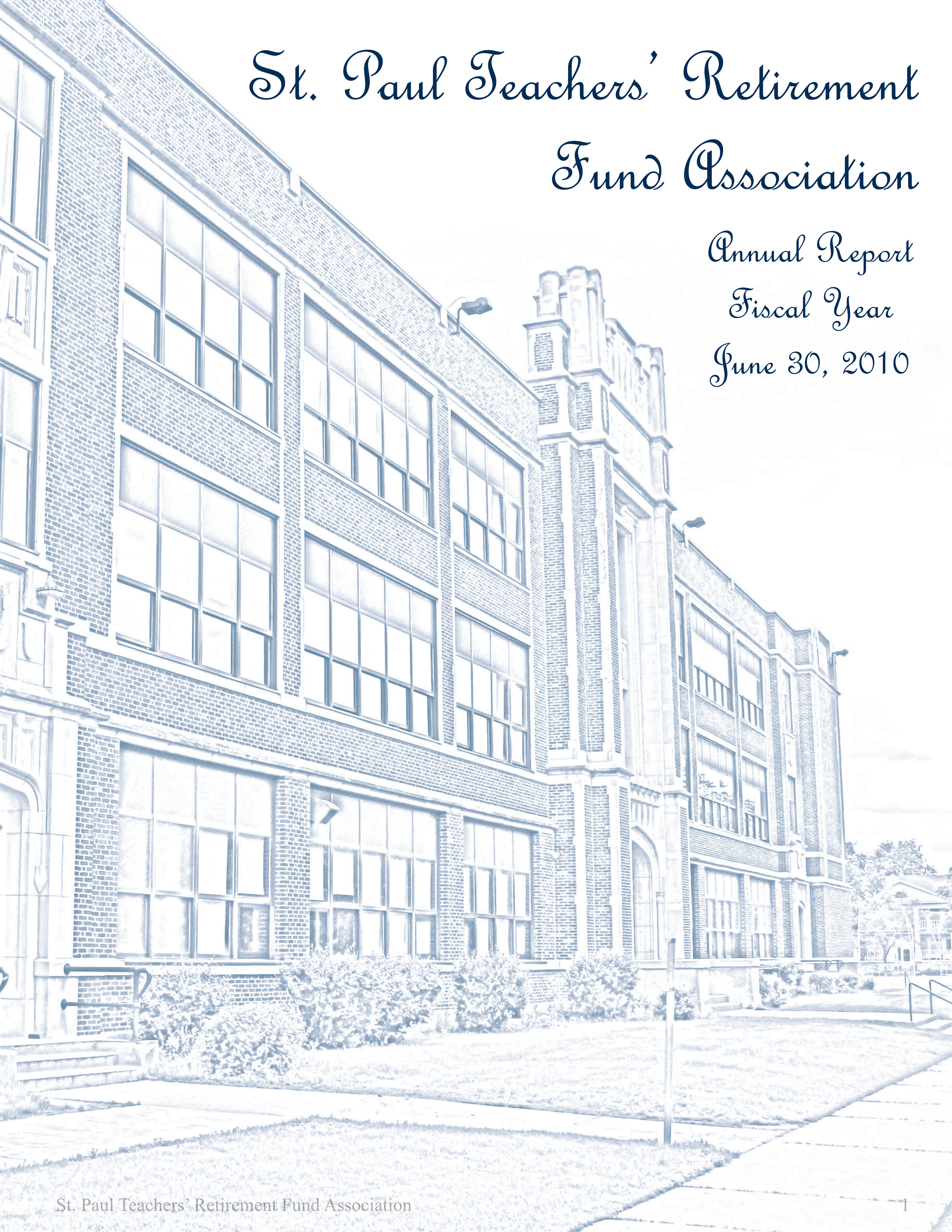
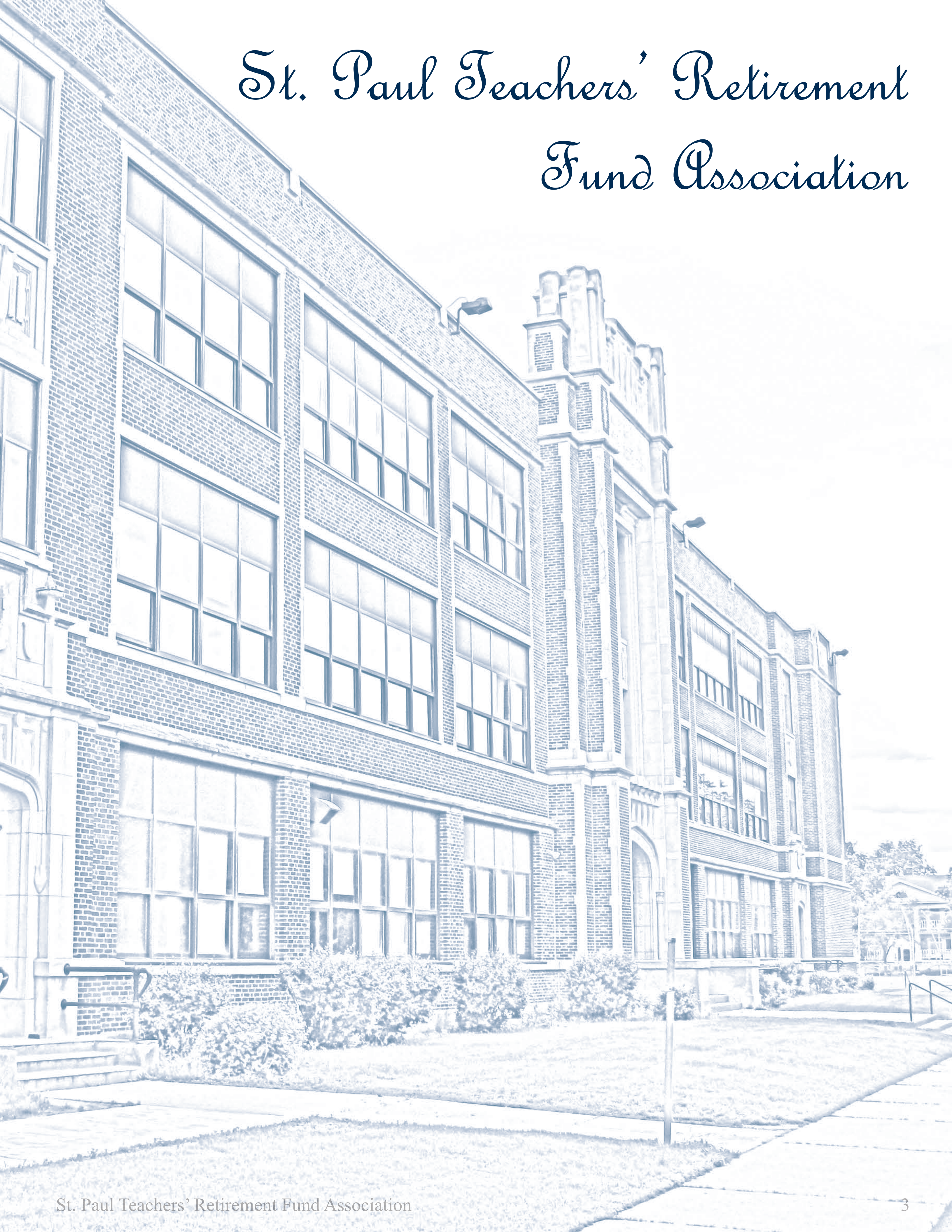


St. Paul Teachers' Retirement Fund Association

Annual Report
Fiscal Year
June 30, 2010

St. Paul Teachers' Retirement Fund Association



The photographs on pages 13 and 65 are courtesy of:
Saint Paul Public Schools.

St. Paul Teachers' Retirement Fund Association
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St. Paul Teachers' Retirement Fund Association
Mission Statement

The Mission of St. Paul Teachers' Retirement Fund Association is to:

- 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 the portfolio risk.

St. Paul Teachers' Retirement Fund Association

Board of Trustees

St. Paul Teachers' Retirement Fund Association

1619 Dayton Avenue, Room 309
Saint Paul, MN 55104-6206
Phone (651) 642-2550
Fax (651) 642-2553

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, 2010, 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 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. A copy is provided to each school or other facility where members work. This report is also available to anyone who requests it from the SPTRFA office.

A summary of the information in this report has been mailed to each member, along with detailed individual benefit estimates to each active, vested member over the age of 40, who also work on at least a 40% full-time equivalent basis. All other members not yet retired received a statement of account status, retirement service credit and contributions of record.

Major sections of this report and their content are as follows:

- **Introduction**
  Mission Statement, information on the structure of the organization, the board, and professional service relationships
- **Financial Section**
  Management's Discussion and Analysis, financial statements and associated notes - the Independent Auditor's Report is not included as it was pending as of the date this report went to print
- **Actuarial Section**
  Actuary's Certification Letter, portions of the actuarial valuation which assess long-term funded status and the adequacy of revenues for the pension fund
- **Investment Section**
  Fund investment returns, portfolio structure, security holdings, and investment advisors under contract with the Association
- **Benefits Section**
  Summary information on the types of benefits offered, the application process and methods of benefit calculation

This report has been prepared in conformity with standards established by the Governmental Accounting and Standards Board. Internal controls are intended to provide the highest level of assurance within reasonable constraints on cost, that the funds of the Association are secure, and transactions undertaken are at all times consistent with law and general norms of sound, prudent management of the organization.

The SPTRFA Board and staff are responsible for the safekeeping of Association assets, the prudent investment of those assets, making sure benefits are calculated properly and paid timely. Administrative costs are budgeted at a level sufficient to meet service needs of the members. While we strive to be service providers of the first order, our administrative costs remain the lowest of any public pension program in Minnesota.

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

Fulfilling the SPTRFA's mission requires assistance from a number of valued consultants, advisors and regulators:

The Office of the State Auditor audits the financial statements of the SPTRFA. However, their report for the most recent fiscal year was still pending completion at the time this report went to print.

Gabriel Roeder Smith & Company, Southfield, Michigan, performed the actuarial valuation for the Association this year. Key portions of their valuation, reflecting our funding status and adequacy of contributions over a long-term funding horizon, are included.

Oppenheimer Wolff & Donnelly LLP, Minneapolis, Minnesota, serves as Legal Counsel to the Board and staff, providing advice, representation, and as a monitor of ongoing legal and regulatory developments.

Callan Associates, Chicago, Illinois, serves as our General Investment Consultant. The firm monitors our investments and apprises the trustees and staff of changes in the investment markets or in asset management practices generally. Callan assists with investment policy and asset allocation decisions, and monitors asset performance.

With over 100 years of service to our members, the SPTRFA trustees 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.	Eugene R. Waschbusch	Christine MacDonald
John R. Kunz, Jr.	Eugene R. Waschbusch	Christine MacDonald
President	Secretary-Treasurer	Interim Executive Director

St. Paul Teachers' Retirement Fund Association
Professional Listing as of June 30, 2010

Actuary
Gabriel Roeder Smith & Company

Auditor
Minnesota Office of the State Auditor

Investment Managers
Advantus Capital Management
BlackRock Institutional Trust Co.
Barrow, Hanley, Mewhinney & Strauss, Inc.
The Boston Company Asset Management
Capital Guardian International, Inc.
The Clifton Group
Dimensional Fund Advisors, Inc.
Fifth Third Asset Management
JPMorgan Asset Management
Lazard Global Thematic Equity Trust
Morgan Stanley Asset Management
Piper Jaffray Private Equity Partners IV
RWI Ventures I
RWI Ventures II
UBS Trumbull Property Fund
Wellington Management Company, LLP

Investment Consultant
Callan Associates

Legal Counsel
Oppenheimer Wolff & Donnelly LLP

St. Paul Teachers' Retirement Fund Association

MEMBERS: Active, Retired, Survivors & Beneficiaries

BOARD OF TRUSTEES

John R. Kunz, President
Mike McCollor, Vice President
Eugene R. Waschbusch, Secretary-Treasurer
Carol J. Adams
Matt Bogenschultz
Feryle W. Borgeson
John Brodrick
Erma E. McGuire
Karen A. Odegard
Chong Thao

ADMINISTRATION

Christine MacDonald, Assistant Director & Interim Executive Director
Nancy Langer, Member Records & Benefits Administration
Susan Nystrom, Fiscal Services
Katy Smithson, Communications & Member Education Specialist
Tamera Zielinski, Administrative Assistant

BENEFITS ADMINISTRATION

Active Member Services
Retired Member Services
Records Management
Member Counseling
Benefit Payments & Reporting

OPERATIONS

Business Administration
Accounting/ Reporting
Office Payroll & Benefits
Budget Administration
Investment Mgmt. & Reporting
Publications
Information Systems

PROFESSIONAL TECHNICAL SERVICES

Legal Counsel, *Oppenheimer Wolff & Donnelly LLP*
Actuary, *Gabriel Roeder Smith & Company*
Medical Advisor, *Dr. Ronald Vessey M.D.*
Medical Advisor, *Dr. David Johnson M.D.*
Investment Consultant, *Callan Associates*
Investment Managers, *(Various)*

GOVERNMENTAL RELATIONS

Minnesota State Auditor
Legislative Commission on Pensions & Retirement
Minnesota Dept. of Revenue
Minnesota Dept. of Finance
Minnesota Campaign Finance & Public Disclosure Board
U.S. Department of the Treasury

Financial Section

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2010
(Unaudited)

This section provides an overview of the financial statements, leading into a discussion and analysis of the financial performance and actuarial status of the St. Paul Teachers' Retirement Fund Association (hereinafter "SPTRFA," "Plan," or "Fund") for the fiscal year ended June 30, 2010.

Overview of the Financial Statements

The financial section of this report consists of the 1.) Basic Financial Statements, which include the Statement of Plan Net Assets, the Statement of Changes in Plan Net Assets and their accompanying notes and 2.) Required Supplementary Information, consisting of Schedules 1 and 2, and their accompanying notes.

1. Basic Financial Statements

a.) The *Statement of Plan Net Assets* presents information about assets and liabilities, the difference being the net assets held in trust for pension benefits. The level of net assets reflects the resources available to pay member benefits when due. Over time, increases and decreases in net assets measure whether the financial position of the SPTRFA is improving or deteriorating.

b.) The *Statement of Changes in Plan Net Assets* presents the results of fund operations during the year and the additions or deductions from plan net assets. It provides more detail to support the net change in the Statement of Plan Net Assets.

c.) The *Notes to the Financial Statements* provide detail about the SPTRFA significant accounting policies, benefit plans, deposits and investments, securities lending, contributions, risk management, funded status/progress, and finally, a narrative description of the actuarial measurement process.

2. Required Supplementary Information

a.) *Schedules 1 and 2* provide six years of comparative data related to the SPTRFA's funded status and the schedule of contributions which measure the annual required contributions and the actual amount of contributions made by the employer, Independent School District (ISD) No. 625, and the State of Minnesota.

b.) The *Notes to Schedules 1 and 2* provide actuarial assumptions and changes to both significant plan provisions and actuarial methods/assumptions.

Financial Highlights from the Basic Financial Statements

As shown in the table below, the SPTRFA's total assets for 2010 were $829.8 million and were generally comprised of investments and securities lending collateral. Total liabilities of $14.5 million were generally comprised of the offset for securities lending collateral assets. While total assets decreased by $14.7 million from the prior year, the associated reduction of $56.7 million in total liabilities resulted in an increase of $42.0 million in net assets available to pay current and future pension benefits. This increase is primarily due to investment gains.

The SPTRFA's total assets exceeded its total liabilities by $815.3 million, an increase of $42.0 million over 2009.

