

Background Information on the Governing Documents of the First Class City Teacher Retirement Fund Associations

The Duluth Teachers Retirement Fund Association (DTRFA), the Minneapolis Teachers Retirement Fund Association (MTRFA), and the St. Paul Teachers Retirement Fund Association (SPTRFA) were created in 1910 under Laws 1909, Chapter 343. That law, reformulated and now codified as Minnesota Statutes, Chapter 354A, Sections 354A.021, 354A.05, 354A.08, and 354A.09, permitted the teaching body in any city with a population greater than 10,000 inhabitants to establish a teachers' retirement fund association if the city council of that city approved the action. The teachers' retirement fund association plan formulated by the teachers, approved by the city council and by a majority of the teachers employed by the city board of education, resulted in the incorporation of the teachers' retirement fund association. The teachers' retirement fund association, as a nonprofit corporation, is governed by the 1909 legislation, as amended, the corporation's articles of incorporation, and the corporation's bylaws.

From 1910 to 1975, the first class city teachers' retirement fund associations were governed primarily by amendments to their articles of incorporation and bylaws. These revisions were subject to local city council approval and, after the 1950s, also subject to school board approval. General and special legislation was limited, generally relating to the amount and timing of city or school district contributions to the teacher retirement fund association.

The DTRFA voluntarily coordinated with Social Security in 1957. Coordinated programs in the MTRFA and SPTRFA did not occur until much later.

In 1975 (Laws 1975, Ch. 306, Sec. 30), future articles of incorporation amendments and bylaw amendments were disallowed.

In 1976 (Laws 1976, Ch. 238, Sec. 1), future bylaw and articles of incorporation amendments relating to benefits or contributions were permitted only with legislative approval, without any additional local approval requirement.

In 1976 (Laws 1976, Ch. 238), the MTRFA was required to coordinate with the federal Social Security program. An MTRFA coordinated program was to be created to cover all newly hired Minneapolis teachers and any already-retained MTRFA members who chose Social Security coverage during a referendum. However, legislation in 1977 delayed the MTRFA coordination with Social Security until July 1, 1978.

In 1977 (Laws 1977, Ch. 429, Sec. 38-46, 54, 59-61), the SPTRFA was required to coordinate with the federal Social Security program, with mandatory coverage for new members beginning July 1, 1978, and coverage on a voluntary basis, through a referendum, for existing members. All the first class city teacher plan coordinated programs were based on the applicable Teachers Retirement Association (TRA) coordinated program provisions of Minnesota Statutes, Chapter 354.

In 1979 (Laws 1979, Ch. 217), the benefit-related provisions of Minnesota Statutes, Chapter 354A, were added, replicating the TRA coordinated program provisions, and replacing the prior TRA law cross-reference process. The limitation on certain articles of incorporation or bylaw amendments of Minnesota Statutes, Section 354A.12, Subdivision 4, was also modified, setting forth a procedure for the legislative consideration and approval of proposed articles of incorporation or bylaw amendments.

As a consequence of the 1909-1979 legislation, the benefit plans and related provisions of the three first class city teachers' retirement fund associations is found in a combination of statutes (Minn. Stat. Ch. 354A; Ch. 356), articles of incorporation provisions, corporate bylaw provisions, and accumulated board of trustees decisions and actions. The provisions of the MTRFA and SPTRFA basic programs and the provisions of the DTRFA old law coordinated program are found solely in the articles of incorporation and bylaws. Since only the statutory provisions are codified and periodically revised, first class city teachers' retirement fund association members are at a disadvantage in attempting to gain access to a usable version of their governing plan documents.

The MTRFA was merged into TRA in 2006. The SPTRFA and DTRFA remain freestanding.