

St. Paul Teachers' Retirement Fund Association

Serving the retirement needs of St. Paul Teachers since 1909

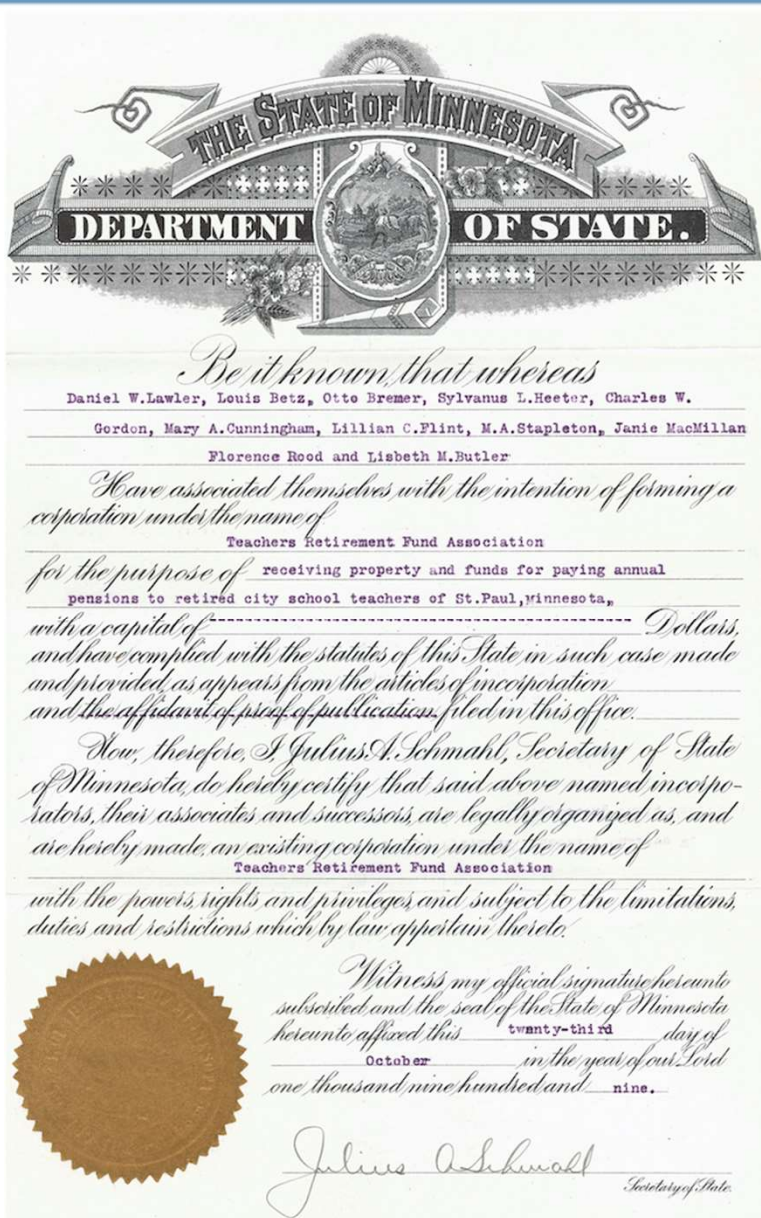


Pre-Retirement Planning Seminar

Today's Agenda

- **SPTRFA Overview**
- **Benefit Estimates**
- **Preparing for Retirement**
- **Combined Service**
 - Q&A
- **Lifetime Benefit Options**
 - Q&A
- **I'm ready to retire! What's next?**
 - Q&A
- **Additional Resources**
 - Q&A