Plan Net Assets (at Market)
(in Thousands of Dollars)

	June 30	
	2010	2009
Assets		
Cash	$ 4,536	$ 7,946
Receivables	4,545	10,125
Investments at fair value	808,450	763,335
Securities lending collateral	12,286	63,110
Capital assets, less depreciation	25	27
Total Assets	$ 829,842	$ 844,543
Liabilities		
Accounts payable	$ 1,164	$ 1,032
Securities purchases payable	1,085	7,142
Securities lending collateral	12,286	63,110
Total Liabilities	$ 14,535	$ 71,284
Net Assets Held in Trust for Pension Benefits	$ 815,307	$ 773,259

Changes in Plan Net Assets (at Market)
(in Thousands of Dollars)

	Year Ended June 30	
	2010	2009
Additions		
Employer and employee contributions	$ 34,850	$ 35,365
State of Minnesota amortization aids	4,108	3,343
Investment activity, less management fees	99,920	(195,823)
Net securities lending income	134	363
Total Additions	$ 139,012	$ (156,752)
Deductions		
Benefits, withdrawals, and refunds	$ 96,362	$ 93,024
Administrative expenses	602	605
Total Deductions	$ 96,964	$ 93,629
Net Increase (Decrease)	$ 42,048	$ (250,381)
Net Assets in Trust for Benefits - Beginning of the Year	773,259	1,023,640
Net Assets in Trust for Benefits - End of the Year	$ 815,307	$ 773,259

As shown in the table above, the Statement of Changes in Plan Net Assets refers to additions and deductions, as required in governmental accounting.

The reserves that are needed to finance retirement benefits are accumulated through the collection of employer, employee, State of Minnesota contributions and through investment earnings. The addition for investment activity for the year was $100 million, representing a realized gain of $36.9 million, an unrealized gain of $59.8 million, interest earnings of $0.5 million, dividends of $3.0 million, and other earnings of $4.4 million, less management fees of $4.6 million. Contributions stayed relatively stable from 2009.

The main sources of deductions for the Fund result from benefit payments and contribution refunds. Our benefit payments exceeded our contributions by $57.4 million. This is because the SPTRFA operates a “mature” defined benefit program, for which annual benefit expenditures typically exceed payroll contributions, the difference anticipated to be generated over time through investment earnings. The $3.3 million increase in benefits paid is due to an increase in the number of members receiving a benefit in 2010, as compared to 2009.

Administrative costs, at 6/10ths of one percent of total expenditures are a small part of program costs and remain low compared to other public plans in the state. Investment expenses, at 6/10ths of one percent of assets, were slightly increased, due to greater international and global investments, where management fees are higher relative to domestic manager fees. In addition, new investments required $500,000 in up-front fees which were expensed in 2010.

System Overview, Investment Performance, and Actuarial Valuation Summary

System Overview

The SPTRFA is a nonprofit organization formed in 1909, incorporated under Minn. Stat. ch. 317A. At the direction and oversight of a ten-member Board of Trustees, Association staff manage two tax-qualified, defined benefit pension programs covering licensed personnel for a single employer, ISD No. 625, the central administrative body for public schools within the City of St. Paul.

Basic Plan members do not participate in Social Security through their employment with ISD No. 625. The *Coordinated Plan*, commenced in 1978, provides retirement benefits for members who do participate in Social Security.

Under state law, payroll contributions to the Fund are a direct operating obligation of the school district and members. While the Association provides an employment-based benefit, the terms are not collectively negotiated, nor are they administered through the District Benefits Division. The Association is not a component unit of St. Paul Public Schools; neither are the Fund's assets or liabilities included in District financial statements.

Investment Performance

There are several ways to finance any pension plan. The defined benefit plans administered by the SPTRFA accumulate assets in advance of benefit obligations, covering those obligations primarily through contributions and prudent investment earnings. The level of supportable benefits and the long-term financial health of the Fund depend on the efficient and prudent investment of contributions from members, employers, and taxpayers.

For every dollar paid out in benefits, about 70 cents will derive not from contributions directly, but from compounded investment earnings. There are cyclical economic, market-driven, and tactical risks associated with investing plan assets in the capital markets. Our statutory, actuarial assumed investment rate of return is 8.5 percent per year; an *absolute standard* of investment performance. Over any five-year window, annualized returns below this absolute target will cause unfunded liabilities to increase. Returns above the 8.5 percent target will reduce the unfunded liabilities of the plan, all other things being equal.

While the Fund experienced an annual investment return of 13.08 percent for the fiscal year ended June 30, 2010, actuarially we are still experiencing the effect of the losses in 2008 and 2009 due to the recognition of greater portions of the 2008 and 2009 losses under the statutorily-required five-year asset-smoothing actuarial valuation of assets. Thus the 68.05 percent funded ratio, without extraordinary market gains, is expected to deteriorate in each of the next two years, as additional percentages of those losses continue to be phased into the actuarial valuation of assets. All other things being equal, the funded ratio is expected to recover in future years if the Fund's investment returns continue to exceed the 8.5 percent statutory target.

Performance against an 8.5 percent statutory target provides an important check on whether asset accumulation has, on one basis, avoided falling behind the pace of liability accumulations. However, we also want to assess whether SPTRFA assets are being deployed efficiently so that we have not neglected the opportunity for potential gain (given our risk constraints and prevailing market conditions). To do so, we compare our returns *relative* to other public pension funds, or as shown below, we compare our returns to a hypothetical, composite benchmark return; that is, how performance would have looked if (given our asset class allocation targets) the entire fund had been simply invested through index-matching accounts.

Comparison of Annualized Returns (%)

	1-Year	3-Year	5-Year
Actual performance (net of fees)	13.1	- 5.1	2.9
Indexed benchmark	11.3	- 5.6	2.4
Actuarial target	8.5	8.5	8.5
Actual versus indexed benchmark	1.8	0.5	0.5
Actual versus actuarial target	4.6	- 13.6	- 5.6

Absolute Basis of Assessment

The 2010 total fund return (net of fees) was 13.1 percent. That is 4.6 percent more than the absolute actuarial target required to meet projected “normal cost” on the annual rate of benefit liability accumulation (assuming no other significant sources of actuarial losses or gains).

While gains against the target in 2010 were positive, losses from 2009 continue to hold down the five-year return of 2.9 percent, 5.6 percent below the 8.5 percent assumed return. In fiscal terms, the expected gain for the year was $65 million. The fund actually experienced a gain of $100 million (realized and unrealized), producing an unadjusted actuarial gain for the year of $35 million. “Asset smoothing” for actuarial forecasting purposes yields a 2010 adjusted gain of $7 million.

Relative Basis of Assessment

Net of fees, the Association finished in the 40th percentile of the Callan Public Fund Universe, placing our performance slightly ahead of the median. Callan Associates is our general investment consultant.

The overall return exceeded the composite benchmark for the Fund by a margin of 1.8 percent. Compared to funds with similar asset allocations, the Association finished just below the median. Such results imply that (with isolated exceptions) active managers hired by the Board performed about average, and that our more aggressive asset allocation, for the year at least, resulted in a slightly lower rate of return than that of the median public fund.

Actuarial Valuation Summary

The financial statements provide information about the fiscal status of the fund as an operating concern over relatively short time frames. To assess whether assets and current financing mechanisms are adequate to satisfy long-term liabilities associated with current and future plan benefits, other information is required. An actuarial valuation, modeling the future through deterministic and probabilistic projection methods can supplement accounting-based measures of plan funding.

Below are summary comparative statistics from the July 1, 2010, valuation:

Summary of Actuarial Valuation Results

	Plan Year Beginning July 1		Percent Change + means improvement - means adverse change
	2009	2010	
Projected annual payroll	$ 252,726,000	$ 250,225,000	+ 1%
Statutory contributions (ch. 354A)	15.64%	15.64%	N/A
Required (ch. 356)	18.40%	19.84%	- 1%
Sufficiency/(Deficiency)	**- 2.76%**	**- 4.24%**	**- 2%**
Market value of assets	773,259,000	815,307,000	+ 5%
Actuarial value of assets	1,049,954,000	1,001,444,000	- 5%
Actuarial accrued liability	1,454,314,000	1,471,630,000	- 1%
Unfunded liability	**404,360,000**	**470,185,000**	**- 16%**
Funding ratio	**72.20%**	**68.05%**	**- 4%**

For both institutional and individual investors, the previous two years were severe in the adversities generated for long-term financial planning and retirement funding. We are seeing the results of the investment market declines in the actuarial changes above. The contribution deficiency increased from 2.76 percent to 4.24 percent, while the actuarial accrued liability funding ratio decreased from 72.20 percent to 68.05 percent, a decrease of 4.15 percent from 2009.

The SPTRFA has taken steps to fill the contribution deficiency and funding ratio gaps by shared sacrifice of major stakeholders in the Fund. For retirees, a one-year COLA suspension for January 1, 2011 was passed in the 2010 Legislative Session. For active members, statutory employer and employee contributions will increase by one-quarter of one percent increments over four years, with the first increase scheduled on July 1, 2011.

In a report issued in 2006, the Legislative Auditor recommended that funding to the SPTRFA be increased as soon as possible. The SPTRFA Board has repeatedly asked the Minnesota Legislature to provide increased supplemental contributions.

Collectively, the financial statements, accompanying notes, and discussions in this report provide comprehensive information as of June 30, 2010, regarding the benefit plans administered by the Association, the asset and liability structure of the Fund, the financial and actuarial status of the SPTRFA, and key policies and procedures of the Association.

The financial statements are prepared using the accrual basis of accounting as is required by generally accepted accounting principles laid out in statements issued by the Governmental Accounting Standards Board. At all times, the objective has been to provide an accurate and balanced portrayal of the financial and actuarial condition of the retirement program established and administered on behalf of educators in St. Paul. Questions about the information in this report should be directed to:

Christine MacDonald, Interim Executive Director

St. Paul Teachers' Retirement Fund Association
1619 Dayton Avenue, Room 309
St. Paul, Minnesota 55104-6206

Phone	(651) 642-2550
Facsimile	(651) 642-2553
Website	www.sptrfa.org
Email	info@sptrfa.org

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
STATEMENT OF PLAN NET ASSETS - JUNE 30, 2010

Assets		
Cash	**$**	**4,535,622**
Receivables		
Employer contributions	$	1,604,257
Employee contributions		88,456
Service purchases		74,692
Pensions		3,663
Real estate income		44,059
Commission recapture		5,792
Interest		3,180
Dividends		153,500
Sales of securities		2,566,609
Miscellaneous		702
Total receivables	**$**	**4,544,910**
Investments, at fair value		
U.S. government securities	$	1,000,000
Corporate bonds		62,727
Corporate stocks		129,425,717
Real estate securities		14,606,708
Limited partnerships		
Private equity		9,565,201
Real estate		53,300,904
Commingled investment funds		
Pooled international equity trust		74,934,744
Government/credit bond index fund		82,605,669
U. S. debt index fund		84,089,551
Extended equity index fund		130,765,492
Russell 1000 growth fund		32,988,031
International emerging markets growth fund		35,752,602
Mutual fund		34,151,098
International corporate stock fund		74,931,309
Global equity		30,039,244
Money market funds		20,231,516
Total investments, at fair value	**$**	**808,450,513**
Invested securities lending collateral	**$**	**12,286,262**
Furniture and fixtures (at cost, less accumulated depreciation of $84,724)	**$**	**24,801**
Total Assets	**$**	**829,842,108**
Liabilities		
Accounts payable	$	1,163,924
Security purchases payable		1,084,801
Securities lending collateral		12,286,262
Total Liabilities	**$**	**14,534,987**
Net Assets Held in Trust for Pension Benefits	**$**	**815,307,121**

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
STATEMENT OF CHANGES IN PLAN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

Additions		
Contributions		
Employer	$	21,017,889
Members		13,831,670
Other sources		
State of Minnesota		4,108,442
Total contributions	**$**	**38,958,001**
Investment income (loss)		
From investing activity		
Net appreciation (depreciation) in fair value of investments	$	96,688,161
Interest		508,461
Dividends		2,961,141
Other		4,357,067
Total investing activity income (loss)	**$**	**104,514,830**
Less: investing activity expense		
External	$	(4,407,946)
Internal		(186,737)
Total less: investing activity expense	**$**	**(4,594,683)**
Net income (loss) from investing activity	**$**	**99,920,147**
From securities lending activity		
Securities lending income	**$**	**145,110**
Less: securities lending expense		
Borrower rebates	$	45,570
Management fees		(56,857)
Total securities lending expense	**$**	**(11,287)**
Net income from securities lending activity	**$**	**133,823**
Net investment income (loss)	**$**	**100,053,970**
Total Additions	**$**	**139,011,971**
Deductions		
Benefits to participants		
Retirement	$	86,391,616
Disability		667,872
Survivor		8,213,494
Dependent children		26,320
Withdrawals and refunds		1,062,532
Total benefits, withdrawals, and refunds	**$**	**96,361,834**
Administrative expenses		
Staff compensation	$	417,780
Professional services		58,575
Office lease and maintenance		38,313
Communication-related expenses		37,612
Other expense		49,721
Total administrative expenses	**$**	**602,001**
Total Deductions	**$**	**96,963,835**
Net Increase (Decrease)	**$**	**42,048,136**
Net Assets Held in Trust for Pension Benefits		
Beginning of Year		**773,258,985**
End of Year	**$**	**815,307,121**

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

NOTES TO THE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010

1. Summary of Significant Accounting Policies

Reporting Entity

The St. Paul Teachers' Retirement Fund (Fund) is a single-employer defined benefit pension fund administered by the St. Paul Teachers' Retirement Fund Association (Association), pursuant to the Association's bylaws and Minn. Stat. chs. 354A and 356. The Fund's membership consists of eligible employees of Independent School District No. 625, St. Paul, employees formerly employed by Independent School District No. 625, charter schools, and the employees of the Association. The Association is governed by a ten-member Board of Trustees.

Basis of Presentation

The accompanying financial statements were prepared and are presented to conform to the principles of governmental accounting and reporting set forth by the Governmental Accounting Standards Board (GASB).

Basis of Accounting

The basis of accounting is the method by which additions and deductions to plan net assets are recognized in the accounts and reported in the financial statements. The Association uses the accrual basis of accounting. Under the accrual basis of accounting, additions are recognized when they are earned, and deductions are recognized when the liability is incurred.

Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on an exchange are valued at the last reported sales price at current exchange rates. Market values of investments in limited partnerships are determined by reference to published financial information of the partnership. Investments that do not have an established market are reported at estimated fair value.

Net appreciation (depreciation) in fair value of investments includes net unrealized and realized gains and losses. Purchases and sales of securities are recorded on a trade-date basis.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

1. Summary of Significant Accounting Policies

Investments (Continued)

The Association participates in a securities lending program. In accordance with GASB Statement No. 28, *Accounting and Financial Reporting for Securities Lending Transactions*, investments lent under the program are reported as assets on the Statement of Plan Net Assets, and collateral received on those investments is reported as an asset and a liability.

Derivative Investments

The Association may invest in futures contracts using a static asset allocation investment strategy.

Upon entering into a futures contract, each party is required to deposit with the broker an amount, referred to as the initial margin, equal to a percentage of the purchase price indicated by the futures contract. In lieu of a cash initial margin, certain investments are held for the broker as collateral. Subsequent deposits, referred to as variation margins, are received or paid each day by each party equal to the daily fluctuations in the fair value of the contract. These amounts are recorded by each party as unrealized gains or losses. When a contract is closed, each party records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

Futures contracts involve, to varying degrees, credit and market risks. The Association may enter into contracts only on exchanges or boards of trade where the exchange or board of trade acts as the counterparty to the transactions. Thus, credit risk on such transactions is limited to the failure of the exchange or board of trade. Losses in value may arise from changes in the value of the underlying instruments or if there is an illiquid secondary market for the contracts.

