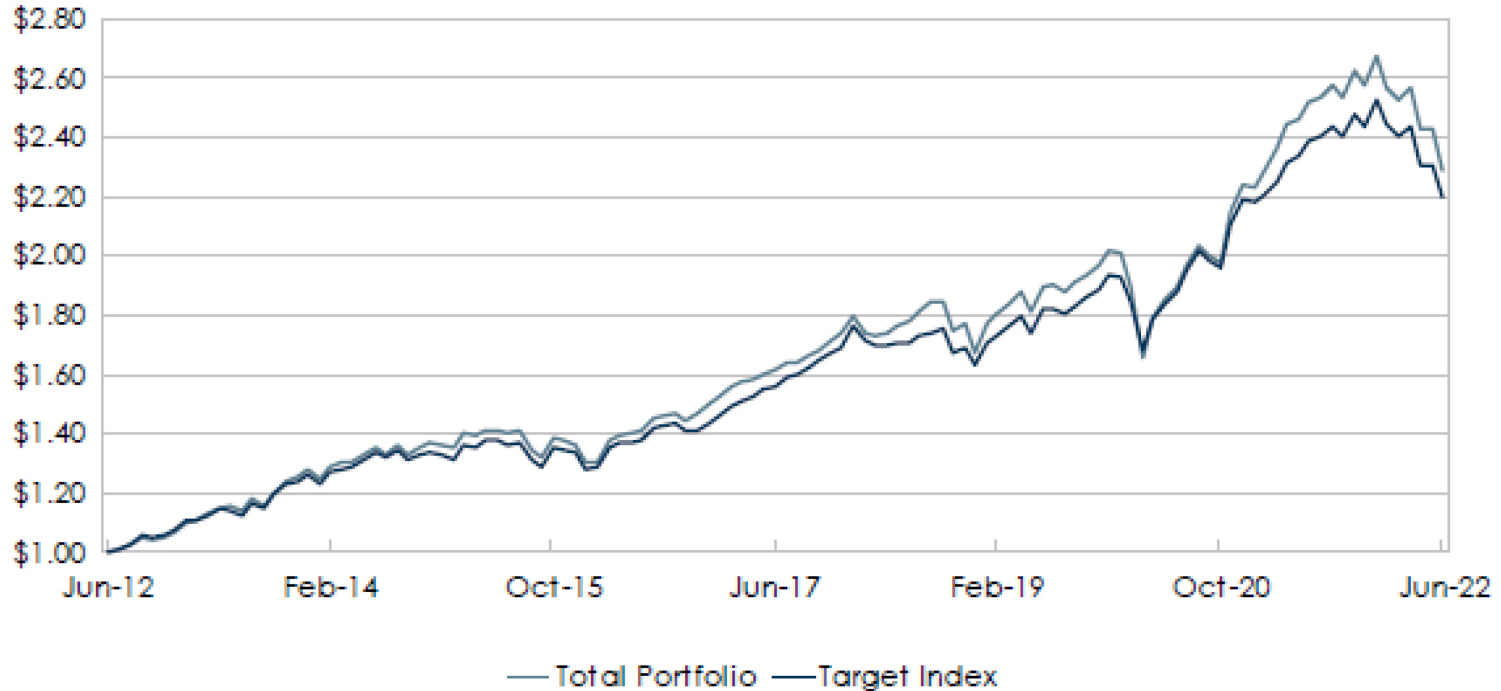
Employee Contribution	7.50% *
Employer Contribution	8.80% *
Employer Additional	3.84%
State Supplemental	4.99%
Total Statutory Contributions	25.13%
Direct State Funding	\$15.7 Million
Total Required Contributions	19.96%
Contribution Sufficiency	5.17%

* Contribution rates increase July 1, 2023 to 7.75% for employee and 9.0% for employer

