

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION

Annual Report

for the fiscal year ended June 30, 2019

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Jill E. Schurtz

Executive Director

Christine MacDonald

CFO / Deputy Director

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Mission

Provide our members and their beneficiaries with retirement, survivor, and disability benefits as specified in law and the Association Articles and Bylaws.

Assist our members in planning a secure retirement by providing friendly, high quality, consumer oriented service, pre-retirement education and information in a professional and cost effective manner.

Invest the assets of the fund to provide the optimum return while preserving principal by controlling portfolio risk.

SPTRFA Board of Trustees

John R. Kunz, Jr.	President
Mike McCollor	Vice President
W. Matt Bogenschultz	Secretary
Lori Borgeson	Treasurer
Zuki Ellis	<i>Ex-Officio</i> Trustee
Thomas Koreltz	Trustee
Michael McKay	Trustee
Karen A. Odegard	Trustee
Stephanie Pignato	Trustee
Margaret Schiller	Trustee

SPTRFA Staff

Jill E. Schurtz	Executive Director
Christine MacDonald	CFO / Deputy Director
Nancy Langer	Member Services and Outreach
Rachel Pastick	Communications and Member Services
Janet Williams	Operations and Member Services
Tamera Zielinski	Administrative Assistant

St. Paul Teachers' Retirement Fund Association

TRUSTEES & OFFICERS

Zuki Ellis	Karen Odegard	John R. Kunz, Jr. President	1619 Dayton Avenue, Room 309
Thomas Koreltz	Stephanie Pignato	Mike McCollor Vice President	Saint Paul, MN 55104-6206
Michael McKay	Margaret Schiller	W. Matthew Bogenschultz .. Secretary	Phone (651) 642-2550
		Lori Borgeson..... Treasurer	Fax (651) 642-2553
		Jill E. Schurtz Executive Director	Online: www.sptrfa.org

Letter of Transmittal

Members of the Association:

The trustees and staff of the St. Paul Teachers' Retirement Fund Association (SPTRFA) present the Annual Financial Report for the fiscal year ended June 30, 2019, in accordance with the provisions of Minnesota Statutes § 356.20.

This report is intended to provide readers with sufficient information to make informed assessments about the organization's financial condition, fiscal activities, actuarial status, investment performance, and compliance with laws, regulations, bylaws and policies.

This is the complete Annual Report of the Association. This report is also available on the Fund's website at, www.sptrfa.org, or by request from the SPTRFA office.

Major sections included in this report and their content are as follows:

- **Introduction**

Mission Statement, Board of Trustees, professional service relationships, and organizational structure.

- **Benefits**

Summary information regarding Plan benefit options, calculation methods, and a history of annual retirements.

- **Investments**

Fund investment returns, security holdings, and investment advisors under contract with the Association.

- **Actuarial Valuation**

Actuary's Certification Letter and various actuarial valuation sections that assess the Plan's long-term funded status and adequacy of revenues and describe relevant actuarial methods and assumptions.

- **Appendix A – State Auditor's Report**

The Office of the State Auditor (OSA) audits the financial statements of the SPTRFA, and has issued an unmodified opinion on the accuracy and reliability of the information provided by the statements contained in this Report. An unmodified opinion is the most favorable level of opinion that can be rendered by the OSA. This report will be published on the website of the Minnesota Office of the State Auditor, <http://www.osa.state.mn.us>, in January 2020.

The SPTRFA Board and staff are responsible for the safekeeping of the Association's assets, the prudent investment of those assets, and for ensuring that benefits are calculated properly and paid timely. Administrative costs are budgeted at a level sufficient to service the needs of our members. We strive to be service providers of the first order and our administrative costs remain extremely efficient.

The Board and staff of the SPTRFA serve as fiduciaries on behalf of our members and their survivors and beneficiaries. We manage the assets entrusted to our care in concert with the Prudent Person Standard in Minn. Stat. § 356A.04, subd. 2, and as specified under Minn. Stat. § 356A.06, subd. 7.

With over 110 years of service to our members, the SPTRFA Board and staff remain committed to administering the affairs of the Association with the highest degree of diligence and efficiency.

Respectfully submitted,



John R. Kunz, Jr.
President



W. Matt Bogenschultz
Secretary



Lori Borgeson
Treasurer



Jill E. Schurtz
Executive Director

Independent Professional Service Providers

As of June 30, 2019

Actuary

Gabriel Roeder Smith & Company

Auditor

Minnesota Office of the State Auditor

Investment Managers

Allianz Global Investors
Barrow, Hanley, Mewhinney & Strauss, LLC
BlackRock Institutional Trust Co.
Brandywine Global Investment Management, LLC
Dimensional Fund Advisors, LP
Dune Real Estate Partners
EnTrust Global
Franklin Park
Guggenheim Partners Investment Management, LLC
JPMorgan Investment Management, Inc.
Mellon Investments Corp
Morgan Stanley Investment Management, Inc.
North Sky Capital
Parametric Portfolio Associates, LLC
RWI Ventures I
Securian Asset Management, Inc.
Minnesota State Board of Investment
TCW Asset Management Co.
Tortoise Capital Advisors, LLC
UBS Realty Investors, LLC
Venture Investment Associates
Wellington Management Company, LLP

Investment Custodian

U.S. Bank

Investment Performance Consultant

Asset Consulting Group

IT Services

Sagitec
Corporate Technologies

Legal Counsel

Fox Rothschild, LLC
Rice, Michels & Walther, LLP

Medical Advisors

Dr. Ronald Vessey M.D.
Dr. David Johnson M.D.

Organizational Chart