The Association invests in TBA, or "to-be-announced," mortgage-backed securities. TBA mortgage-backed securities transactions are a basic mechanism for trading federal agency mortgage pass-through securities on a delayed delivery and settlement basis. They do not represent a separate type or class of mortgage-backed securities. A TBA transaction is a purchase or sale of mortgage pass-through securities with settlement agreed upon for some future date. The purchase of pass-throughs on a TBA basis creates a long position in the underlying security on the trade date with associated market risk in the position. The securities to be delivered are described in general detail at the time of trade but are not specifically identified until shortly prior to settlement. TBA transactions may involve newly-issued or existing agency mortgage pass-throughs.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

1. Summary of Significant Accounting Policies (Continued)

Investment Income

Interest income is recognized when earned on an accrual basis. Dividend income is recorded on the ex-dividend date.

Contributions

Member employee contributions are recognized when withheld or when paid directly by the member employee. Employer contributions are recognized as a percentage of covered payroll as earned. Direct state-aid and state amortization aid are recognized upon receipt pursuant to schedules established in state statute.

Benefits and Refunds

Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Furniture and Fixtures

Furniture and fixtures are carried at cost, less accumulated depreciation. Depreciation has been provided using the straight-line method over estimated useful lives of five years.

2. Description of Plans

The following brief description of the plans is provided for general information purposes only. Participants should refer to the plan agreements for more complete information.

The plans are not subject to the provisions of the Employee Retirement Income Security Act of 1974.

General

The Association was created to provide retirement and other specified benefits for its members. The Association maintains two defined benefit pension plans covering teachers in the St. Paul public school system.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

2. Description of Plans

General (Continued)

Effective July 1, 1978, the Association established a plan, coordinated with Social Security, in accordance with Minnesota statutes (the Coordinated Plan). Teachers who became members of the Association subsequent to June 30, 1978, automatically became members of the Coordinated Plan. Members' contributions and benefits under the Coordinated Plan have been adjusted to reflect contributions to and benefits from Social Security. Teachers who were members of the Association prior to July 1, 1978, are generally covered under the Basic Plan, which provides all retirement benefits for its members.

Membership

At June 30, 2010, the Association's membership consisted of:

Retirees and beneficiaries currently receiving benefits	3,044
Terminated employees entitled to but not yet receiving benefits	1,863
Terminated, non-vested	1,419
Current active plan members (including members on leave)	3,837
Total Membership	10,163

Pension Benefits

Members who satisfy required length-of-service and minimum age requirements are entitled to annual pension benefits equal to a certain percentage of final average salary (as defined in each plan) multiplied by the number of years of accredited service.

Disability Benefits

Active members who become totally and permanently disabled and satisfy required length-of-service requirements are entitled to receive annual disability benefits as calculated under each plan.

Other Benefits

Limited service pensions, deferred pensions, survivor benefits, and family benefits are available to qualifying members and their survivors.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

A. Deposits

Authority

The Association is authorized by Minn. Stat. § 356A.06 to deposit its cash in financial institutions designated by the Board of Trustees.

Custodial Credit Risk

The custodial credit risk for deposits of the Association describes the potential for partial or total loss of cash or near-cash holdings in the event of a depository failure. Minnesota statutes require that assets held in depository accounts be insured by the Federal Deposit Insurance Corporation (FDIC), or exclusively pledged collateral of 110 percent of the uninsured amount on deposit. Association deposits at US Bank above the FDIC limit are fully collateralized by pledged U.S. Treasury or federal agency notes on deposit with the Federal Reserve Bank of Boston.

B. Investments

Authority

The Association's investments are authorized by state law and its own investment policy. Permissible investments include, but are not limited to, government and corporate bonds, foreign and domestic common stock, real property, venture capital investments, and notes.

Custodial Credit Risk

Custodial credit risk for investments is generally defined as an assessment of the potential that loaned securities of the Association may be insufficiently collateralized, or that a counterparty to any loan of Association securities might be either under-collateralized or fail to deliver loaned securities in time to satisfy current security trading needs.

According to Association policy, all securities purchased by the Association are held by a third-party safekeeping agent appointed as a custodian who is also the lending agent/counterparty. The securities lending agreement in place between the Association and its custodian is also consistent with this policy.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Custodial Credit Risk (Continued)

The Association has no custodial credit risk for investments at June 30, 2010, other than that related to the invested securities lending collateral, as described in Note 4.

Interest Rate Risk

Interest rate risk for investments consists of assessing the potential for adverse effects on the market value of debt securities held as a result of interest rate changes.

The Association participates in fixed income markets through both "active" and "passive" or indexed investment manager accounts, as listed below.

Mandate	Account	Market Value
Active	Voyageur - Fixed Income Fund	$ 1,248,193
Indexed	BlackRock - Government/Credit Bond Index Fund	82,605,669
Indexed	BlackRock – U.S. Debt Index Fund	84,089,551

The Association has, relative to peers, a small allocation to fixed income assets as part of its investment policy. At June 30, 2010, the targeted allocation was 19 percent of total Fund invested assets. The actual share of total Fund invested assets was 20.77 percent.

The active fixed portfolio has a shorter overall weighted duration than its benchmark, the Barclays Capital Aggregate Index. All else being equal, this would be expected to reduce the account's risk to adverse effects from rising interest rates.

The indexed fixed income accounts have the explicit objective of matching, as closely as possible, the overall weighted composition and duration of their respective unmanaged indices. Here, the fixed income strategy is indifferent to changes in the near-term changes in rates of interest.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Interest Rate Risk (Continued)

The following table shows weighted overall durations of each investment account and the associated benchmark as of June 30, 2010. Voyageur Asset Management was removed from this duration table in 2010, since it is no longer an actively managed account. The average duration in years of Voyageur Asset Management is (0.1) years.

Account	Average Duration in Years	Average Duration of Benchmark
BlackRock – U.S. Debt Index Fund	4.24	4.24
BlackRock - Government/Credit Bond Index Fund	5.29	5.31
Bank of NY - Cash Collateral	0.03	None

Liquidity needs of the Association are not a factor in the structure of the fixed income, or any other asset class in which the Fund participates. The allocation of assets and the structure of investment accounts are optimized relative to long-term investment objectives and capital asset pricing models. The Association attempts to match asset allocations to policy targets and draws down accounts to meet short-term liquidity needs by targeting accounts that are, relative to targets, overfunded. This, in effect, rules out considerations about changes to interest rates, security duration, or portfolio term structures.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Fixed income holdings are limited to investment grade securities by Minn. Stat. § 356A.06, subd. 7(c). Government-issued debt securities, while broadly defined in law, must be backed by the full faith and credit of the issuing domestic government or agency or rated among the top four quality rating categories by a nationally recognized rating agency, with principal and interest payable in U.S. dollars.

Corporate fixed securities are limited to those either issued by companies domiciled in the United States or the Dominion of Canada. In all cases, securities must be rated among the top four categories of a nationally recognized rating agency.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Credit Risk (Continued)

The following table provides the range of security types and credit ratings (where applicable) for the Association's fixed income holdings.

	Market Value	Quality Ratings Standard and Poor's/Moody's
Debt Investment Type		
Asset-backed Securities	$ 62,727	A/Baa1
BlackRock - Govt/Credit Bond Index Fund	82,605,669	Unrated
BlackRock – U.S. Debt Bond Index Fund	84,089,551	Unrated
Pooled funds and mutual funds	20,231,516	Unrated
State and local obligations	1,000,000	Unrated/Aaa
Total	$ 187,989,463	

Concentration of Risk

Concentration of risk relates to the adequacy of policy and practice in limiting the risk of loss due to insufficient diversification of holdings and could be measured on the basis of holdings from several aspects, such as asset class, region, sector, industry, or company size. The Investment Policy of the Association incorporates the Modern Portfolio Theory approach to capital market pricing, which holds that risk is inevitable for the institutional investor, but it can be reasonably estimated from historical return dispersion patterns and "budgeted" in allocating assets in a manner most likely to earn a targeted long-term rate of return on the overall portfolio.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Concentration of Risk (Continued)

A good investment policy defines what types of risks will be assumed, how they will be managed, and that each incremental addition to portfolio risk should carry a corresponding and proportional opportunity for gain. The Association's policy is that the standard deviation of quarterly returns should not exceed 120 percent of the same measure for the asset category benchmark. As specified in Minn. Stat. § 356A.06, subd. 7, equity investment holdings may not exceed 5.0 percent of the outstanding shares of any one corporation. Association policy also limits exposure to any one company's securities at 1.5 percent of the total fund. Further, no more than 15.0 percent of the Fund assets may be invested in any one sector, and the maximum allocation to any single active investment manager is 12.5 percent of the total Fund.

The following tables indicate these risk control policies were reflected in portfolio holdings as of June 30, 2010. The investment in the Capital International Emerging Markets account operates like other commingled, unit-share portfolios, except that SPTRFA participation in that trust is, technically, that of a shareholder. The account represented 4.4 percent of the investments as of June 30, 2010 (see table, Note 3.B.). While it could be argued that this is an exception to the policy limit, the "security interest" is distinct from, and not subject to the volatility of, any of the genuine securities in the portfolio.

Total Holdings of the Ten Largest Issuers - Percent of total investments at fair value, as of June 30, 2010

Issuer	Fair Value	Percent of total investments at fair value (%)
Force 10 Networks	$ 2,634,507	0.33
Occidental Petroleum Corporation	1,789,880	0.22
Microsoft Corporation	1,458,834	0.18
Simon Property Group Inc	1,402,224	0.17
Hewlett Packard	1,389,288	0.17
Illinois Tool Works, Inc.	1,353,984	0.17
Ameriprise Financial, Inc.	1,293,454	0.16
Intel Corporation	1,258,415	0.16
UnitedHealth Group, Inc.	1,249,600	0.15
The Allstate Corporation	1,146,327	0.14
Total	$ 14,976,513	1.85

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Concentration of Risk (Continued)

Assets by Investment Account as of June 30, 2010

Investment Manager - Account	Total Assets Under Management (Market Value)	Percent of Total (%)
Advantus	$ 15,028,414	1.9
Bank of New York - Cash Flow	15,212,907	1.9
BlackRock - Equity Index Fund	130,765,492	16.1
BlackRock – U.S. Debt Index Fund	84,089,551	10.4
BlackRock - Government/Credit Bond Index Fund	82,605,669	10.2
BlackRock - Russell 1000 Equity Index	32,988,031	4.1
Barrow Hanley - Large Cap Value	31,825,934	3.9
Boston Company - Small Value	31,165,840	3.9
Capital International. - Emerging Markets Growth	35,752,602	4.4
Clifton Group - Index Futures	4,427,994	0.5
Dimensional Fund Advisors	34,151,098	4.2
Fifth Third Advisors - Large Cap	33,333,739	4.1
Force Ten Networks	2,634,507	0.3
JP Morgan – International	74,931,309	9.2
Lazard Thematic Global Equity	30,039,244	3.7
Morgan Stanley - Intl Equity	74,934,744	9.2
Piper Jaffray Pep IV Fund	2,879,273	0.4
RWI Ventures I	753,910	0.1
RWI Ventures II	5,932,019	0.7
UBS Realty Investors	53,300,904	6.6
Voyageur - Fixed Income	1,249,276	0.2
Wellington - Small/Mid Cap Growth	32,130,603	4.0
Total Assets by Investment Account	$ 810,133,060	100.0

The total assets under management at market value are classified as follows on Exhibit 1.

Receivables	
Real estate income	$ 44,059
Interest	3,180
Dividends	153,500
Sales of securities	2,566,609
Investments	808,450,513
Less: securities purchases payable	(1,084,801)
Total Assets Under Management, Market Value	$ 810,133,060

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Concentration of Risk (Continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates of foreign currencies relative to the U.S. dollar adversely affect the fair value of an investment or a deposit.

As the U.S. share of global economic output continues to diminish, and the returns to broad U.S. equity markets continue to deliver among the lowest of those for major developed and developing markets globally, it becomes increasingly difficult for any institutional investing entity to justify a fiduciary posture on investments that does not include a significant international component.

However, because the liabilities of any public pension plan are due and payable in U.S. dollars, all foreign holdings must ultimately be converted into U.S. dollar liquidity. Owning securities and currencies of other countries, therefore, adds another level and type of risk, which occurs with each movement in the rate of exchange between the U.S. dollar and the relevant currency of trade.

As of June 30, 2010, the Investment Policy of the Association included a dedication of 24 percent of the total Fund as the international equity component of the total portfolio. International positions are held in pooled or commingled investment funds, which render the exposure to foreign currencies to a derived risk, as the Fund's interest is limited in all cases to a unit valuation expressed in U.S. dollars. The actual allocation was $194 million, or 24.0 percent, of total invested assets. This allocation resulted in derived exposures to international markets as detailed in the following chart.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments

Concentration of Risk

Foreign Currency Risk (Continued)

Assets Held in Non-U.S. Securities by Currency as of June 30, 2010

Country	Currency	Equity	Fixed Income	Cash and Cash Equivalents	Total
Argentina	Argentine Peso	$ -	$ 35,753	$ -	$ 35,753
Australia	Australian Dollar	4,845,387	-	(35,753)	4,809,634
Brazil	Brazilian Real	4,905,468	-	(214,516)	4,690,952
United Kingdom	British Pound	47,036,186	-	(178,763)	46,857,423
Canada	Canadian Dollar	3,021,650	-	(107,258)	2,914,392
Chile	Chilean Peso	178,763	-	-	178,763
China	Chinese Yuan	7,837,359	-	-	7,837,359
Egypt	Egyptian Pound	35,753	-	-	35,753
European Union	Euro	40,679,333	-	(35,753)	40,643,580
Switzerland	Francs	17,604,645	-	643,547	18,248,192
Hong Kong	Hong Kong Dollar	8,650,194	-	-	8,650,194
Hungary	Hungarian Forint	35,753	-	(35,753)	-
India	Indian Rupee	4,287,544	-	-	4,287,544
Indonesia	Indonesian Rupiah	1,358,599	-	-	1,358,599
Israel	Israeli Shekel	1,313,688	-	(214,516)	1,099,172
Japan	Japanese Yen	33,142,596	-	-	33,142,596
Czech Republic	Koruny	214,516	-	(107,258)	107,258
Denmark	Kroner	120,157	-	-	120,157
Malaysia	Malaysian Ringgit	1,179,836	-	-	1,179,836
Mexico	Mexican Peso	2,216,661	-	-	2,216,661
Morocco	Moroccan Dirham	35,753	-	-	35,753
Intl. Agency Securities	Various	35,753	-	464,784	500,537
Sultanate of Oman	Omani Rial	71,505	-	-	71,505
Pakistan	Pakistani Rupee	35,753	-	-	35,753
Uruguay	Pesos	-	35,753	-	35,753
Philippines	Philippine Peso	357,526	-	-	357,526
Saudi Arabia	Riyals	107,258	-	-	107,258
Russian Federation	Russian Ruble	1,787,630	-	-	1,787,630
Singapore	Singapore Dollar	1,174,299	-	-	1,174,299
South Africa	South African Rand	1,963,624	-	(536,289)	1,427,335
Sweden	Swedish Krona	780,020	-	-	780,020
Taiwan	Taiwanese New Dollar	3,692,825	-	-	3,692,825
Thailand	Thai Baht	822,310	-	(143,010)	679,300
Turkey	Turkish New Lira	500,536	-	-	500,536
South Korea	Won	3,289,239	-	-	3,289,239
Poland	Zloty	357,526	-	(143,010)	214,516
Totals		$ 193,675,645	$ 71,506	$ (643,548)	$ 193,103,603

Negative amounts in Cash and Cash Equivalents represent forward contracts on foreign currencies that have not settled.
Total amount will not reconcile with the combined total for the investment manager reports. U.S. Dollars of $22,554,296 are included in those reports; however, they are not included in this table because they are not relevant for foreign currency disclosure purposes.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

3. Deposits and Investments

B. Investments (Continued)

Derivatives

For 2010, the Association has adopted GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments. This Statement addresses the recognition, measurement and disclosure of information regarding derivative instruments.

