

BENEFITS SECTION

Saint Paul Teachers' Retirement Fund Association

Pre-Retirement Topics

Allowable Retirement Service Credit	A full year of retirement service credit is earned after 170 days are worked during each fiscal year. Partial years are calculated based on the ratio of days worked to 170 days. No more than one year of retirement service credit is allowable during any fiscal year.
Definition of Salary	Minnesota Statutes Chapter 354A and the Association Articles and Bylaws define salary as the entire compensation upon which member contributions are required and made.
Refund of Contributions	Coordinated and Basic members who resign from St. Paul Schools may apply for a refund of employee contributions, plus applicable interest. Basic Plan members must be either under Age 55 or ineligible for a pension to receive a refund of contributions.
Repaying a Refund of Contributions	A member who received a refund may reinstate previous retirement service credit by repaying the amount refunded plus applicable interest. Such repayments may only be made after the member has accumulated at least two years of allowable retirement service credit since the last refund was taken.
Leaves of Absence	Subject to certain requirements, members may purchase retirement service credit for the following Saint Paul Schools approved leaves of absence: Sabbatical, Military, Parental, Mobility, Medical, and Family Medical.
Service Payments	Members may repay refunds or purchase SPTRFA retirement service credit by using personal savings or by transferring money from their Roth IRA or tax-sheltered retirement accounts, such as 403(b), 457, 401(k), IRAs, or from another plan qualified under 401(a).
Beneficiary	A beneficiary is the person or persons designated to receive a refund of employee contributions, plus applicable interest, upon the death of the member if no survivor or family benefit is payable. If no valid beneficiary designation form is on file for a member, a refund of contributions plus applicable interest will be paid to the member's estate.
Marriage Dissolution	Minnesota Statutes Chapter 518 covers marriage dissolutions and requires that SPTRFA receive a copy of the petition and summons, including a copy of the affidavit of service, before any information may be released. In the event that a court order requires a division of pension benefits, a certified judge signed copy of a decree or domestic relations order is required. All inquiries are kept confidential.
Disability Benefit	Subject to certain requirements, a disability benefit is available to vested members who become totally and permanently disabled.

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Retirement Topics

Basic Plan Retirement	Basic Plan members receive a formula benefit payable for life. An automatic spousal survivor benefit is also provided. This survivor benefit coverage does not cause a reduction in the member's benefit but does terminate at any dissolution of marriage.
Coordinated Plan Retirement Options	At the time of retirement, Coordinated Plan members select one of the five benefit annuity options below:
C1 Member Life Only	Monthly benefit payable for life to the member, with nothing payable after the member's death.
C2 Guaranteed Refund	Reduced monthly benefit payable for life to the member. In exchange for the member's benefit reduction, after the member's death, SPTRFA pays a refund to a designated beneficiary. The refund is equal to the difference between SPTRFA pre-retirement member contributions less cumulative SPTRFA post-retirement benefits paid to the member prior to death.
C3 15-Year Certain	Reduced monthly benefit payable for life to the member. In exchange for the member's benefit reduction, SPTRFA continues monthly payments to a beneficiary if the member's death occurs within 15 years after retirement. Beneficiary payments end after the balance of the 15 years of SPTRFA benefit payments (member and beneficiary combined) is fulfilled.
C4 100% Joint & Survivor	Reduced monthly benefit payable for life to the member. In exchange for the member's benefit reduction, after the member's death, the member's spouse receives the same monthly benefit for life. If the spouse predeceases the member, the member's benefit would bounceback to the full, unreduced benefit amount payable under the C1 option.
C5 50% Joint & Survivor	Reduced monthly benefit payable for life to the member. In exchange for the member's benefit reduction, after the member's death, the member's spouse receives 50% of the member's benefit as a monthly benefit for life. If the spouse predeceases the member, the member's benefit would bounceback to the full, unreduced benefit amount payable under the C1 option.

