

## Background Information on Administration of Local General Employee Retirement Plans

Currently, Minnesota has two local general employee retirement plans. Both are teacher retirement plans, the Duluth Teachers Retirement Fund Association (DTRFA) and the St. Paul Teachers Retirement Fund Association (SPTRFA). Originally, there were three first class city teacher retirement fund associations, established in 1910. The third local teacher retirement fund association was the Minneapolis Teachers Retirement Fund Association (MTRFA). The MTRFA was merged into the statewide Teachers Retirement Association (TRA) in 2006.

The DTRFA and SPTRFA operate the retirement plan, manage a retirement fund, and invest its assets. Each plan has a board of trustees and an administrative staff which assists in plan administration and investment management.

A comparison of the board composition and representation for the two local teacher retirement fund associations is as follows:

Plan	DTRFA	SPTRFA
Membership	Nine board members. [Art. of Inc. V]	Ten board members. [Art. of Inc. V; Bylaws Art. III, Sec. 1]
Active Member Representation	Five active members of the association elected by and from the active plan membership. [Art. of Inc. V]	Nine SPTRFA members elected by the SPTRFA membership. [Art. of Inc. V; Bylaws Art. III, Sec. 1]
Ex Officio Representation	One member of Independent School District No. 709 appointed by the school board chair and the Superintendent of Independent School District No. 709 or the designee of the superintendent. [Art. of Inc. V]	Chair of Independent School District No. 625 (St. Paul) or another school board member appointed by the Independent School District No. 625 board. [Art. of Inc. V]
Retiree Representation	Two, elected by the retirees of the plan. [Art. of Inc. V]	No specific provision.
Other Appointed Representation	None.	None.
Other Elected Representation	None.	None.
Exclusions and Restrictions	Elected active member trustees must be contributing members of the association and cessation of that active membership automatically terminates board membership, except that upon retirement, the trustee may continue board service until the next annual association meeting. The trustee representing the school board must be a member of the board of Independent School District No. 709 and cessation of service on the school board automatically terminates DTRFA board membership. A trustee representing the active membership who takes a leave of absence from Independent School District No. 709 employment for more than 60 days for any reason will have the person's position on the board declared vacant. [Bylaws Art. V]	No specific provision.

A comparison of the administrative staff complement and function of the two local teacher retirement fund associations is as follows:

	DTRFA	SPTRFA
Administration	Executive Director	Executive Director
Staff Complement	- Retirement Technician - Retirement Technician/Accountant - Retirement Technician/Secretary - Information Officer	- Assistant Director - Member Records & Benefits Administration Specialist - Fiscal Services Specialist - Member Counseling & Communications Specialist - Administrative Assistant
Total FY 2011 Salaries	\$257,705	\$467,317*
Average FY 2011 Salary	\$51,541	\$77,886

\* May include cost of benefits in addition to salary.