As of June 30, 2010, the Association had future contracts involving government obligations and commingled investment funds. Maturity dates range from September 17 to September 30, 2010. As of June 30, 2010 the account associated with the futures contracts had $2,234,631 of money market funds and $2,193,000 of security purchases receivables which are reported on the statement of plan net assets. The future contracts on this date netted to the fair value of $(627,070), which is not reported as an asset or liability because upon maturity of the contract an exchange does not take place, but instead the gain or loss is settled in cash.

The following are risks associated generally with futures contracts, which are mitigated by the practice of the money manager settling the future contracts each business day.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Losses in value may arise from changes in the value of the underlying instruments or if there is an illiquid secondary market for the contracts.

Interest Rate Risk

Interest rate risk for investments consists of assessing the potential for adverse effects on the fair value of debt securities held as a result of interest rate changes.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates of foreign currencies relative to the U.S. dollar adversely affect the fair value of an investment or a deposit.

Market Risk

Market risk is the possibility that a change in market prices or currency rates will cause the value of a financial instrument to decrease or become more costly to settle.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

4. Securities Lending

The Association participates in a securities lending program. On June 30, 2010, nine percent of its U.S. government securities, corporate bonds, and corporate stocks were loaned out.

The Association is permitted to enter into securities lending transactions by Minn. Stat. § 356A.06, subd. 7. These are loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. Loans may be made only to pre-approved borrowers. Qualifications of borrowers and the fiscal status of such entities are monitored on a continuing basis. The Association's securities custodian is the agent in lending the Association's securities for collateral of at least 102 percent of the market value of loaned securities. Loaned investments are marked to market daily. If the collateral provided by the borrower falls below 100 percent of the market value of the loaned investment, the borrower is required to provide additional collateral to bring the collateral to 102 percent of the current market value. Collateral may be provided in securities or cash.

In the event of failure by the borrowing party to deliver the securities at all, the Association should be at least 100 percent collateralized in order to recover the market value equivalent of securities not returned.

The Association's contract with the Bank of New York also specifies that the custodian will indemnify the Association for any "fails," or loss of securities by failure of borrowers to return securities.

As of June 30, 2010, the fair value of cash collateral received was $12,286,262, which is included in the Statement of Plan Net Assets both as an asset and offsetting liability. The cash collateral, with an average weighted maturity of 15 days, was invested as follows: $700,136 in corporate obligations; $1,500,132 in certificates of deposit; $5,979,235 in repurchase agreements; $3,866,986 in asset-backed securities; and $239,773 in commercial paper. The Association had no non-cash collateral. The Association has no credit risk exposure to borrowers because the amounts the Association owes borrowers exceed amounts borrowers owe the Association. The contract with the trust company requires the trust company to indemnify the Association if borrowers fail to return the loaned securities, requiring delivery of collateral up to the market value of the loaned securities to the Association. All securities loans may be terminated on demand by either the Association or the borrower.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

5. Contributions

Funding

Benefit and contribution provisions are established by state law and may be amended only by the State of Minnesota Legislature.

Rates for employee and employer contributions expressed as a percentage of annual covered payroll are set by Minn. Stat. § 354A.12. In 2008, Minn. Stat. § 356.215, subd. 11, was amended, and the established date for full funding is now June 30 of the 25th year from the valuation date. As part of the annual actuarial valuation, the actuary determines the sufficiency or deficiency of the statutory contribution rates toward meeting the required full funding deadline. The actuary compares the actual contribution rate to a "required" contribution rate. The required contribution rate consists of: (a) normal costs based on entry age normal cost methods, (b) a supplemental contribution for amortizing any unfunded actuarial accrued liability by the required date for full funding, and (c) an allowance for administrative expenses. At June 30, 2010, the difference between the statutory and actuarially required contributions is a deficiency of 4.24 percent of payroll. As part of the annual actuarial valuation, the actuary is required by Minn. Stat. § 356.215, subd. 11, to determine the funded ratio and the sufficiency or deficiency in annual contributions when comparing liabilities to the market value of the assets of the Fund as of the close of the most recent fiscal year. As of July 1, 2010, there was a contribution deficiency of 8.72 percent between the statutory and required contributions based on the market value of assets.

Employer and Employee Contributions

For the fiscal year ended June 30, 2010, the contribution rates required by statute were as follows:

	Percentage of Members' Salaries	
	Basic Plan	Coordinated Plan
Employee contribution	8.00%	5.50%
Employer contribution	11.64	8.34

All contribution rates will increase 1.00 percent, by .25 percent increments over four years, with the first increase scheduled on July 1, 2011.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

5. Contributions (Continued)

Other Contributions

The state is required by Minn. Stat. § 354A.12 to annually provide the Association with direct aid until it reaches the same funded status as the Minnesota Teachers Retirement Association. The direct state-aid contribution was $2,827,000 for fiscal year 2010.

The state is required by Minn. Stat. § 423A.02, subd. 3, to annually provide certain aid to the Association until it is fully funded. The state amortization aid contribution was $1,281,442 for fiscal year 2010. Beginning in fiscal year 1998, the School District must make an additional annual contribution to the Association in order for the Association to continue receiving state amortization aid. The School District contributed $800,000 for fiscal year 2010.

6. Risk Management

The Association is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; and natural disasters. To cover its liabilities, the Association purchases commercial insurance. There were no significant reductions in insurance coverage from coverage in the prior year. The amount of settlements did not exceed insurance coverage for each of the past three fiscal years.

7. Funded Status and Funding Progress

The funded status as of July 1, 2010, the most recent actuarial date, is as follows:

Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (%) (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (%) ((b-a)/c)
$ 1,001,444	$ 1,471,630	$ 470,186	68.05	$ 239,996	195.91

The net funded ratio decreased 4.15 percent. The Schedule of Funding Progress, presented as required supplementary information following the notes to the financial statements, presents similar information but uses a multi-year format to show trend information. These trends indicate whether the actuarial values of plan assets are increasing or decreasing over time relative to the Actuarial Accrued Liability for benefits. The trend information was obtained from the Association's independent actuary's annual valuation report.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

7. Funded Status and Funding Progress (Continued)

Additional information as of the latest valuation follows:

- Most Recent Actuarial Valuation Date: July 1, 2010
- Actuarial Cost Method: Entry Age Normal
- Amortization Method: Level percent of pay, assuming five-percent payroll growth
- Amortization Period: 25-year open period
- Remaining Amortization Period at July 1, 2010: 25 years
- Asset Valuation Method: 5-Year Smoothed Market

  The actuarial value of assets is determined using market value, adjusted for amortization obligations receivable at the end of each fiscal year, less a percentage of the unrecognized asset return determined at the close of each of the four preceding fiscal years. Unrecognized asset return is the difference between actual net return on market value of assets and the asset return expected during that fiscal year (based on the assumed interest rate employed in the July 1 actuarial valuation of the fiscal year).

- Actuarial Assumptions:
  - Investment rate of return: 8.50 percent pre-retirement and post-retirement
  - Inflation and projected salary increases: Based on a ten-year select and ultimate rate table with rates ranging from 5.00 to 6.90 percent, age and service based.
  - Cost-of-living adjustments: 0.00 percent at January 1, 2011 (actual); assumed 2.00 percent thereafter
  - Pre-retirement mortality assumptions are based on the 1983 Group Annuity Mortality Table with rates set back seven years for males and five years for females.
  - Post-retirement mortality assumptions are based on the 1983 Group Annuity Mortality Table with rates set back four years for males and one year for females.
  - Post-disability mortality assumptions are based on the 1977 Railroad Retirement Board Mortality Table for Disabled Lives.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

8. Narrative Description of Actuarial Measurement Process

The actuarial measurement process takes many assumptions, such as estimates, probabilities and techniques, into account. Our Actuary, Gabriel Roeder Smith & Company, developed its actuarial assumptions in accordance with the Standards for Actuarial Work established by the Minnesota Legislative Commission on Pensions and Retirement.

Actuarial assumptions are used to project future demographic and economic expectations for purposes of valuing the liabilities of the plan. The assumptions should reflect current patterns. However, their primary orientation is the long-term outlook for each factor affecting the valuation. Thus, while actual experience will fluctuate over the short run, actuarial assumptions are chosen in an attempt to model the future long-term experience.

9. Subsequent Event

Phillip Kapler, Executive Director, resigned from his position with the St. Paul Teachers' Retirement Fund Association on August 13, 2010. Christine MacDonald, Assistant Director, was appointed as the Interim Executive Director. It is expected the Executive Director position will be filled on or about January 1, 2011.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

Schedule 1

SCHEDULE OF FUNDING PROGRESS
(IN THOUSANDS OF DOLLARS)

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (%) (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (%) ((b-a)/c)
2005	$ 905,293	$ 1,299,832	$ 394,539	69.65	$ 223,762	176.32
2006	938,919	1,358,620	419,701	69.11	226,351	185.42
2007	1,015,722	1,391,298	375,576	73.01	229,172	163.88
2008	1,075,951	1,432,040	356,089	75.13	235,993	150.89
2009	1,049,954	1,454,314	404,360	72.20	243,166	166.29
2010	1,001,444	1,471,630	470,186	68.05	239,996	195.91

(Unaudited)

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

Schedule 2

SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
AND OTHER CONTRIBUTING ENTITIES
(IN THOUSANDS OF DOLLARS)

Fiscal Year	Annual Required Contributions (a)	Employer Contributions (b)	Employer Percentage Contributed (%) (b/a)	State Contributions (c)	State Percentage Contributed (%) (c/a)
2005	$ 34,724	$ 20,435	58.85	$ 3,398	9.79
2006	40,373	20,615	51.06	3,400	8.42
2007	43,924	20,466	46.59	3,651	8.31
2008	41,580	20,775	49.96	3,509	8.44
2009	29,007	21,501	74.12	3,343	11.52
2010	30,328	21,018	69.30	4,108	13.55

Note:
The annual required contributions are actuarially determined. The employer and state are required by statute to make contributions, all of which have been made.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

NOTES TO SCHEDULE 1 AND SCHEDULE 2
AS OF AND FOR THE YEAR ENDED JUNE 30, 2010
(Unaudited)

Actuarial Methods and Assumptions

The actuarial accrued liability is determined as part of an annual actuarial valuation on July 1. Significant methods and assumptions are as follows:

- The most recent actuarial valuation date is July 1, 2010.
- Actuarial cost is determined using the Entry Age Normal Actuarial Cost Method.
- The amortization method assumes a level percentage of payroll each year, open, and assuming five-percent payroll growth to pay the unfunded actuarial accrued liability.
- The amortization period is a 25-year open period.
- The remaining amortization period at July 1, 2010, is 25 years.
- The actuarial value of assets is determined using market value, adjusted for amortization obligations receivable at the end of each fiscal year, less a percentage of the unrecognized asset return determined at the close of each of the four preceding fiscal years. Unrecognized asset return is the difference between actual net return on market value of assets and the asset return expected during that fiscal year (based on the assumed interest rate employed in the July 1 actuarial valuation of the fiscal year).
- Actuarial Assumptions:
    - Investment rate of return is 8.50 percent pre-retirement and post-retirement.
    - Inflation and projected salary increases are based on a ten-year select and ultimate rate table with rates ranging from 5.00 to 6.90 percent, age and service based.
    - Post-retirement cost-of-living adjustments are 0.00 percent at January 1, 2011 (actual); assumed 2.00 percent thereafter.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

Actuarial Methods and Assumptions (Continued)

- Pre-retirement mortality assumptions are based on the 1983 Group Annuity Mortality Table with rates set back seven years for males and five years for females.

- Post-retirement mortality assumptions are based on the 1983 Group Annuity Mortality Table with rates set back four years for males and one year for females.

- Post-disability mortality assumptions are based on the 1977 Railroad Retirement Board Mortality Table for Disabled Lives.

Significant Plan Provision and Actuarial Methods and Assumption Changes

2006

- Post-retirement benefit increases were capped, such that the combination of the guaranteed 2.00 percent and excess rate of return factors cannot exceed 5.00 percent, effective July 1, 2010. The other change is the deferred augmentation rate for post-June 30, 2006, hires, which is 2.50 percent for all years.

2007

- Post-retirement benefits were changed in the 2007 Legislative Session. The old increase formula provided a guaranteed 2.00 percent increase each year for any member in pay status for one full year as of June 30 in the calendar year prior to the next January 1 increase. In addition, if the fund net investment return on a five-year annualized basis exceeded 8.50 percent, the difference was added to the 2.00 percent guaranteed increase.

- Under a two-year pilot program, commencing with increases for calendar 2008, the St. Paul Teachers' Retirement Fund Association (SPTRFA) will instead pay a retirement benefit cost-of-living adjustment (COLA) similar to that of the U.S. Social Security Administration up to an initial maximum of 2.50 percent. The maximum increases to 5.00 percent if the investment returns of the fund exceed 8.50 percent on both a one- and five-year basis. The full COLA amount will be equal to current year average third quarter CPI-w over the same figure for the prior year. Members with less than one full year in pay status will receive a pro-rated COLA based on full calendar quarters.

- The administrative expense assessment process under Minn. Stat. § 354A.12, subd. 3(d), was repealed.

ST. PAUL TEACHERS' RETIREMENT FUND ASSOCIATION
ST. PAUL, MINNESOTA

Significant Plan Provision and Actuarial Methods and Assumption Changes (Continued)

2008

- The period of amortization of the unfunded actuarial accrued liability was revised in the 2008 Legislative Session. Previously, the unfunded actuarial accrued liability was required to be amortized by a fixed amortization target date (June 30, 2021). The amortization of the unfunded actuarial accrued liability is now a fixed amortization target period of 25 years.

2009

- Under a two-year pilot program, commencing with increases for calendar 2010, the SPTRFA will pay a retirement benefit COLA similar to that of the U.S. Social Security Administration up to a maximum of 5.00 percent. The full COLA amount will be equal to current year average third quarter CPI-w over the same figure for the prior year. Members with less than one full year in pay status will receive a pro-rated COLA based on full calendar quarters.

2010

- A one-year COLA suspension, for January 1, 2011, was passed in the 2010 Legislative Session.

- Statutory employer and employee contributions will increase by a total of 1.00 percent over 4 years, with the first .25 increase scheduled for July1, 2011.

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Actuarial Section

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November 10, 2010

Ms. Christine MacDonald
St. Paul Teachers' Retirement Fund Association
1619 Dayton Avenue, Room 309
St. Paul, MN 55104-6206

Dear Ms. MacDonald:

We are pleased to present the report of the actuarial valuation of the St. Paul Teachers' Retirement Fund Association ("Fund") as of July 1, 2010. This report provides among other things, the required annual contribution rate of the Fund for the Plan Year commencing July 1, 2010, and ending on June 30, 2011. The actuarial assumptions and actuarial cost method are those used in the prior valuation.

The necessary participant and financial data was provided by the Fund's staff. Their efforts in furnishing the materials needed are gratefully acknowledged. Data was checked for internal consistency, but was not otherwise audited by us.

The report has been prepared in accordance with Section 356.215 of the Minnesota Statutes as well as the Standards for Actuarial Work established by the State of Minnesota Legislative Commission on Pensions and Retirement. To the best of our knowledge, this report is complete and accurate, and has been prepared in accordance with generally accepted actuarial principles and practice.

Determinations of the liability associated with the benefits described in this report for purposes other than those described above may produce significantly different results. This report may be provided to parties other than the Fund or State oversight entities only in its entirety and only with the permission of the Fund.

The undersigned are Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

We will be pleased to review this report with you at your convenience.