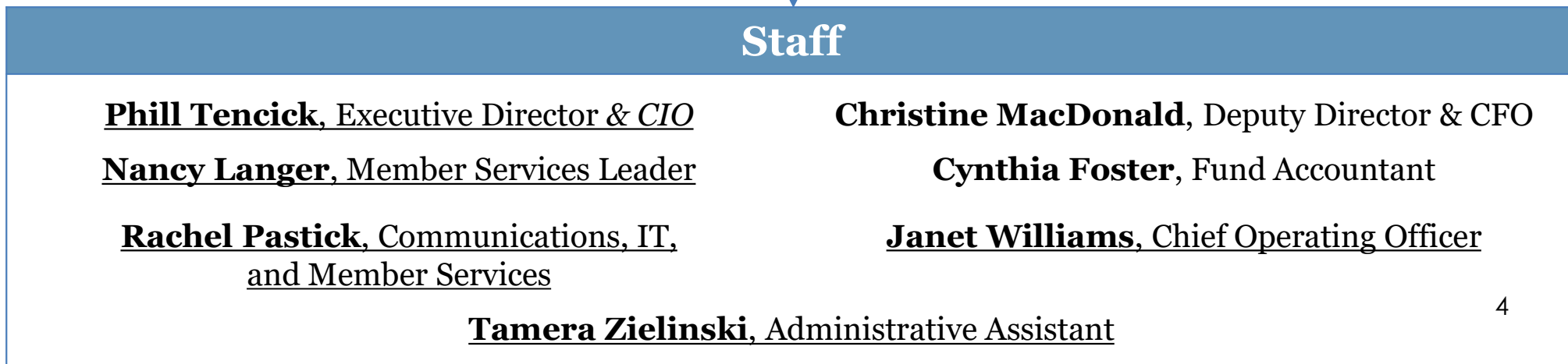
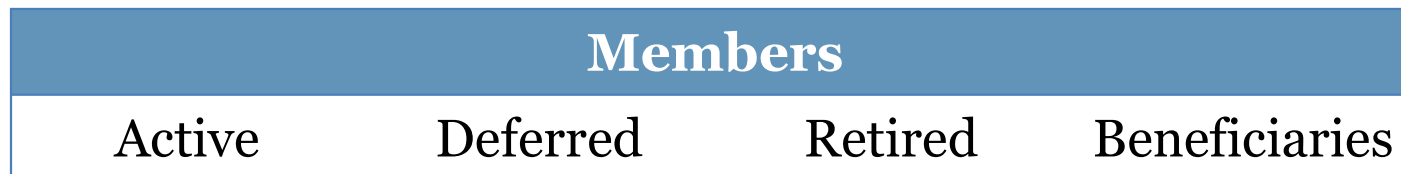
Governance and Oversight



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 appointed by the Board of the Saint Paul Public Schools.
- Plan design governed by the **Minnesota State Legislature.**
- **Audited** annually by the **Office of the State Auditor.**
- **Actuarial** and funding calculations performed by an independent firm, **Gabriel Roeder Smith.**
- **Investment consultant** evaluating investment performance and diligence by **nationally recognized firm, Asset Consulting Group.**
- **Custodian Bank** holds assets in trust for the exclusive benefit of SPTRFA Members at **US Bank**

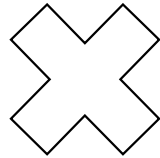
Organization



How Is the Annual Estimate Calculated?

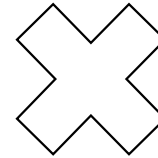
Final Average Salary

*Assumes last five years of employment
and 1% salary increase*



**Years of Retirement
Service Credit**

Based on FTE worked during FYE 2022
Currently days worked / 170 = 1.0 year



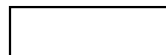
Percentage Multiplier

Retirement Service Credit earned
Through July 1, 2015 = 1.7%
After July 1, 2015 = 1.9%



Early Retirement Reductions

Normal Retirement Ages are 65-66



Benefit Reduced or Unreduced

1. Please review to protect your loved ones....

2. Assumptions that explain why our estimate is just an estimate...

3. Core components of your benefit calculation

4. This is your SPTRFA retirement service credit

5. Have Retirement Service in Other MN Public Pension Plans?
• TRA, MSRS, PERA

6. Start thinking about this Now. It's IMPORTANT!

Member Name
Address

Survivor / Beneficiary Information

Spousal Survivor:

None on file.