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Post-Retirement Topics

Post-Retirement SPPS Reemployment *	If a retired member is reemployed by SPPS prior to Social Security Normal Retirement Age, their SPTRFA monthly benefits will be reduced if the retired member earns more than \$46,000 from SPPS in any calendar year. The following year's pension will be reduced by one dollar for every three dollars in SPPS earnings over \$46,000, with the amount of the reduction forfeited to SPTRFA. After Social Security Normal Retirement Age, retired members have no SPPS re-employment earnings limitation. Retired members can work for any other employer without a reduction in their SPTRFA pension benefits.
90 Day Period of Separation	Newly retired members must have a complete and continuous 90-day separation from SPPS employment in any form. Importantly, "employment" for this purpose includes "any service provided to SPPS directly, as an independent contractor, or as an employee of an independent contractor."
Post-Retirement Adjustment	<p>Post-retirement adjustments are determined annually under Minnesota statutes, which may be amended from time to time. Post-retirement adjustments for members in retirement for at least a full year are currently 1.0%. The post-retirement benefit increase applies to each eligible member on January 1 of each year.</p> <p>Members with an unreduced pension who are in retirement payment status for at least one full year will receive the full increase noted above. For members in retirement payment status after January 1st but on or before July 1st of the preceding year will receive one-half of the full increase.</p> <p>For members with a reduced pension beginning July 1, 2024, the increase will be deferred until normal retirement age is reached.</p>

* The \$46,000 earnings limitation is suspended temporarily and does not apply to retired educators' SPPS earnings in calendar years 2022-2027 that would otherwise affect annuity payments in CY 2023 - 2028.

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Basic Plan - Summary of Benefits

Vested members of the Basic Plan are eligible to receive a lifetime monthly pension based on the member's Final Average Salary (FAS), Years of Service (YOS) and a Percentage Multiplier. As of July 1, 2020, there are no remaining Basic Plan members in active status.

The following chart provides an overview of the Tier 1 and Tier 2 retirement benefits in effect for eligible Basic Plan members during FY2025.

Normal Benefit	Minimum		Computation of Annual Benefit
	Age	Service	
Tier 1			
Unreduced	Rule of 90		
	60	25	} FAS x YOS x 2.0%
65	5		
Reduced	55	5	Reduced for early retirement by 0.25% for each month a member's age is under 65.
	55	25	Reduced for early retirement by 0.25% for each month a member's age is under 60.
Tier 2			
Unreduced	65	5	FAS x YOS x 2.5%
Reduced	55	5	Formula reduced for early retirement using actuarial tables.
Deferred Retirement			
	55	5	Annual Benefit (see above) with augmentation.*
<p>*Augmented by 3% per year from date of resignation to January 1 after reaching Age 55, then 5% per year thereafter, if first hired prior to July 1, 2006. Augmented by 2.5% for all years if first hired on or after July 1, 2006. Augmentation for all members, regardless of hire date, changed to 2% as of July 1, 2012, for the portion of benefit deferral occurring after June 30, 2012. Augmentation was eliminated as of July 1, 2019, for the portion of benefit deferral occurring after June 30, 2019.</p>			

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Coordinated Plan - Summary of Benefits

Vested members of the Coordinated Plan are eligible to receive a monthly lifetime pension based on the member's Final Average Salary (FAS), Years of Service (YOS) and a Percentage Multiplier. Members first hired after June 30, 1989, are only eligible for Tier 2 benefits.

The following chart provides an overview of the Tier 1 and Tier 2 retirement benefits in effect for eligible Coordinated Plan members during FY2025.

Normal Benefit	Minimum		Computation of Annual Benefit
	Age	Service	
Tier 1			
Unreduced			
	Rule of 90		
	62	30	$(FAS \times \text{First 10 YOS} \times \text{Multiplier}^*)$ $+$ $(FAS \times \text{YOS greater than 10} \times \text{Multiplier}^*)$
	65	3	
Reduced			
	55	3	Reduced for early retirement by 0.25% for each month a member's age is under 65.
	Any Age	30	Reduced for early retirement by 0.25% for each month a member's age is under 62.
*Tier 1 Multipliers			
		First 10 YOS	Over 10 YOS
		Service Prior to July 1, 2015	1.2%
		Service Effective July 1, 2015	1.7%
Tier 2			
Unreduced			
			SPTRFA Member Account Status on May 23, 2023
	62	30	FAS x YOS x Multiplier**
	65	3	FAS x YOS x Multiplier**
If first employed before July 1, 1989			Enrolled
If first employed after July 1, 1989	66	3	FAS x YOS x Multiplier**
			Deferred
Reduced			
	55	3	Reduced for early retirement using actuarial tables.
**Tier 2 Multipliers			
		Service Prior to July 1, 2015	1.7%
		Service Effective July 1, 2015	1.9%
Deferred Retirement			
	55	3	Annual Benefit, Augmentation may apply.*
<p>* Augmented by 3% per year from date of resignation to January 1 after reaching Age 55, then 5% per year thereafter, if first hired prior to July 1, 2006.</p> <p>Augmented by 2.5% for all years if first hired on or after July 1, 2006</p> <p>Augmentation for all members, regardless of hire date, changed to 2% as of July 1, 2012, for the portion of benefit deferral occurring after June 30, 2012, until June 30, 2019.</p> <p>No augmentation after June 30, 2019.</p>			