Respectfully submitted,

W. James Koss, ASA, EA, MAAA   Cathy Nagy, FSA, EA, MAAA

WJK/CN:mrb

SUMMARY OF VALUATION RESULTS
(dollars in thousands)

	July 1, 2009 Valuation	July 1, 2010 Valuation
A. CONTRIBUTIONS % OF PAYROLL (Table 11)		
1. Statutory Contributions - Chapter 354A	15.64%	15.60%
2. Required Contributions - Chapter 356	18.40%	19.84%
3. Sufficiency / (Deficiency)	(2.76%)	(4.24%)
B. FUNDING RATIOS		
1. Accrued Liability Funding Ratio		
a Current Assets (Table 1)	$ 1,049,954	$ 1,001,444
b. Actuarial Accrued Liability (Table 9)	1,454,314	1,471,630
c. Funding Ratio	72.20%	68.05%
2. Projected Benefit Funding Ratio (Table 8)		
a. Current and Expected Future Assets	$ 1,552,760	$ 1,579,825
b. Current and Expected Future Benefit Obligations	1,668,532	1,684,504
c. Funding Ratio	93.06%	93.79%
C. PLAN PARTICIPANTS		
1. Active Members		
a. Number (Table 3)	3,860	3,749
b. Projected Annual Earnings	$ 252,726	$ 250,225
c. Average Annual Earnings (Projected dollars)	$ 64,144	$ 64,714
d. Average Age	45.3	45.5
e. Average Service	12.0	12.3
f. Additional Members on Leave of Absence	80	88
2. Others		
a. Service Retirements (Table 4)	2,615	2,721
b. Disability Retirements (Table 5)	25	23
c. Survivors (Table 6)	293	300
d. Deferred Retirements (Table 7)	1,823	1,863
e. Terminated Other Non-Vested (Table 7)	1,451	1,419
f. Total - Others	6,207	6,326
3. Grand Total (1.a + 1.f + 2f.)	10,147	10,163

ACCOUNTING BALANCE SHEET
AS OF JUNE 30, 2010
(dollars in thousands)

		Market Value	Cost Value
A. ASSETS			
1. Cash, Equivalents, Short-Term Securities		$ 4,536	$ 4,536
2. Investments			
a. Fixed Income		187,989	146,763
b. Equity		542,988	466,407
c. Real Estate		67,908	73,264
d. Alternative		9,565	9,152
3. Other Assets*		4,570	4,570
B. TOTAL ASSETS		$ 817,556	$ 704,692
C. AMOUNTS CURRENTLY PAYABLE		$ 2,249	$ 2,249
D. ASSETS AVAILABLE FOR BENEFITS			
1. Member Reserves		$ 144,542	$ 144,542
2. Employer Reserves		670,765	557,901
3. Total Assets Available for Benefits		$ 815,307	$ 702,443
E. TOTAL AMOUNTS CURRENTLY PAYABLE AND ASSETS AVAILABLE FOR BENEFITS		$ 817,556	$ 704,692
F. DETERMINATION OF ACTUARIAL VALUE OF ASSETS			
1. Market Value of Assets Available for Benefits (D.3)		$ 815,307	
2. Unrecognized Asset Returns			
a. June 30, 2010	$ 36,792		
b. June 30, 2009	(280,135)		
c. June 30, 2008	(175,830)		
d. June 30, 2007	114,209		
3. UAR Adjustment: .80 * 2(a) + .60 * 2(b) + .40 * 2(c) + .20 * 2(d)		(186,137)	
4. Actuarial Value of Assets (F.1 - F.3)		$ 1,001,444	

* DERIVATION OF OTHER ASSETS	**Market Value**
Accounts Receivable	
Employer Contribution	$ 1,604
Employee Contribution	88
Service Purchases Receivable	75
Pensions Receivable	4
State Contributions	0
Real Estate Income receivable	44
Commission Recapture Receivable	6
Interest Receivable	3
Dividend Receivable	154
Misc. Receivable	1
Security Purchases Receivable	-
Sale of Securities	2,566
Total Accounts Receivable	$ 4,545
Fixed Assets	25
Total Other Assets	$ 4,570

CHANGE IN ASSETS AVAILABLE FOR BENEFITS
AS OF JUNE 30, 2010
(dollars in thousands)

	Market Value	Cost Value
A. ASSETS AVAILABLE AT BEGINNING OF PERIOD	$ 773,259	$ 720,145
B. OPERATING REVENUES		
1. Member Contributions	$ 13,832	$ 13,832
2. Employer Contributions	21,018	21,018
3. Supplemental Contributions	4,108	4,108
4. Investment Income	7,972	7,972
5. Investment Expenses	(4,606)	(4,606)
6. Net Realized Gain / (Loss)	36,938	36,938
7. Other	-	-
8. Net Change in Unrealized Gain / (Loss)	59,750	-
9. Total Operating Revenue	$ 139,012	$ 79,262
C. OPERATING EXPENSES		
1. Service retirements	$ 86,392	$ 86,392
2. Disability benefits	668	668
3. Survivor benefits	8,240	8,240
4. Refunds	1,062	1,062
5. Administrative expenses	602	602
6. Total operating expenses	$ 96,964	$ 96,964
D. OTHER CHANGES IN RESERVES	$ -	$ -
E. ASSETS AVAILABLE AT END OF PERIOD	$ 815,307	$ 702,443

F. DETERMINATION OF CURRENT YEAR UNRECOGNIZED ASSET RETURN	
1. Average Balance	
(a) Assets available at BOY:	$ 773,259
(b) Assets available at EOY:	815,307
(c) Average balance {[(a) + (b) - Net Investment Income] / 2}	$ 744,256
{Net investment income: B.4+B.5+B.6+B.7+B.8}	
2. Expected Return: .085 * F.1	63,262
3. Actual Return	100,054
4. Current year gross asset return: F.3 - F.2	$ 36,792

ACTUARIAL BALANCE SHEET
AS OF JULY 1, 2010
(dollars in thousands)

A.	CURRENTS ASSETS (TABLE 1; Line F.4)	$	1,001,444
B.	EXPECTED FUTURE ASSETS		
	1. Present Value of Expected Future Statutory Supplemental Contributions*	$	365,506
	2. Present Value of Future Normal Costs		212,875
	3. Total Expected Future Assets	$	578,381
C.	TOTAL CURRENT AND EXPECTED FUTURE ASSETS	$	1,579,825
D.	TOTAL CURRENT AND EXPECTED FUTURE BENEFIT OBLIGATIONS	$	1,684,504
E.	CURRENT AND FUTURE UNFUNDED ACTUARIAL LIABILITY (D - C)	$	104,679

* *Includes effect of scheduled employee and employer contribution increases of 1.0% each, in 0.25% increments starting July 1, 2011.*

DETERMINATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAAL) AND SUPPLEMENTAL CONTRIBUTION RATE AS OF JULY 1, 2010

(dollars in thousands)

	Actuarial Present Value of Projected Benefits	Actuarial Present Value of Future Normal Costs	Actuarial Accrued Liability
A. DETERMINATION OF ACTUARIAL ACCRUED LIABILITY (AAL)			
1. Active Members*			
a. Retirement Benefits	$ 634,842	$ 169,146	$ 465,696
b. Disability Benefits	7,196	2,975	4,221
c. Surviving Spouse and Child Benefits	9,819	3,689	6,130
d. Withdrawals	27,699	37,065	(9,366)
e. Total	$ 679,556	$ 212,875	$ 466,681
2. Deferred Retirements	52,181	-	$ 52,181
3. Former Members Without Vested Rights	1,909	-	1,909
4. Annuitants	950,858	-	950,858
5. Total	$ 1,684,504	$ 212,875	$ 1,471,629
B. DETERMINATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAAL)			
1. Actuarial Accrued Liability (A.5)			$ 1,471,629
2. Current Assets (Table 1; Line F.4)			1,001,444
3. Unfunded Actuarial Accrued Liability (B.1 - B.2)			$ 470,185
C. DETERMINATION OF SUPPLEMENTAL CONTRIBUTION RATE			
1. Present Value of Future Payrolls Through the Amortization Date of June 30, 2035 (25-year rolling amortization)			4,153,074
2. Supplemental Contribution Rate (B.3 / C.1)			11.32%

*Includes members on leave of absence.

CHANGES IN UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAAL) AS OF JULY 1, 2010

(dollars in thousands)

A.	UAAL AT BEGINNING OF YEAR	$	404,360
B.	CHANGE DUE TO INTEREST REQUIREMENTS AND CURRENT RATE OF FUNDING		
	1. Normal Cost and Expenses	$	22,162
	2. Contributions		(38,958)
	3. Interest		34,573
	4. Total	$	17,777
C.	EXPECTED UAAL AT END OF YEAR (A + B.4)	$	422,137
D.	INCREASE / (DECREASE) DUE TO ACTUARIAL LOSSES / (GAINS) BECAUSE OF EXPERIENCE DEVIATIONS FROM EXPECTED		
	1. Age and Service Retirements	$	(4,834)
	2. Disability Retirements		220
	3. Death-in-Service Benefits		(504)
	4. Withdrawals		(1,233)
	5. Salary Increases		(13,954)
	6. Investment Income		77,284
	7. Mortality of Annuitants		1,666
	8. Other Items		2,304
	9. Total	$	60,949
E.	UAAL AT END OF YEAR BEFORE PLAN AMENDMENTS AND CHANGES IN ACTUARIAL ASSUMPTIONS (C + D.9)	$	483,086
F.	CHANGE IN UAAL DUE TO PLAN AMENDMENTS [1]		(17,846)
G.	CHANGE IN UAAL DUE TO CHANGES IN ACTUARIAL ASSUMPTIONS [2]		4,945
H.	UAAL AT END OF YEAR (E + F + G)	$	470,185

[1] *COLA at January 1, 2011 set to 0.00 percent. Employee contributions increased by 1.00 percent in 0.25 percent increments starting July 1, 2011.*

[2] *Decrement timing changed to be consistent with Standards for Actuarial Work established by the Minnesota Legislative Commission on Pensions and Retirement updated August 11, 2010.*

DETERMINATION OF CONTRIBUTION SUFFICIENCY AS OF JULY 1, 2010
(dollars in thousands)

	Percent of Payroll	Dollar Amount
A. STATUTORY CONTRIBUTIONS - CHAPTER 354A		
1. Employee Contributions	5.56%	$ 13,917
2. Employer Contributions	8.42%	$ 21,072
3. Supplemental Contribution		
a. 1996 Legislation	0.49%	1,230
b. 1997 Legislation	1.13%	2,827
4. Total	15.60%	$ 39,046
B. REQUIRED CONTRIBUTIONS - CHAPTER 356		
1. Normal Cost		
a. Retirement Benefits	6.58%	$ 16,475
b. Disability Benefits	0.12%	295
c. Surviving Spouse and Child Benefits	0.14%	354
d. Withdrawals	1.44%	3,611
e. Total	8.28%	$ 20,735
2. Supplemental Contribution Amortization	11.32%	28,325
3. Allowance for Administrative Expenses	0.24%	601
4. Total	19.84%	$ 49,661
C. CONTRIBUTION SUFFICIENCY / (DEFICIENCY) (A.4 - B.4)	(4.24%)	(10,615)
Projected Annual Payroll for Fiscal Year Beginning on the Valuation Date:		$ 250,225

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

I. ACTUARIAL COST METHOD

An Actuarial Cost Method is a set of techniques used by the actuary to develop contribution levels under a retirement plan. The Actuarial Cost Method used in this valuation for all purposes is the Entry Age Actuarial Cost Method. Under this Method, a Normal Cost is developed by amortizing the actuarial value of benefits expected to be received by each active participant (as a level percentage of pay) over the total working lifetime of that participant, from hire to termination.

To the extent that current assets and future Normal Costs do not support participants' expected future benefits, an Unfunded Actuarial Accrued liability ("UAAL") develops. The UAAL is amortized over the statutory amortization period using level percent of payroll assuming payroll increases of 5.00% per annum. The total contribution developed under this method is the sum of the Normal Cost and the payment toward the UAAL.

II. CURRENT ACTUARIAL ASSUMPTIONS

A. Demographic Assumptions

Mortality:

1. Healthy Pre-Retirement:
   a. Male: 1983 Group Annuity Mortality Table for Males set back 7 years
   b. Female: 1983 Group Annuity Mortality Table for Females set back 5 years
2. Healthy Post-Retirement
   a. Male: 1983 Group Annuity Mortality Table for Males set back 4 years
   b. Female: 1983 Group Annuity Mortality Table for Females set back 1 year
3. Disabled Mortality
   a. Male: 1977 Railroad Retirement Board Mortality Table for Disabled Lives
   b. Female: 1977 Railroad Retirement Board Mortality Table for Disabled Lives

ACTUARIAL METHODS AND ASSUMPTIONS
AS OF JULY 1, 2010

Deaths Expressed as the Number of Occurrences per 10,000:

	Pre-Retirement Mortality		Post-Retirement Mortality		Post-Disability Mortality	
Age	Male	Female	Male	Female	Male	Female
20	3	1	3	2	57	57
21	3	1	3	2	60	60
22	3	2	4	2	63	63
23	3	2	4	2	66	66
24	3	2	4	2	69	69
25	4	2	4	2	72	72
26	4	2	4	3	75	75
27	4	2	4	3	79	79
28	4	2	4	3	82	82
29	4	2	5	3	87	87
30	4	3	5	3	91	91
31	4	3	5	3	95	95
32	5	3	5	4	99	99
33	5	3	6	4	103	103
34	5	3	6	4	107	107
35	5	3	6	4	273	273
36	6	4	7	5	273	273
37	6	4	7	5	273	273
38	6	4	8	5	273	273
39	7	4	9	6	273	273
40	7	5	9	6	273	273
41	8	5	10	7	273	273
42	9	5	10	7	273	273
43	9	6	11	8	274	274
44	10	6	12	8	274	274

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

Deaths Expressed as the Number of Occurrences per 10,000:

	Pre-Retirement Mortality		Post-Retirement Mortality		Post-Disability Mortality	
Age	Male	Female	Male	Female	Male	Female
45	10	7	14	9	274	274
46	11	7	15	10	275	275
47	12	8	17	11	276	276
48	14	8	19	12	279	279
49	15	9	22	14	283	283
50	17	10	25	15	289	289
51	19	11	28	16	297	297
52	22	12	31	18	310	310
53	25	14	35	19	327	327
54	28	15	39	21	348	348
55	31	16	43	23	371	371
56	35	18	48	25	395	395
57	39	19	52	28	417	417
58	43	21	57	31	437	437
59	48	23	61	34	455	455
60	52	25	66	38	473	473
61	57	28	71	42	494	494
62	61	31	77	47	516	516
63	66	34	84	52	541	541
64	71	38	92	58	569	569
65	77	42	101	64	598	598
66	84	47	111	71	628	628
67	92	52	124	78	658	658
68	101	58	139	87	687	687
69	111	64	156	97	716	716

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

Rates of Disability:

Disability Expressed as the Number of Occurrences per 10,000:

Age	Disability	Age	Disability
20	1	45	4
21	1	46	4
22	1	47	4
23	1	48	4
24	1	49	4
25	1	50	7
26	1	51	7
27	1	52	7
28	1	53	7
29	1	54	7
30	2	55	14
31	2	56	14
32	2	57	14
33	2	58	14
34	2	59	14
35	2	60	29
36	2	61	29
37	2	62	29
38	2	63	29
39	2	64	29
40	2		
41	2		
42	2		
43	2		
44	2		

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

Rates of Termination:

Years of Service	Number of Terminations per 1,000 Active Members: Male	Female
0	400	400
1	180	160
2	110	100
3	90	70
4	44	62
5	41	55
6	38	48
7	35	41
8	32	30
9	29	28
10	26	26
11& Over	16	10

Rates of Retirement:

Retirements Expressed as the Number of Occurrences per 10,000:

Age	Basic Members Eligible for Rule of 90 Provision	Basic Members Not Eligible for Rule of 90 Provision	Coordinated Members Eligible for Rule of 90 Provision	Coordinated Members Not Eligible for Rule of 90 Provision
<55	5,000	0	5,000	0
55	5,000	800	5,000	500
56	5,000	1,300	5,000	500
57	4,000	1,300	4,000	500
58	4,000	1,800	4,000	700
59	3,500	1,800	4,000	700
60	3,500	2,000	4,000	700
61	3,500	2,000	4,500	1,000
62	3,500	4,000	4,500	2,000
63	3,500	4,000	3,000	2,000
64	4,000	4,000	3,000	2,000
65	5,000	5,000	5,000	3,500
66	3,000	5,000	3,000	3,000
67	3,000	5,000	3,000	3,000
68	3,000	5,000	3,000	3,000
69	3,000	5,000	3,000	3,000
70 & Over	10,000	10,000	10,000	10,000

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

B. *Economic Assumptions*

Investment Return Rate: Pre-retirement - 8.50% per annum
Post-retirement - 8.50% per annum

Cost of Living Increases: 0.00% at January 1, 2011 (actual); 2.00% per annum thereafter

Future Salary Increases: In addition to the age-based rates shown below, during the first ten years of employment, a service-based component of 0.30% x (10-T), where T is completed years of service, is included in the salary increase used.