Beneficiary(ies):

Beneficiary 1, Beneficiary 2

General Member Information Through June 30, 2022

SPTRFA #: #####

1980

First Employment Date: 08/01/2008

Earnings Reported: \$90,816.15

Contributions: \$28,737.90

SPTRFA Retirement Service Credit Through June 30, 2022

Coordinated Plan: 3.0000000

Basic Plan: 0.0000000

Total SPTRFA Retirement Service Credit: 3.0000000

MN Public Funds Service Credit Through June 30, 2022

Service Credit in Other MN Public Funds 13.1200000

Assumptions: Salary Growth / Pension Benefit Laws / Future Employment

- Your salary grows at approximately 1.00% each year.
- No changes in pension benefit laws affecting retirement calculation.
- You continue to work at the same full-time equivalency status you worked during the 2021 - 2022 school year.

SPTRFA Estimated Lifetime Monthly Benefit Assuming Retirement on July 1st of the Years Listed

Our records indicate that you were hired on or after July 1, 1989.

Options C1 - C5 are described on the reverse of this statement		Amounts shown below are for July 1st of the years listed with your corresponding age for that date.													
	Year	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
	Age	55	56	57	58	59	60	61	62	63	64	65	66	67	68
C-1 Member Only	Tier 2	\$1,014	\$1,204	\$1,411	\$1,635	\$1,885	\$2,262	\$2,669	\$3,608	\$3,989	\$4,379	\$4,778	\$5,172	\$5,405	\$5,641
C-2 Guaranteed Refund	Tier 2	\$1,012	\$1,201	\$1,407	\$1,630	\$1,880	\$2,254	\$2,659	\$3,599	\$3,978	\$4,371	\$4,769	\$5,161	\$5,392	\$5,627
C-3 15 Year Certain	Tier 2	\$997	\$1,182	\$1,383	\$1,600	\$1,841	\$2,204	\$2,594	\$3,497	\$3,853	\$4,216	\$4,583	\$4,939	\$5,137	\$5,333
C-4 100% Joint & Survivor	Tier 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
C-5 50% Joint & Survivor	Tier 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

All pension information summaries are representations of Articles, Bylaws, and Laws of Minnesota. If an error, misrepresentation, or omission is made by SPTRFA, the applicable Articles, Bylaws, or Laws will govern. SPTRFA reserves the right to correct your record at any time.

Preparing for Retirement

- ▶ Review your SPTRFA annual estimate information.
- ▶ Weigh the value of early retirement ***with a smaller lifetime benefit*** against working longer to receive ***a larger lifetime benefit***.
- ▶ Update your beneficiaries – Complete a [Designation of Beneficiary Form](#) and submit by mail to SPTRFA.
- ▶ Discuss with SPTRFA if you have retirement service with another Minnesota public pension plan:
 - Minnesota Teachers Retirement Association
 - Public Employees' Retirement Association
 - Minnesota State Retirement System

Do you have Combined Service (CSA)? It could make a difference!

What is Combined Service Annuity?

- Special form of portability for individuals having allowable retirement service credit with more than one MN Pension Plan.
- Requires vesting and at least one-half year of allowable retirement service credit in the other MN Pension Plans:
 - Minnesota Teachers Retirement Association
 - Public Employees' Retirement Association
 - Minnesota State Retirement System
- At retirement, CSA eligible members must apply for and receive a benefit from each separate MN Pension Plan in which a benefit has been earned.

Why is CSA Important?

Why does CSA matter?

- Establishes NRA - 65 or 66
- May help meet vesting requirements
- Maximize final average salary and resulting pension benefits

Coordination of Fund information may occur

- During your career
- At retirement
- Post retirement

New Minnesota Public Pension Law: Out-of-State Retirement Service Purchase

Requirements

- At least three years of retirement service credit with SPTRFA
- Teaching service can only be purchased for period coverage as an elementary or secondary public or charter school teacher in another state of the United States.
- The definition of teacher includes teacher, supervisor, principal, superintendent, librarian, nurse, counselor, social worker, therapist, psychologist.
- You are not entitled to receive a current, deferred or disability benefit from another sponsored pension plan for the out-of-state period coverage considered for purchase.
- You must first repay your withdrawn retirement service credit with any Minnesota Public Pension Plan.