Investment Overview

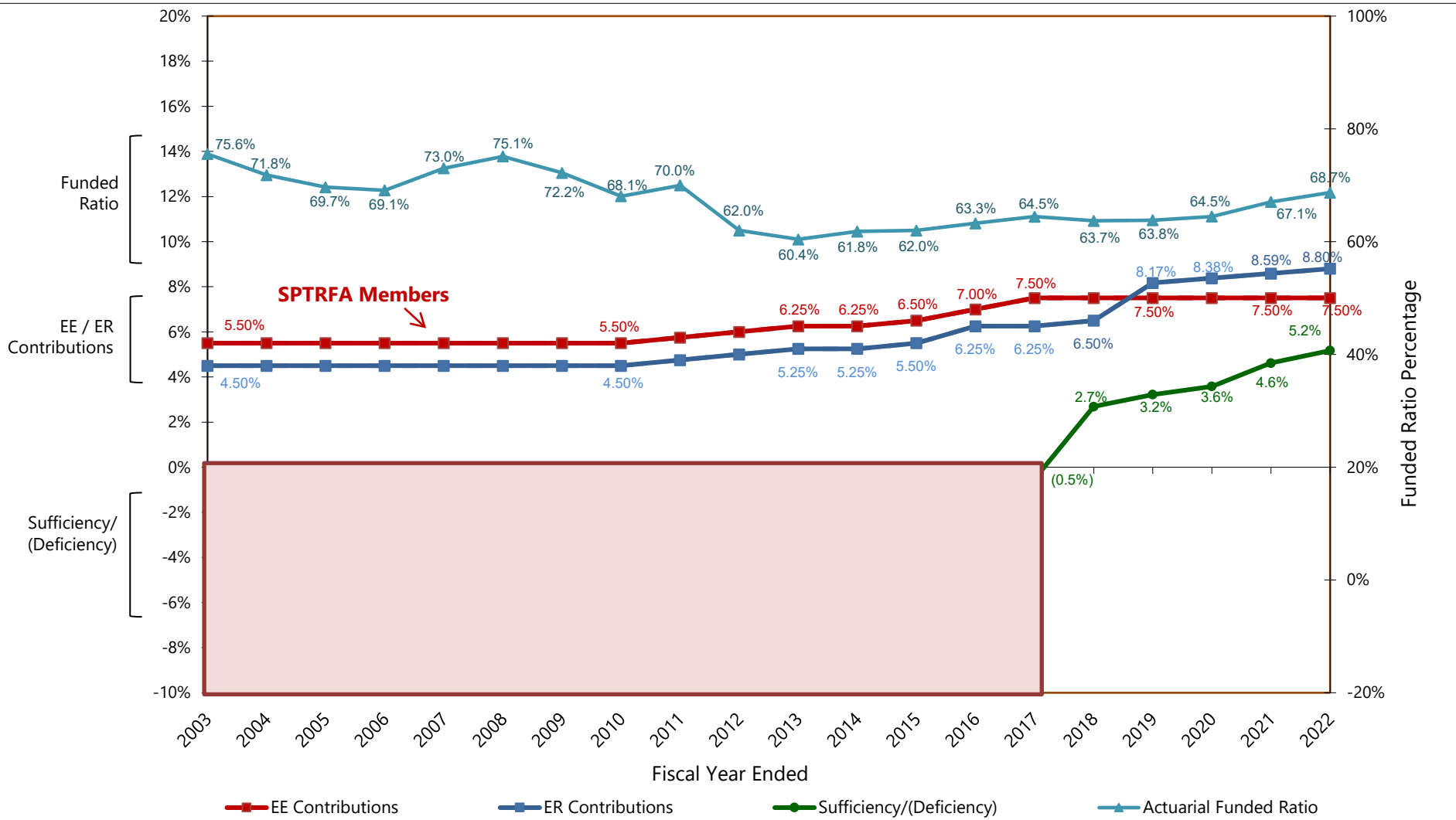
(June 30, 2022)