Annual Salary Increases

Age	Ultimate Rate of Annual Salary Increases	Age	Ultimate Rate of Annual Salary Increases
<22	6.90%	45	5.75%
23	6.85	46	5.70
24	6.80	47	5.65
		48	5.60
25	6.75	49	5.55
26	6.70		
27	6.65	50	5.50
28	6.60	51	5.45
29	6.55	52	5.40
		53	5.35
30	6.50	54	5.30
31	6.45		
32	6.40	55	5.25
33	6.35	56	5.20
34	6.30	57	5.15
		58	5.10
35	6.25	59	5.05
36	6.20		
37	6.15	60 & Over	5.00
38	6.10		
39	6.05		
40	6.00		
41	5.95		
42	5.90		
43	5.85		
44	5.80		

Asset Value: The actuarial value of assets is smoothed by using a five-year average market value.

ACTUARIAL METHODS AND ASSUMPTIONS AS OF JULY 1, 2010

C. *Other Assumptions*

Marital Status:	It is assumed that 85% of male members and 60% of female members have an eligible spouse. The male spouse is assumed four years older than the female spouse. Married members are assumed to have two dependent children.
Deferred Benefit Commencement:	Basic Plan members who terminate vested are assumed to commence benefits at age 60. Coordinated Plan members are assumed to commence benefits at age 63. If the member is already past the assumed deferral age, the member is assumed to commence benefits one year from the valuation date.
Administrative Expenses:	Prior year administrative expenses (excluding investment expenses) expressed as a percentage of prior year payroll.
Allowance for Combined Service Annuity:	7.00% load on liabilities for active members and 30.00% load on liabilities for former members.
Missing Salary and Salary Minimums:	Active members with reported salaries of $100 or less were assumed to have the average non-zero active salary. Deferred vested members without salary information were valued using accumulated contributions. For members on leave of absence at valuation date who were not on leave at the prior valuation date, the prior year's valuation pay was used. Active members with salaries less than those reported at the prior valuation date are valued using their prior salary amount.
Accelerated Benefit Option:	Retired members who have elected the accelerated benefit option and who have not yet attained the age of 65 are assumed to receive 50 percent of their pre-65 benefit after age 65.
Supplemental Contributions:	According to 1996 legislation, the St. Paul School District and the State of Minnesota are scheduled to make a combined annual supplemental contribution of $1,230,000. According to 1997 legislation, annual supplemental contributions of $2,827,000 are scheduled to be paid on October 1.
Decrement Timing:	Retirement and Termination: end of valuation year - consistent with retirements and terminations occurring at the end of the school year. Death and Disability: middle of valuation year.

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Investment Section

St. Paul Teachers' Retirement Fund Association
Investment Returns for Fiscal Year End June 30, 2009

	Assets Under Management (Market Value)	Fiscal Year Investment Performance ①
Domestic Equity		
BlackRock Institutional Trust Co.—S & P 500 Index	130,765,492	14.6%
BlackRock Institutional Trust Co.—Russell 1000 Growth Index	32,988,031	13.9%
Barrow, Hanley, Mewhinney & Strauss, Inc.	31,825,934	11.3%
The Boston Company Asset Management	31,165,840	25.7%
Dimensional Fund Advisors, Inc.	34,151,098	31.9%
Fifth Third Asset Management	33,333,739	10.9%
Wellington Management Company, LLP	32,130,603	23.4%
	$326,360,737	**17.8%**
International Equity		
Capital International, Inc.—Emerging Market (Net)	35,752,602	22.8%
JPMorgan Asset Management—EAFE	74,931,309	8.2%
Morgan Stanley Asset Management	74,934,744	3.5%
	$185,618,655	**9.7%**
Global Equity		
Lazard Thematic Global Equity ②	**$30,039,021**	-
Fixed Income		
BlackRock Institutional Trust Co.—Government/Corp Index	82,605,669	9.6%
BlackRock Institutional Trust Co.—US Debt Index	84,089,551	9.6%
Voyageur ③	1,249,276	-
	$167,944,496	**9.4%**
Real Estate		
Advantus	15,028,414	53.1%
UBS Realty Advisors LLC—Trumbull Property Fund	53,300,904	(3.6%)
	$68,329,318	**2.3%**
Alternative		
Clifton Group	3,800,924	4.4%
RWI Ventures I	779,321	(26.7%)
RWI Ventures II	5,982,795	23.2%
Piper Jaffray ②	2,898,480	-
Force Ten Networks, Inc. ④	2,634,507	-
	$16,096,027	**8.1%**
Cash		
In-House Cash & Cash Equivalents	15,212,907	1.9%
Cash – U.S. Bank	4,544,951	1.0%
	$19,757,858	**0.1%**
Total Fund	**$814,146,112**	**13.4%**
Total Fund Benchmark		**11.3%**

① Individual returns are net of management fees. Total returns are gross of management fees.
② Investment return is from account inception, which is less than one year.
③ Residual holdings from terminated Voyageur portfolio - In liquidation management status with Advantus
④ Direct equity investment - not a publicly traded security: Market = Cost
Note: Values in (parenthesis) are negative

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Alternatives					
Piper Jaffray - PEP IV Fund		$ 2,355,387	$ 2,879,273	-	$ 2,879,273
RWI Group - Ventures I Capital Ltd Partnership	-	1,382,029	753,910	-	753,910
RWI Group - Ventures II Capital Ltd Partnership	-	5,415,158	5,932,018	-	5,932,018
Force 10 Networks - Series A1 PFD	2,095	1,000,324	1,000,324		1,000,324
Force 10 Networks - Series B PFD	8,271	1,634,183	1,634,183		1,634,183
Subtotal - Venture & Private Equity	10,366	$ 11,787,081	$ 12,199,708	$ -	$ 12,199,708
Cash or Equivalents					
Imprest Cash	-	$ 500	$ 500	-	$ 500
U.S. Bank Interest Bearing Checking Acct	-	4,535,122	4,535,122	-	4,535,122
Custodian Short Term Investment Pool	20,231,517	20,231,517	20,231,517	2,119	20,233,636
Subtotal - Cash or Equivalents	20,231,517	$ 24,767,139	$ 24,767,139	$ 2,119	$ 24,769,258
Domestic Equity Securities					
Abercrombie & Fitch Co	9770	$ 365,174	$ 299,841		$ 299,841
Actuant Corp	27,840	375,449	524,227		524,227
Aeropostale Inc	17,000	367,336	486,880		486,880
Agilent Technologies Inc	15,740	564,097	447,488		447,488
Agrium Inc	9,000	574,583	440,460	495	440,955
Akamai Technologies Inc	1,900	44,712	77,083		77,083
Alberto-Culver Co	18,500	374,992	501,165		501,165
Alcoa Inc	12,600	400,512	126,756		126,756
Align Technology Inc	34,900	520,668	518,963		518,963
Alliance Data Systems Corp	16,500	955,058	982,080		982,080
Allstate Corp/The	39,900	1,711,049	1,146,327	7,980	1,154,307
Alpha Natural Resources Inc	6,490	245,909	219,816		219,816
Altera Corp	22,400	489,347	555,744		555,744
Altria Group Inc	53,100	876,072	1,064,124	18,585	1,082,709
Amazon.Com Inc	2,700	359,472	295,002		295,002
Amedisys Inc	9,290	340,616	408,574		408,574
American Axle & Manufacturing	17,240	171,702	126,369		126,369
American Express Co	26,700	1,233,356	1,059,990	4,806	1,064,796
American Woodmark Corp	3,290	71,947	56,259		56,259
Ameriprise Financial Inc	35,800	1,159,672	1,293,454		1,293,454
Amr Corp	42,810	323,326	290,252		290,252
Analog Devices Inc	20,400	608,968	568,344		568,344
Anntaylor Stores Corp	9,420	155,089	153,263		153,263
Apple Inc	3,600	349,721	905,508		905,508
Arvinmeritor Inc	10,750	46,145	140,825		140,825
Assured Guaranty Ltd Shs	58,600	974,666	777,622		777,622
At&T Inc	27,900	1,015,084	674,901		674,901
Atheros Communications Inc	24,400	626,546	671,976		671,976
Atwood Oceanics Inc	20,400	590,247	520,608		520,608
Avery Dennison Corp	17,910	636,654	575,448		575,448
Avon Products Inc	12,400	381,179	328,600		328,600
Bank Of America Corp	44,028	1,068,962	632,682		632,682
Baxter International Inc	14,900	599,283	605,536	4,321	609,857
Be Aerospace Inc	7,500	130,618	190,725		190,725
Bebe Stores Inc	52,760	377,294	337,664		337,664
Beckman Coulter Inc	4,600	292,779	277,334		277,334
Belden Inc	18,300	497,687	402,600	810	403,410
Belo Corp	48,040	318,433	273,348		273,348
Biomed Rlty Tr Inc	4,000	55,952	64,360	600	64,960
Bmc Software Inc	16,200	599,880	561,006		561,006
Borgwarner Inc	12,000	502,404	448,080		448,080
Bp Plc	15,600	767,161	450,528		450,528

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Brinker International Inc	29,930	505,183	432,788	4,190	436,978
Bristol-Myers Squibb Co	44,100	1,299,934	1,099,854	14,112	1,113,966
Broadcom Corp	17,000	525,049	560,490		560,490
Brocade Communications Systems	75,650	466,247	390,354		390,354
Buckle Inc/The	25,900	838,907	839,678		839,678
Buffalo Wild Wings Inc	7,900	315,192	288,982		288,982
Cadence Design Systems Inc	26,550	164,291	153,725		153,725
Cameron International Corp	17,840	652,719	580,157		580,157
Capital One Financial Corp	12,500	980,877	503,750		503,750
Carnival Corp	16,800	505,739	508,032		508,032
Cb Richard Ellis Group Inc	50,400	526,507	685,944		685,944
Cbs Corp	14,280	157,026	184,640	714	185,354
Celanese Corp	9,500	270,944	236,645		236,645
Cephalon Inc	5,600	345,437	317,800		317,800
Ch Robinson Worldwide Inc	14,020	749,000	780,353	3,505	783,858
Chevron Corp	4,800	161,031	325,728		325,728
Childrens Place Retail Stores	9,100	396,025	400,582		400,582
Chimera Investment Corp	64,120	209,100	231,473	10,900	242,374
Cisco Systems Inc	29,000	642,839	617,990		617,990
Cliffs Natural Resources Inc	8,300	304,612	391,428		391,428
Cme Group Inc	2,000	600,959	563,100		563,100
Cognizant Technology Solutions	17,900	749,825	896,074		896,074
Commercial Vehicle Group Inc	15,740	121,690	160,705		160,705
Concho Resources Inc/Midland T	8,210	299,405	454,259		454,259
Conocophillips	19,200	621,193	942,528		942,528
Consol Energy Inc	11,400	454,315	384,864		384,864
Con-Way Inc	14,480	341,544	434,690		434,690
Cooper Cos Inc/The	11,680	406,022	464,747		464,747
Cooper Industries Plc	10,500	523,437	462,000	2,538	464,538
Cracker Barrel Old Country Sto	11,700	387,903	544,752		544,752
Crocs Inc Cmo	16,800	112,555	177,744		177,744
Cummins Inc	10,198	494,174	664,196		664,196
Dana Holding Corp	27,100	268,677	271,000		271,000
Dealertrack Holdings Inc	23,560	410,888	387,562		387,562
Diageo Plc	15,800	996,459	991,292		991,292
Discover Financial Services	38,000	494,624	531,240		531,240
Dominion Resources Inc/Va	400	14,984	15,496		15,496
Dreamworks Animation Skg Inc	15,300	457,393	436,815		436,815
Ecolab Inc	14,000	638,800	628,740	2,170	630,910
Ei Du Pont De Nemours & Co	11,100	463,011	383,949		383,949
Emergent Biosolutions Inc	18,680	216,649	305,231		305,231
Emerson Electric Co	17,900	533,943	782,051		782,051
Emulex Corp New	7,340	89,825	67,381		67,381
Encore Wire Corp	8,450	177,391	153,706	169	153,875
Entergy Corp	9,200	363,187	658,904		658,904
Eog Resources Inc	5,000	465,635	491,850		491,850
Express Scripts Inc	12,500	559,302	587,750		587,750
Fastenal Co	13,700	575,050	687,603		687,603
Fbr Capital Markets Corp	71,500	375,871	238,095		238,095
First Midwest Bancorp Inc/Il	14,360	198,959	174,618	144	174,761
Flowserve Corp	9,400	787,304	797,120	2,726	799,846
Forest Laboratories Inc	5,230	139,565	143,459		143,459
Forrester Research Inc	5,520	136,786	167,035		167,035
Frontier Communications Corp	64,650	504,563	459,662		459,662
Gannett Co Inc	13,320	199,253	179,287	533	179,820
General Mills Inc	14,000	534,086	497,280		497,280