Out-of-State Retirement Service Purchase

Process

- The SPTRFA will calculate the out-of-state cost based on years requested for purchase. The calculation consists of an actuarial formula.
- The service purchase statement with payment cost and benefit options will accompany the Application and will be emailed to the member.
- Upon receipt of the completed application SPTRFA will verify the out-of-state service with the other sponsored pension plan.
- Payment must be made on or before the date specified on the out-of-state letter and can be made by either a personal check or tax-sheltered transfer.

Please Note...

If the out-of-state retirement service credit begin date was prior to July 1, 1989 this will not allow you to qualify for Tier I Rule of 90 with SPTRFA.

Questions?



1. Please review to protect your loved ones....

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One of Your Most Important Choices: Your Retirement Option

We offer five lifetime benefit options to fit your particular needs.

- Each option provides a different level of protection for your survivors and beneficiaries.
- The amount of your monthly pension benefit will depend on your choice.
- Choose carefully, you cannot change this option once you retire.

C-1 Member Life Only

C-2 Guaranteed Refund

C-3 Life with 15 Year Certain

C-4 100% Joint & Survivor

C-5 50% Joint & Survivor

C-1: Member Life Only

Key Features:

- Monthly benefit for your lifetime.
- No further payments payable after your death.

Comment:

- ❖ Highest lifetime benefit payment option.
- ❖ Payment ceases upon your death.
- ❖ No coverage for beneficiary.

C-2: Guaranteed Refund

Key Features:

- Monthly benefit payment to you for your lifetime.
- If your death occurs before you've recovered your employee contributions in benefit payments:
 - Your designated beneficiary will receive a refund of the remaining balance of your contributions.
 - If you have no designated beneficiary, your estate will receive the refund.

Comment:

- ❖ In this case, your benefit is reduced slightly (compared to C-1), but you protect your employee contributions to the Plan for the benefit of your beneficiaries or estate.

C-3: 15-Year Certain

Key Features:

- Monthly benefit payment to you for your lifetime.
- If you die within the first 15 years of retirement:
 - Your monthly benefit payment will be paid to your designated beneficiary for the remainder of the 15 years.
 - If you have no designated beneficiary, your estate will receive a lumpsum payment

Comment:

- ❖ In this case, your benefit is reduced slightly (compared to C-1), but you ensure that your beneficiaries or estate are protected for the first 15 years of your retirement in the event you die during that time.
- ❖ No coverage for beneficiaries after 15 years of your retirement.

C-4 and C-5: Joint & Survivor

Lifetime Payment for Member & Survivor if Married Prior to Retirement

C-4: 100% Joint & Survivor

- Monthly benefit to you for your lifetime.
- Upon your death, ***your spouse will receive a lifetime monthly benefit equal to 100%*** of your benefit.
- If your spouse predeceases you, your payment will increase to the 'C-1 Member Life Only' option amount for the remainder of your life.

C-5: 50% Joint & Survivor

- Monthly benefit to you for your lifetime.
- Upon your death, ***your spouse will receive a lifetime monthly benefit equal to 50%*** of your benefit.
- If your spouse predeceases you, your payment will increase to the 'C-1 Member Life Only' option amount for the remainder of your life.

Comment:

- ❖ In each case, your benefit is reduced (compared to C-1), but you ensure that your spouse will receive a lifetime benefit after your death.

Questions?



Helpful Reminders: Our Retirement Checklist

(this list will be available on our website)

✓ **Your Resignation Date**

- Must be at least one day prior to your pension date

✓ **Federal & Minnesota Tax withholding**

- Federal withholding is mandatory - MN tax withholding is voluntary (we can't withhold for other states)

✓ **Direct Deposit**

- Benefit payments are **only** payable via direct deposit

✓ **Retirement Period of Separation**

- May not work with SPPS for 90 days from your resignation date (this includes Teachers on Call).