10 Year Growth of a Dollar



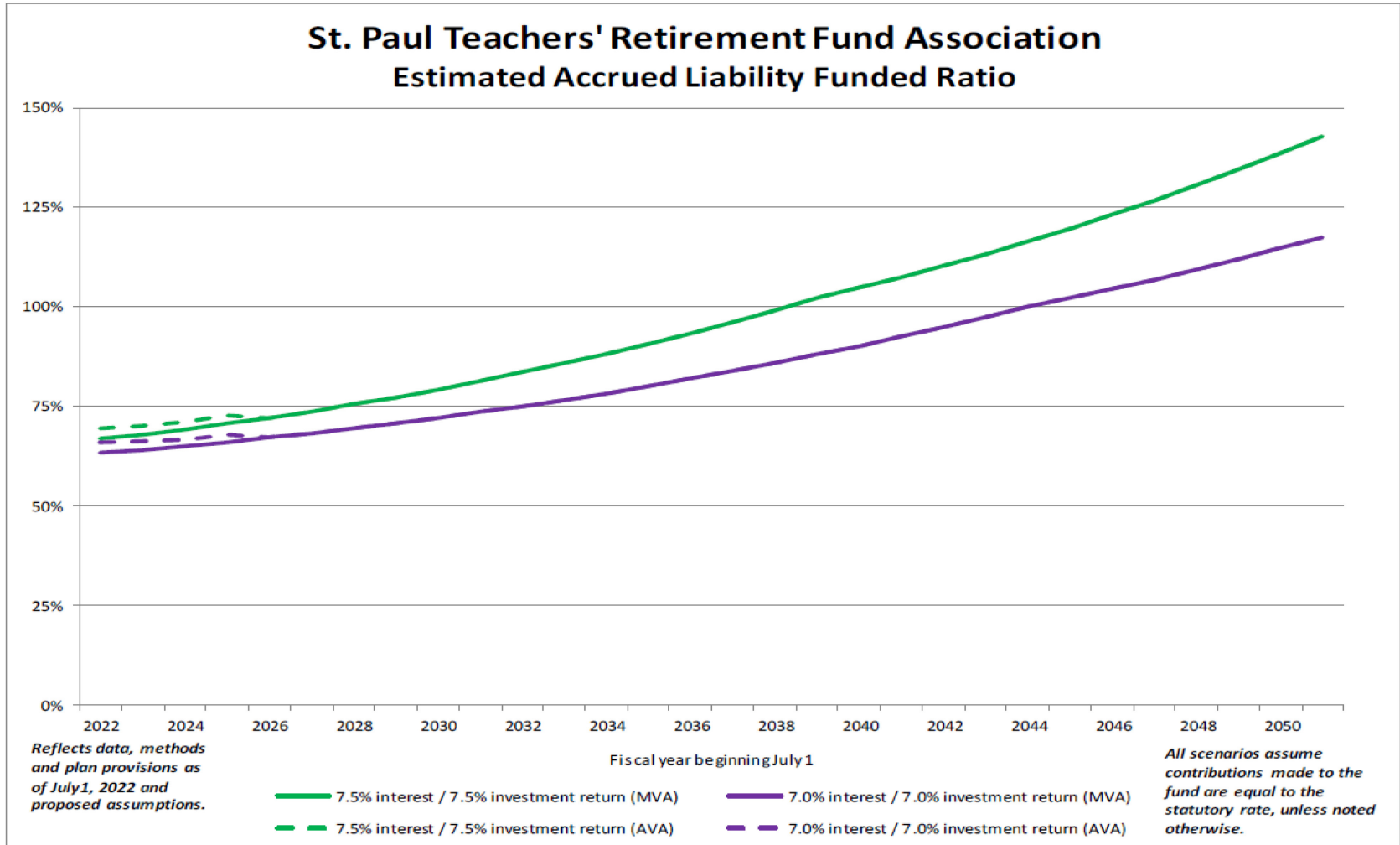
10-year Investment Returns	
Total Portfolio	8.64%
Target Index	8.18%
Assumed Rate of Return	8.23%
Peer Ranking	Top 10%