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Glacier Bancorp Inc	22,420	327,658	328,901		328,901
Global Payments Inc	20,400	897,496	745,416		745,416
Great Plains Energy Inc	41,240	641,880	701,905		701,905
Green Mountain Coffee Roasters	11,400	285,159	292,980		292,980
Griffon Corp	14,230	128,787	157,384		157,384
Guess? Inc	12,700	453,439	396,748		396,748
Hartford Financial Services Gr	33,600	628,482	743,568	1,735	745,303
Helix Energy Solutions Group I	33,220	338,618	357,779		357,779
Herbalife Ltd Usd Com Shs	12,200	353,074	561,810		561,810
Herman Miller Inc	25,700	491,521	484,959	535	485,494
Hewitt Assocs Inc	9,560	380,025	329,438		329,438
Hewlett-Packard Co	32,100	1,162,834	1,389,288	2,568	1,391,856
Hj Heinz Co	-		-	1,530	1,530
Home Depot Inc	13,200	497,700	370,524		370,524
Honeywell International Inc	23,600	766,685	921,108		921,108
Hospira Inc	16,400	788,194	942,180		942,180
Humana Inc	10,000	356,994	456,700		456,700
Huntington Bancshares Inc/Oh	105,870	489,507	586,520	1,059	587,579
Illinois Tool Works Inc	32,800	1,392,514	1,353,984	10,168	1,364,152
Ingersoll-Rand Public Limited	14,700	533,138	507,003		507,003
Intel Corp	64,700	1,194,485	1,258,415		1,258,415
International Business Machine	4,300	395,898	530,964		530,964
International Paper Co	7,970	87,609	180,361		180,361
Interpublic Group Of Cos Inc/T	80,870	475,899	576,603		576,603
Itt Educational Services Inc	11,800	1,191,280	979,636		979,636
Janus Capital Group Inc	37,760	485,163	335,309		335,309
Jda Software Group Inc	26,200	718,927	575,876		575,876
Johnson & Johnson	11,600	718,667	685,096		685,096
Johnson Controls Inc	24,500	706,113	658,315	3,185	661,500
Jones Lang Lasalle Inc	4,180	213,084	274,375		274,375
Joy Global Inc	11,400	523,681	571,026		571,026
Jpmorgan Chase & Co	11,028	458,512	403,735		403,735
Kaman Corp	11,110	223,668	245,753	944	246,697
Kellogg Co	10,500	485,906	528,150		528,150
Kennametal Inc	2,450	49,225	62,304		62,304
Key Energy Services Inc	16,320	153,211	149,818		149,818
King Pharmaceuticals Inc	59,550	559,231	451,985		451,985
Kinross Gold Corp	2,900	55,391	49,561		49,561
Kohl'S Corp	10,000	582,590	475,000		475,000
L-3 Communications Holdings In	9,300	735,553	658,812		658,812
Lawson Software Inc New Com	42,420	223,059	309,666		309,666
Leap Wireless Intl Inc	20,300	402,280	263,494		263,494
Lennox International Inc	7,910	277,254	328,819	1,187	330,005
Liberty Media Corp - Starz	2,530	130,794	131,155		131,155
Life Technologies Corp	7,500	297,234	354,375		354,375
Lincoln Electric Holdings Inc	9,200	491,272	469,108	2,576	471,684
Liz Claiborne Inc	39,400	275,802	166,268		166,268
Mantech International Corp	9,300	398,254	395,901		395,901
Marathon Oil Corp	26,900	832,864	836,321		836,321
Marshall & Ilsley Corp	29,050	170,663	208,579		208,579
Masco Corp	35,270	363,500	379,505		379,505
Masco Corp Com	29,000	425,042	312,040		312,040
Mcdermott Intl Inc Com	20,980	430,894	454,427		454,427
Mcdonald'S Corp	11,500	443,033	757,505		757,505
Mead Johnson Nutrition Co	8,440	443,429	423,013	1,899	424,912
Medtronic Inc	15,100	457,831	547,677		547,677

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Meritage Homes Corp	2,880	47,157	46,886		46,886
Mettler-Toledo International I	5,475	524,915	611,174		611,174
Micros Sys Inc Com	5,260	97,920	167,636		167,636
Microsemi Corp	21,460	321,533	313,960		313,960
Microsoft Corp	63,400	1,431,897	1,458,834		1,458,834
Modine Manufacturing Co	15,900	199,071	122,112		122,112
Mohawk Industries Inc	11,060	480,362	506,106		506,106
Monsanto Co	5,000	280,369	231,100		231,100
Mosaic Co/The	9,000	415,278	350,820		350,820
Nash Finch Co	4,250	139,086	145,180		145,180
Navistar International Corp	7,160	271,023	352,272		352,272
Netapp Inc	14,800	327,515	552,188		552,188
Netflix Com Inc	2,170	178,867	235,771		235,771
New York Times Co/The	7,500	93,865	64,875		64,875
Newell Rubbermaid Inc	12,670	200,005	185,489		185,489
Nike Inc	6,000	425,385	405,300	1,350	406,650
Noble Corporation Baar	15,500	507,813	479,105		479,105
Nokia Oyj	65,500	895,804	533,825		533,825
Nordstrom Inc	20,600	526,529	663,114		663,114
Nuance Communications Inc	29,600	484,861	442,520		442,520
Occidental Petroleum Corp	23,200	844,818	1,789,880	8,816	1,798,696
Och-Ziff Capital Management Gr	23,090	278,697	290,703		290,703
Officemax Inc	18,600	134,067	242,916		242,916
Old Dominion Freight Line Inc	7,110	176,799	249,845		249,845
Omnicell Inc	10,500	125,210	122,745		122,745
Omnicom Group Inc	4,470	168,615	153,321	894	154,215
Oracle Corp	25,000	398,148	536,500		536,500
O'Reilly Automotive Inc	6,600	236,718	313,896		313,896
Orient Express Hotels Ltd Cl A	41,240	472,205	305,176		305,176
Paetec Holding Corp	32,750	125,847	111,678		111,678
Pall Corp	390	13,633	13,404		13,404
Petmed Express Inc	14,900	304,648	265,220		265,220
Petrohawk Energy Corp	4,840	112,501	82,135		82,135
Pfizer Inc	57,055	1,442,440	813,604		813,604
Philip Morris International In	20,100	484,265	921,384	11,658	933,042
Pinnacle Finl Partners Inc Com	12,850	163,598	165,123		165,123
Pnm Resources Inc	23,900	290,254	267,202		267,202
Portfolio Recovery Associates	11,730	599,150	783,329		783,329
Portland General Electric Co	36,870	632,062	675,827	9,586	685,413
Precision Castparts Corp	5,900	457,068	607,228		607,228
Priceline.Com Inc	900	132,090	158,886		158,886
Privatebancorp Inc	25,690	370,440	284,645		284,645
Procter & Gamble Co/The	9,500	551,891	569,810		569,810
Range Res Corp Com	9,600	515,372	385,440		385,440
Raytheon Co	17,700	830,589	856,503		856,503
Regal-Beloit Corp	9,500	512,932	529,910	1,615	531,525
Robert Half International Inc	18,510	472,665	435,911		435,911
Rockwell Collins Inc	9,500	583,119	504,735		504,735
Rovi Corp	23,450	672,269	888,990		888,990
Saic Inc	9,420	165,011	157,691		157,691
Saks Inc	89,320	550,473	677,939		677,939
Salesforce.Com Inc	4,550	417,269	390,481		390,481
Scansource Inc	20,260	456,913	505,082		505,082
Scotts Miracle-Gro Co/The	13,000	447,944	577,330		577,330
Scripps Networks Interactive I	12,000	526,496	484,080		484,080
Seagate Technology	10,000	181,520	130,400		130,400

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Sherwin-Williams Co/The	4,550	334,753	314,815		314,815
Simpson Manufacturing Co Inc	17,720	389,990	435,026		435,026
Skyworks Solutions Inc	31,800	441,275	533,922		533,922
Slm Corp	70,800	1,560,750	735,612		735,612
Snap-On Inc	14,000	716,637	572,740		572,740
Spectra Energy Corp	12,800	204,283	256,896		256,896
St Jude Medical Inc	17,650	649,005	636,989		636,989
Stanley Black & Decker Inc	12,400	407,104	626,448		626,448
State Street Corp	12,300	552,972	415,986	123	416,109
Steel Dynamics Inc	41,800	601,581	551,342	3,135	554,477
Stericycle Inc	10,000	378,637	655,800		655,800
Synopsys Inc	19,420	428,112	405,295		405,295
Take-Two Interactive Software	19,810	188,339	178,290		178,290
Target Corp	14,500	651,960	712,965		712,965
Tcf Financial Corp	35,000	529,136	581,350		581,350
Td Ameritrade Holding Corp	31,500	607,455	481,950		481,950
Techne Corp	9,000	607,388	517,050		517,050
Teledyne Technologies Inc	10,500	355,501	405,090		405,090
Terex Corp	7,680	156,488	143,923	531	144,454
Texas Instruments Inc	21,000	522,272	488,880		488,880
Textron Inc	26,560	560,974	450,723		450,723
Tfs Finl Corp Com	21,430	287,964	265,946		265,946
Thermo Fisher Scientific Inc	11,500	614,388	564,075		564,075
Tjx Cos Inc	15,100	563,779	633,445		633,445
Toro Co/The	9,000	479,672	442,080	1,470	443,550
Travelers Cos Inc/The	20,800	849,235	1,024,400		1,024,400
Trueblue Inc	11,130	156,391	124,545		124,545
Tyco Electronics Ltd	16,290	315,251	413,440		413,440
Ulta Salon Cosmetics & Fragran	17,500	400,636	413,963		413,963
Ultra Petroleum Corp	9,500	455,834	420,375		420,375
Union Pacific Corp	7,600	548,386	528,276	2,310	530,586
Unitedhealth Group Inc	44,000	1,810,397	1,249,600		1,249,600
Us Bancorp	29,000	722,143	648,150	1,450	649,600
Uti Worldwide Inc Shs	11,330	184,387	140,265	680	140,945
Valspar Corp	20,000	456,160	602,400	3,200	605,600
Verizon Communications Inc	24,100	835,492	675,282		675,282
Vishay Intertechnology Inc	52,930	378,945	409,678		409,678
Wabco Holdings Inc	6,430	99,602	202,416		202,416
Waddell & Reed Financial Inc	41,190	1,238,224	901,237		901,237
Walgreen Co	37,300	1,197,447	995,910		995,910
Wal-Mart Stores Inc	12,900	586,222	620,103		620,103
Walt Disney Co/The	15,900	496,420	500,850		500,850
Warner Chilcott Plc Class A	20,100	514,008	459,285		459,285
Waters Corp	9,300	452,540	601,710		601,710
Watson Pharmaceuticals Inc	10,500	422,865	425,985		425,985
Websense Inc	3,940	68,895	74,466		74,466
Wellpoint Inc	17,400	641,661	851,382		851,382
Wells Fargo & Co	30,900	827,845	791,040		791,040
Wesco International Inc	23,100	645,089	777,777		777,777
Western Digital Corp	4,900	169,998	147,784		147,784
Western Union Co/The	27,000	481,281	402,570		402,570
Williams-Sonoma Inc	5,000	113,760	124,100		124,100
Wilmington Trust Corp	20,650	294,401	229,009		229,009
Wisconsin Energy Corp	14,300	593,954	725,582		725,582
Wms Inds Inc Com	13,000	356,863	510,250		510,250
Zimmer Holdings Inc	15,900	888,426	859,395		859,395

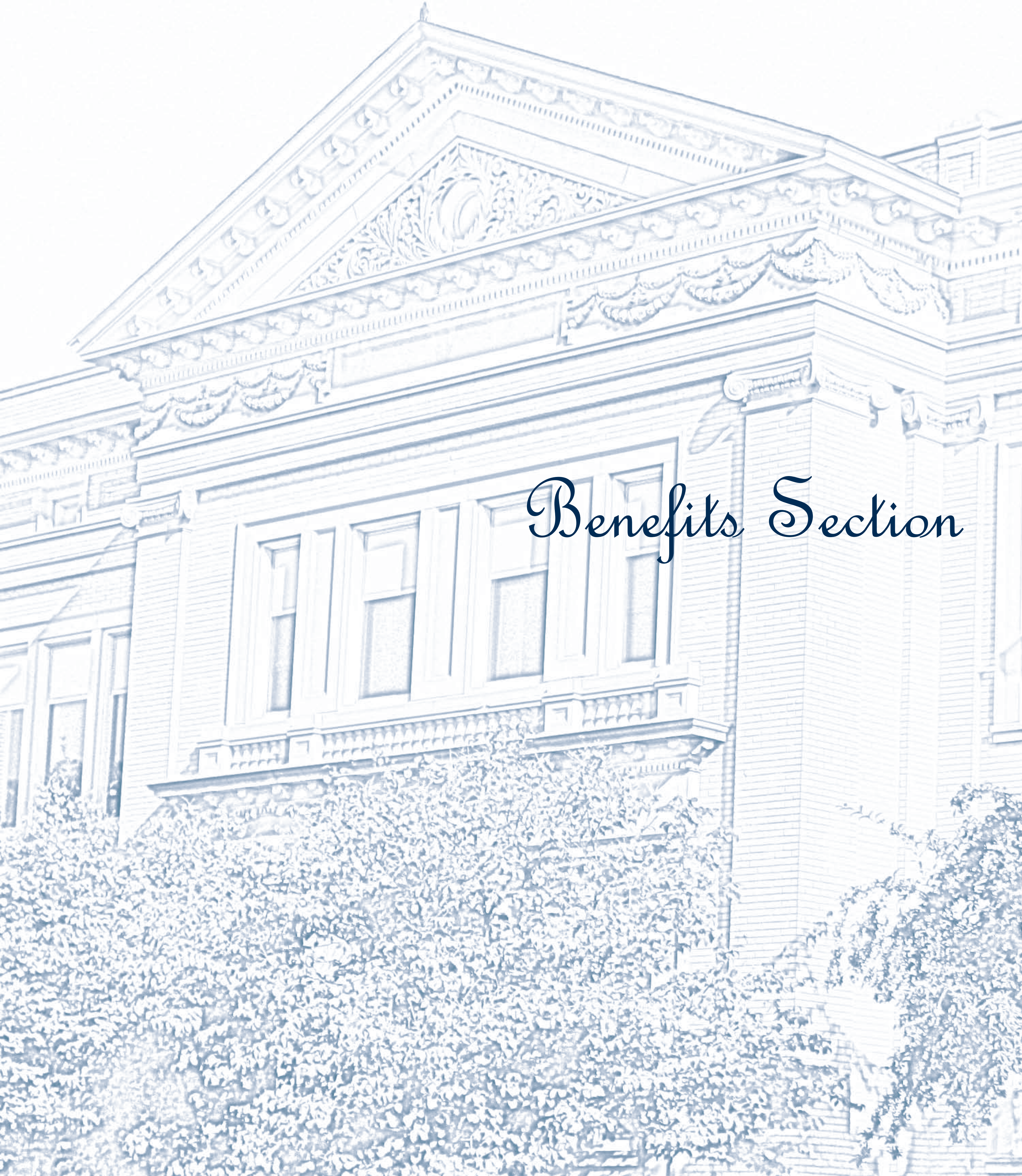
St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Subtotal - Domestic Equity Securities	5,235,754	$ 126,532,864	$ 126,791,210	$ 153,500	$ 126,944,710
Domestic Equity Commingled Accounts					
BlackRock - Equity Index Fund	416,789	$ 102,921,814	130,765,492	-	$ 130,765,492
BlackRock - Russell 1000 Growth Fund	3,581,905	26,665,271	32,988,031	-	32,988,031
Dimensional Fund Advisors	36,060	18,424,526	34,151,098	-	34,151,098
Subtotal - Domestic Equity Commingled	4,034,754	$ 148,011,611	$ 197,904,621	$ -	$ 197,904,621
Fixed Income Securities					
BRAZOS TEX HIGHER ED SER A-12	1,000,000	$ 999,550	$ 1,000,000	$ 348	$ 1,000,348
PEMEX FIN LTD NT	61,800	68,584	62,727	713	63,440
Subtotal - Fixed Income Securities	1,061,800	$ 1,068,134	$ 1,062,727	$ 1,061	$ 1,063,788
Fixed Commingled Accounts					
BlackRock - Gov/Cr Bond Index	280,259	$ 47,887,134	$ 82,605,669	-	$ 82,605,669
BlackRock - US Debt Index	1,518,800	77,576,730	84,089,551		84,089,551
Subtotal - Fixed Commingled	1,799,058	$ 125,463,864	$ 166,695,220	$ -	$ 166,695,220
International Equity Commingled Accounts					
Capital Intl Emerging Mkts Growth Fund	4,397,614	$ 38,491,605	$ 35,752,602	-	$ 35,752,602
J P Morgan Chase EAFE Plus	4,772,695	70,572,568	74,931,309	-	74,931,309
Morgan Stanley - International Equity Trust	487,434	47,341,445	74,934,744	-	74,934,744
Subtotal - International Equity Commingled	9,657,743	$ 156,405,617	$ 185,618,654	$ -	$ 185,618,654
Thematic Global Equity Accounts					
Lazard	3,592,712	$ 32,822,169	$ 30,039,244		$ 30,039,244
Subtotal - Thematic Global Equity	3,592,712	$ 32,822,169	$ 30,039,244	$ -	$ 30,039,244
Real Estate Securities					
Acadia Realty Trust	10,169	$ 172,495	$ 171,043	$ 1,830	$ 172,873
Agree Realty Corp	1,900	42,102	44,308	969	45,277
Alexandria Real Estate Equitie	2,900	178,820	183,773	980	184,753
Amb Property Corp	10,400	272,545	246,584		246,584
American Campus Communities In	3,800	102,166	103,702		103,702
Associated Estates Realty Corp	7,500	92,256	97,125		97,125
Avalonbay Communities Inc	3,039	229,994	283,751	2,445	286,196
Biomed Realty Trust Inc	17,300	252,847	278,357	2,595	280,952
Boston Properties Inc	9,279	641,818	661,964	4,640	666,603
Brandywine Realty Trust	20,700	219,783	222,525		222,525
Brookdale Senior Living Inc	6,110	109,351	91,650		91,650
Brookfield Properties Corp	21,200	281,269	297,648		297,648
Camden Property Trust	3,300	134,168	134,805	1,395	136,200
Caplease Inc Inc Pfd	3,700	85,322	88,467	1,879	90,346
Cb Richard Ellis Group Inc	4,100	51,515	55,801		55,801
Cbl & Associates Properties In	10,900	107,014	135,596	2,180	137,776
Chatham Lodging Trust	5,400	107,992	96,498		96,498
Corporate Office Properties Tr	6,900	265,649	260,544	2,708	263,252
Crown Castle International Cor	2,200	79,066	81,972		81,972
Developers Diversified Realty	10,700	125,534	105,930	108	106,038
Diamondrock Hospitality Co	18,502	157,775	152,086		152,086
Digital Realty Trust Inc	9,100	413,296	524,888		524,888
Douglas Emmett Inc	16,400	244,690	233,208	1,640	234,848
Dupont Fabros Technology Inc	6,500	150,078	159,640	768	160,408
Eastgroup Properties Inc	6,800	258,230	241,944		241,944
Education Rlty Tr Inc	7,100	49,255	42,813		42,813
Entertainment Properties Trust	2,500	102,179	95,175	1,560	96,735
Equity Lifestyle Properties In	1,800	97,126	86,814	480	87,294
Equity Residential	17,000	590,781	707,880	6,244	714,124