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Retirement History Record

Fiscal Year Ending	Pensions Granted	Persons On Payroll	Benefits Paid (\$)	Fiscal Year Ending	Pensions Granted	Persons On Payroll	Benefits Paid (\$)
June 1910	15	13	\$ 4,860	December 1972	51	745	2,742,660
June 1931	8	125	69,024	December 1973	36	744	3,039,253
June 1932	8	130	72,961	December 1974	46	754	3,372,453
June 1933	2	126	74,190	December 1975	52	778	3,765,322
June 1934	6	127	74,120	December 1976	77	883	4,393,513
June 1935	9	131	74,001	December 1977	63	919	5,050,507
June 1936	14	135	75,864	December 1978	48	946	5,523,548
June 1937	19	151	80,747	December 1979	40	946	6,240,309
June 1938	17	160	89,709	December 1980	47	963	6,623,804
June 1939	11	161	93,184	December 1981	47	981	7,139,037
June 1939 to				December 1982	61	996	7,725,617
December 1939	0	158	23,870	December 1983	72	1,042	8,555,099
December 1940	71	222	170,685	December 1984	64	1,061	9,466,664
December 1941	35	246	210,257	January 1985 to			
December 1942	27	266	234,217	June 1985	59	1,103	5,324,727
December 1943	38	286	253,031	June 1986	66	1,134	11,267,144
December 1944	34	311	282,299	June 1987	117	1,191	12,478,180
December 1945	56	350	308,113	June 1988	70	1,210	14,690,455
December 1946	51	378	337,512	June 1989	67	1,236	15,506,957
December 1947	28	387	360,571	June 1990	67	1,270	17,382,410
December 1948	42	413	375,912	June 1991	80	1,309	18,811,677
December 1949	42	441	419,618	June 1992	83	1,357	20,509,335
December 1950	30	461	450,641	June 1993	120	1,426	22,763,806
December 1951	27	476	472,670	June 1994	92	1,469	25,044,494
December 1952	28	486	508,923	June 1995	113	1,539	26,792,534
December 1953	32	487	525,959	June 1996	119	1,595	29,446,215
December 1954	10	482	529,429	June 1997	179	1,720	32,056,967
December 1955	38	509	666,994	June 1998	129	1,789	37,852,099
December 1956	46	529	750,146	June 1999	114	1,861	41,724,751
December 1957	59	560	840,883	June 2000	144	1,964	47,121,179
December 1958	41	579	1,019,502	June 2001	130	2,050	53,851,893
December 1959	30	585	1,084,506	June 2002	127	2,136	58,738,724
December 1960	38	600	1,144,380	June 2003	126	2,248	63,357,052
December 1961	39	611	1,230,715	June 2004	141	2,361	67,941,921
December 1962	49	624	1,352,779	June 2005	192	2,505	72,448,201
December 1963	42	647	1,467,461	June 2006	146	2,624	78,420,222
December 1964	33	653	1,545,252	June 2007	138	2,744	82,809,201
December 1965	40	668	1,631,554	June 2008	122	2,851	88,273,233
December 1966	43	676	1,770,083	June 2009	114	2,933	92,137,480
December 1967	36	682	1,862,249	June 2010	166	3,044	95,299,300
December 1968	45	695	1,969,760	June 2011	233	3,212	97,264,937
December 1969	53	726	2,319,186	June 2012	141	3,292	101,989,143
December 1970	31	719	2,385,868	June 2013	166	3,404	103,237,869
December 1971	47	731	2,522,350	June 2014	177	3,529	105,742,221

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Fiscal Year Ending	Pensions Granted	Persons On Payroll	Benefits Paid (\$)
June 2015	178	3,633	108,877,858
June 2016	159	3,723	111,223,711
June 2017	190	3,851	112,750,820
June 2018	138	3,914	115,315,754
June 2019	154	4,007	116,389,114
June 2020	175	4,102	117,305,464
June 2021	156	4,172	118,664,956
June 2022	154	4,253	122,745,494
June 2023	160	4,310	123,858,409
June 2024	199	4,378	127,304,279
June 2025	172	4,411	125,475,909