Funding Report Card

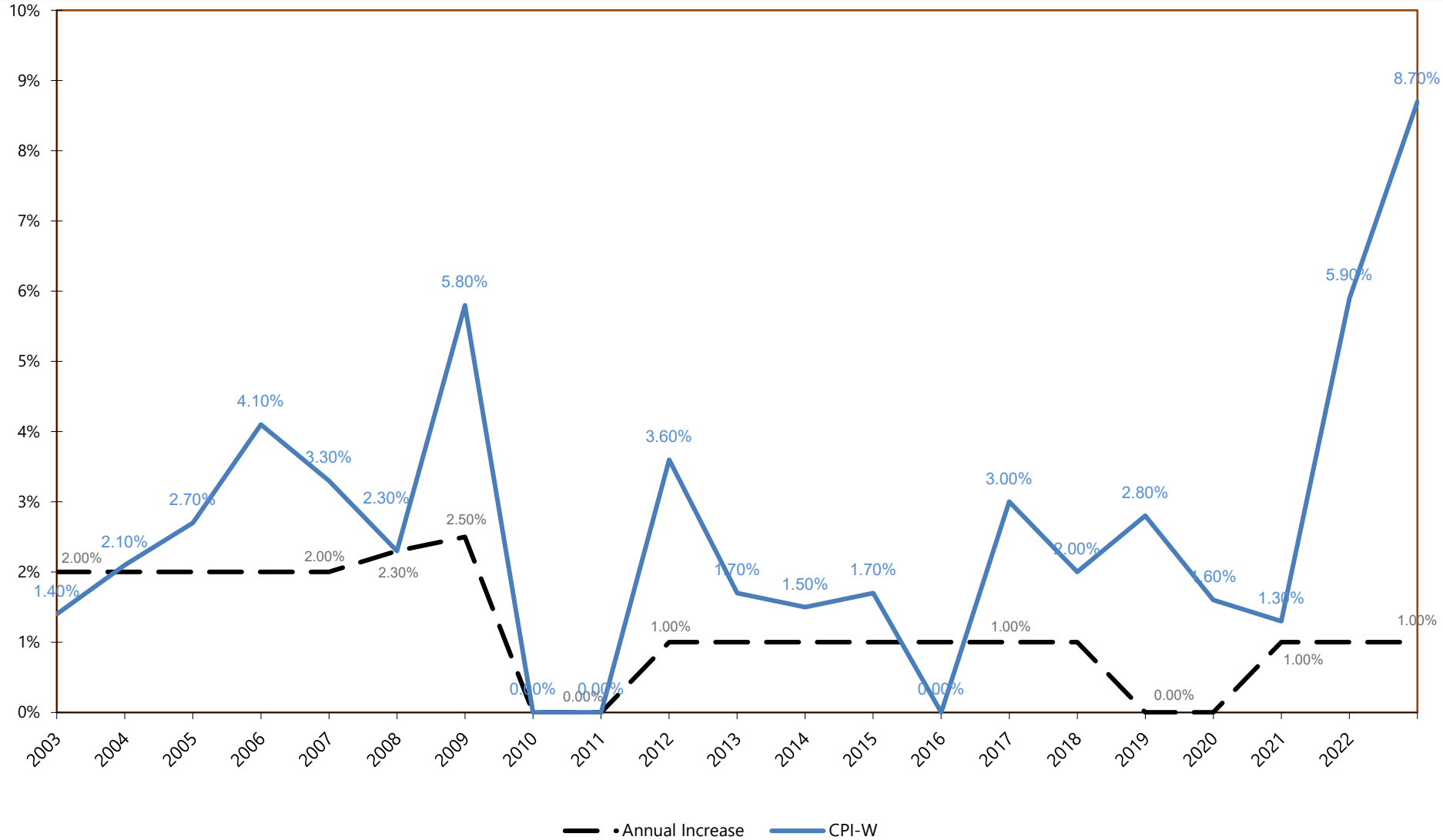


* The Employer also pays a Supplemental Amount of 3.84% and \$800,000 annually to address certain past underfunding.

Funding Glide Path



Annual Increase vs. Inflation



Potential Solutions

Goal	Proposal	Pre-funded Cost (\$M's)	Annual Cost % of Pay	Annual Cost (\$M's)
Attract and retain teachers by reducing the cost of retiring early for long-serving teachers	Full early retirement with 30 years of service at age 60-62	\$ 38.0 to \$ 70.5	0.96% to 2.15%	\$ 2.8 to \$ 6.3
Inflation relief for retirees, including those not yet at Normal Retirement Age. Parity with state plans at 1.5%.	Annual Increase from 1.0% to 1.5%-2.0%, including pre-NRA	\$ 101.6 To \$ 201.6	2.35% To 4.63%	\$ 6.9 To \$ 13.6
Inflation relief for Basic Plan members	Tax Relief for Basic Plan Members	\$ 0.0	0.00%	\$ 0.0
Increase pension security, align with Actuarial Assumptions	Investment Return from 7.5% to 7.0%	\$ 97.6	2.31%	\$ 6.8