St. Paul Teachers' Retirement Fund Association
Holdings by Asset Class, Security Type, and Issuer as of June 30, 2010

Asset Class / Security Type / Issuer	Quantity Shares or Units	Cost	Market Value	Accrued Interest or Dividends	Mkt + Accrued
Essex Property Trust Inc	1,494	128,914	145,725	1,543	147,267
Extra Space Storage Inc	6,700	80,465	93,130		93,130
Federal Realty Investment Trus	2,300	157,361	161,621	1,518	163,139
Felcor Lodging Trust Inc	7,000	38,359	34,930		34,930
First Potomac Realty Trust	12,900	186,013	185,373		185,373
Forest City Enterprises Inc	15,600	203,234	176,592		176,592
Hcp Inc	21,800	638,537	703,050		703,050
Health Care Reit Inc	6,700	280,820	282,204		282,204
Hersha Hospitality Trust	12,900	63,052	58,308	600	58,908
Highwoods Properties Inc	4,600	127,310	127,696		127,696
Home Properties Inc	5,500	229,012	247,885		247,885
Host Hotels & Resorts Inc	38,710	467,159	521,811	384	522,195
Hudson Pacific Properties Inc	5,900	100,300	101,775		101,775
Kilroy Realty Corp	6,500	199,212	193,245	2,275	195,520
Kimco Realty Corp	11,700	158,855	157,248	1,872	159,120
Lasalle Hotel Properties	8,300	174,192	170,731	83	170,814
Liberty Property Trust	6,000	172,977	173,100	2,850	175,950
Macerich Co/The	10,745	385,830	401,003		401,003
Mack-Cali Realty Corp	5,300	165,622	157,569		157,569
Marriott International Inc/De	2,711	77,817	81,167		81,167
Mid-America Apartment Communit	2,200	115,277	113,234		113,234
National Retail Pptys Inc Com	5,100	105,918	109,344		109,344
Nationwide Health Properties I	6,200	197,107	221,774		221,774
Pebblebrook Hotel Trust	1,400	27,903	26,390		26,390
Prologis	27,100	436,325	274,523		274,523
Public Storage	6,500	506,911	571,415		571,415
Ramco-Gershenson Pptys Tr Com	-	-	-	114	114
Regency Centers Corp	3,600	139,780	123,840		123,840
Retail Opportunity Investments	6,100	62,324	58,865		58,865
Simon Property Group Inc	17,365	1,228,584	1,402,224		1,402,224
Sl Green Realty Corp	4,200	204,247	231,168	400	231,568
Starwood Hotels & Resorts Worl	1,200	54,726	49,716		49,716
Tanger Factory Outlet Ctr Inc	1,500	61,995	62,070		62,070
Taubman Centers Inc	1,100	43,178	41,393		41,393
Udr Inc	11,100	201,448	212,343		212,343
Ventas Inc	5,800	211,895	272,310		272,310
Vornado Realty Trust	7,642	529,416	557,484		557,484
Washington Real Estate Investm	7,900	229,406	217,961		217,961
Subtotal - Real Estate Securities	556,566	$ 14,006,595	$ 14,606,708	$ 44,059	$ 14,650,768
Real Estate Commingled					
UBS Investors - Commingled	7,690.97	59,257,014.18	53,300,903.78	-	$ 53,300,904
Subtotal - Real Estate - Commingled	7,691	$ 59,257,014	$ 53,300,904	$ -	$ 53,300,904
Total Fund	46,187,960	700,122,087	812,986,135	200,740	813,186,874

Benefits Section



St. Paul Teachers' Retirement Fund Association
Pre-Retirement Topics

Membership

Membership is mandatory upon employment in any position requiring a license issued by the MN Department of Education for employment with St. Paul Public Schools (SPPS), St. Paul College (SPC) – if you were first employed prior to July 1, 1995, or St. Paul charter schools – from July 1, 1995 through June 30, 2002. *Hereinafter referred to as "St. Paul Schools"*

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 Section 354A, the Association Articles and Bylaws define salary. Salary is the entire compensation upon which member contributions are required and made.

Refund of Contributions

In lieu of a monthly retirement benefit, a member who resigns from St. Paul Schools may apply for a refund of employee contributions, plus interest of 6% compounded annually. Coordinated Plan members have access to a refund of contributions at any age. Basic Plan members must be under Age 55 or be 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 8.5% interest compounded annually from the date the refund was taken. The repayment can 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

The following St. Paul Schools approved leaves of absence qualify to allow members to purchase retirement service credit for the leave period:

- Sabbatical
- Parental
- Medical
- Military
- Mobility
- Family Medical

The terms and conditions for each leave are different.

Service Payments

Members may repay refunds or purchase SPTRFA retirement service credit while on leave by using personal savings or by transferring money from their 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 Section 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 information will be released. In the event that the court orders that future pension benefits be divided, a formula for dividing the member's benefit must be put into the dissolution order(s). All inquires are kept confidential.

St. Paul Teachers' Retirement Fund Association
Retirement Topics

Disability Benefit A disability benefit is available to vested members who become totally and permanently disabled. Members may not have more than 60 sick days remaining at the time of application for the benefit, and they must have used all sick days prior to beginning the benefit.

A Basic Plan member's disability benefit is 75% of the member's earnings for the last full year of service, less any benefits received from Workers' Compensation or Social Security.

In the Coordinated Plan, the disability benefit is equal to the unreduced pension benefit amount using the member's years of retirement service credit and final average salary at the time of the disability, less any benefits received from Workers' Compensation.

Basic Plan Retirement Options Basic Plan members receive a formula benefit payable for life. An automatic spousal survivor benefit is a percentage of the member's benefit, based on the ages of the member and spouse at the time of retirement. The survivor benefit does not cause a reduction in the member's benefit.

Coordinated Plan Retirement Options At the time of retirement, Coordinated Plan members select one from 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. Other annuity option amounts (C2 – C5) are reduced from the C1 amount in an attempt to actuarially cover any financial obligation that the SPTRFA would incur in paying additional benefits 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, the 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. The refundable amount payable to a beneficiary typically decreases to zero after two to three years after the member begins receiving retirement benefits.

C3 15-Year Certain Reduced monthly benefit payable for life to the member. In exchange for the member's benefit reduction, the SPTRFA continues monthly payments to a beneficiary if the member's death occurs within 15 years after retirement. The beneficiary payments would 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 your spouse precedes the member in death, 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 precedes the member in death, the member's benefit would bounceback to the full, unreduced benefit amount payable under the C1 option.

St. Paul Teachers' Retirement Fund Association
Post-Retirement Topics

Teaching After Retirement

If a retired member of SPTRFA is reemployed by SPPS prior to Age 65, their SPTRFA monthly benefits may be reduced. If the retiree 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. The amount of the reduction will be placed into an account for the retiree, earning 6% interest compounded annually. When the retiree has had no excess earnings deductions from their pension for one year, the retiree may apply to receive the amount in the account, including interest.

After age 65, 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.

Period of Separation

A member of the SPTRFA is not considered retired until there is a complete and continuous separation from employment as a "teacher" for an SPTRFA-covered employer for a period of at least 30 calendar days.

Post-Retirement Increase

Post-retirement increases are provided annually in January to offset the effects of inflation. Benefit increase determination methodology was changed in the 2007 Legislative Session. The old increase formula provided a 2.0% increase each year for any member receiving a benefit for one full year as of June 30 of the calendar year prior to the next January increase. In addition, if the fund net investment return on a five-year annualized basis exceeded 8.5%, the difference was added to a 2.0% increase.

Under a pilot program in effect through January 2011, the SPTRFA will instead pay a cost-of-living adjustment (COLA) very similar to that of the Social Security Administration (SSA). The full COLA amount will be equal to change in third quarter average index values of the current year over the prior year for the Department of Labor Consumer Price Index for Urban Wage Earners and Clerical Workers.

To be eligible for a full COLA, members must be in retirement benefit pay status for the full calendar year prior to the COLA. Members in retirement benefit pay status for less than one full calendar year will be eligible for a pro rata COLA based on full calendar quarters in benefit payment status.

In the Spring of 2010, the Minnesota Legislature suspended any available SPTRFA COLA for January 2011. In the end, the SSA will not pay a COLA, therefore the SPTRFA would not have paid a COLA.

This pilot COLA program may be modified by the Minnesota Legislature during the 2011 legislative session.

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St. Paul Teachers' Retirement Fund Association
Basic Plan - Summary of Tier 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.

The following chart provides an overview of the Tier 1 and Tier 2 retirement benefits:

Normal Benefit	Minimum Age	Minimum Service	Computation of Annual Benefit
Tier 1			
Unreduced	Rule of 90		FAS x YOS x 2.0%
	60	25	FAS x YOS x 2.0%
	65	5	FAS x YOS x 2.0%
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 by the use of actuarial tables.
Deferred Retirement			
	55	5	Annual Benefit (see above). Augmented by 3% per year from date of resignation to January 1 after reaching Age 55, then 5% per year thereafter.

<u>Formula Key:</u>
FAS: Final Average Salary
YOS: Years of Service
2.0% or 2.5%: Percentage Multiplier

St. Paul Teachers' Retirement Fund Association
Coordinated Plan - Summary of Tier Benefits

Vested members of the Coordinated 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. Members first hired after June 30, 1989 are only eligible for Tier II benefits.

The following chart provides an overview of the Tier 1 and Tier 2 retirement benefits:

Normal Benefit	Minimum Age	Minimum Service	Computation of Annual Benefit
Tier 1			
Unreduced	Rule of 90		(FAS x First 10 YOS x 1.2%) + (FAS x YOS greater than 10 x 1.7%)
	62	30	
	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 2			
Unreduced	If first employed before July 1, 1989:		
	65	3	FAS x YOS x 1.7%
	If first employed on or after July 1, 1989:		
	65-66	3	FAS x YOS x 1.7%
Reduced	55	3	Reduced for early retirement by the use of actuarial tables.
	Any Age	30	Reduced for early retirement by the use of actuarial tables.
Deferred Retirement			
	55	3	Annual Benefit (see above).
	Any Age	30	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.

Formula Key:
FAS: Final Average Salary
YOS: Years of Service
1.2% or 1.7%: Percentage Multiplier

St. Paul Teachers' Retirement Fund Association
Retirement History Record

Fiscal Year Ending	Pensions Granted	Persons On Payroll	Benefits Paid ($)
June 1910	15	13	$ 4,860
June 1931	8	125	69,024
June 1932	8	130	72,961
June 1933	2	126	74,190
June 1934	6	127	74,120
June 1935	9	131	74,001
June 1936	14	135	75,864
June 1937	19	151	80,747
June 1938	17	160	89,709
June 1939	11	161	93,184
June 1939 to December 1939	0	158	23,870
December 1940	71	222	170,685
December 1941	35	246	210,257
December 1942	27	266	234,217
December 1943	38	286	253,031
December 1944	34	311	282,299
December 1945	56	350	308,113
December 1946	51	378	337,512
December 1947	28	387	360,571
December 1948	42	413	375,912
December 1949	42	441	419,618
December 1950	30	461	450,641
December 1951	27	476	472,670
December 1952	28	486	508,923
December 1953	32	487	525,959
December 1954	10	482	529,429
December 1955	38	509	666,994
December 1956	46	529	750,146
December 1957	59	560	840,883
December 1958	41	579	1,019,502
December 1959	30	585	1,084,506
December 1960	38	600	1,144,380
December 1961	39	611	1,230,715
December 1962	49	624	1,352,779
December 1963	42	647	1,467,461
December 1964	33	653	1,545,252
December 1965	40	668	1,631,554
December 1966	43	676	1,770,083
December 1967	36	682	1,862,249
December 1968	45	695	1,969,760
December 1969	53	726	2,319,186
December 1970	31	719	2,385,868
December 1971	47	731	2,522,350
December 1972	51	745	2,742,660
December 1973	36	744	3,039,253
December 1974	46	754	3,372,453

Fiscal Year Ending	Pensions Granted	Persons On Payroll	Benefits Paid ($)
December 1975	52	778	$ 3,765,322
December 1976	77	883	4,393,513
December 1977	63	919	5,050,507
December 1978	48	946	5,523,548
December 1979	40	946	6,240,309
December 1980	47	963	6,623,804
December 1981	47	981	7,139,037
December 1982	61	996	7,725,617
December 1983	72	1,042	8,555,099
December 1984	64	1,061	9,466,664
January 1985 to June 1985	59	1,103	5,324,727
June 1986	66	1,134	11,267,144
June 1987	117	1,191	12,478,180
June 1988	70	1,210	14,690,455
June 1989	67	1,236	15,506,957
June 1990	67	1,270	17,382,410
June 1991	80	1,309	18,811,677
June 1992	83	1,357	20,509,335
June 1993	120	1,426	22,763,806
June 1994	92	1,469	25,044,494
June 1995	113	1,539	26,792,534
June 1996	119	1,595	29,446,215
June 1997	179	1,720	32,056,967
June 1998	129	1,789	37,852,099
June 1999	114	1,861	41,724,751
June 2000	144	1,964	47,121,179
June 2001	130	2,050	53,851,893
June 2002	127	2,136	58,738,724
June 2003	126	2,248	63,357,052
June 2004	141	2,361	67,941,921
June 2005	192	2,505	72,448,201
June 2006	146	2,624	78,420,222
June 2007	138	2,744	82,809,201
June 2008	122	2,851	88,273,233
June 2009	114	2,933	92,137,480
June 2010	166	3,044	95,299,300

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