✓ **Earnings Limitation**

- If you are re-employed by SPPS & under your normal retirement age, a **\$46,000** earnings limitation applies
- **For every \$3 over the limit, your benefit payment decreases by \$1**

✓ **Your First Payment Date**

- Varies depending upon completion of paperwork
- **All required documents must be received prior to processing**

✓ **Annual Post-Retirement Increase**

- Set by the MN Legislature
- Pro-rated for new retirees

Application Forms and Certificates

(list and forms will be available on our website)

SPTRFA Forms You'll Need to Complete:

- Pension Application (notarized)
- Direct Deposit form
- Federal/MN Withholding Tax form

Certificates and Documents SPTRFA must receive copies of:

- Your birth certificate *or* valid photo passport (must be in English or with certified translation)
- Full certified copy of a judge-signed divorce decree - If divorced during or after your SPPS employment.
- If married and choosing a Joint and Survivor optional annuity:
 - Spouse's birth certificate or valid photo passport
 - Copy of your Marriage certificate

Payment Planning Dates

Schedule an appointment with SPTRFA pension benefits counselors	Info@sptrfa.org
Teacher Contract deadlines for the submission of early retirement notification - submit SPPS resignation to: <i>SPPS Benefits Technician</i>	Due: December 1 and February 1
Pension application & supporting documentation deadlines for a July 1st payment date complete	Preferred by May 1
Resignation Date From SPPS service	On or before June 15
SPTRFA pension benefit date	June 16
First benefit payment deposited to your bank account (Example is retroactive to June 16 pension benefit date)	July 1
Re-Employment by Saint Paul Public Schools Members must wait a period of 90 days effective from their resignation date before returning to work for or at St. Paul Schools, without jeopardizing their pension benefit status. Re-employment includes any employment for or with the District, including summer school and Teachers On Call.	September

Meet with Us!

Schedule your Virtual Appointment Online

Four to twelve months prior to retirement, request an appointment.

During your session we'll cover:

- The five life plan options
- Your retirement benefit estimate
- Retirement application procedures
- And more ...

Make Virtual Appointments

E-mail: info@sptrfa.org

Website electronic request form:
<https://sptrfa.org/contact-us/make-an-appointment>

Virtual Office Hours

Monday – Friday

8 a.m. – 4:00 p.m.

General Information

Phone: 651-642-2550

www.sptrfa.org

We're on Twitter

Follow Us @SPTRFA

Questions?





SPPS Human Resources/ Employee Benefits Administers:

- Your SPPS Resignation Process
- Post-retirement benefits including:
 - Health, Dental, and Life insurance coverage
 - Sick leave conversion to Severance pay
 - Early Retirement Incentive bonus

SPPS Human Resources Department - 651-767-8200

Your Contact for Post-Employment Health Insurance:

- **SPPS Employee Benefits** - benefits@spps.org

When contacting SPPS HR or Employee Benefits please provide your full name, employee number, and a phone number where you can be reached.

REVIEW RETIREMENT SAVINGS IN YOUR TSA - TAX SHELTERED ACCOUNTS (403B & 457)

If you decide to put aside additional money towards retirement, you have three options to choose from:

Fidelity offers a 403(b) plan. (Plan #51224) They can be reached at:
Phone #: 1 (800) 343-0860 Website: www.mysavingsatwork.com

VOYA (formerly ING) also offers a 403(b) plan. (Plan #666212) Capital Street Financial Services is our VOYA provider. They can be reached at:
Phone #: (651) 665-4300 Website: www.capitalstreet.biz

MN Deferred Comp (MND CP 457) offers a 457 plan. They also offer the option for after-tax deductions into a Roth 457 account. Please note that while MND CP's forms ask you to indicate a percentage of pay or dollar amount that you wish to contribute, the District can only accept dollar amounts. MND CP can be reached at: Phone #: 651-284-7723
[MND CP General Information](#) Website: www.mndcplan.com

Questions?



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Serving the retirement needs of St. Paul Teachers since 1909

Thank you for attending!