

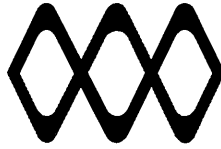
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Minneapolis Teachers' Retirement Fund
ACTUARIAL VALUATION REPORT

July 1, 2000



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November 10, 2000

Legislative Commission on
Pensions and Retirement
55 State Office Building
St. Paul, Minnesota 55155

Re: *Minneapolis Teachers' Retirement Fund*
July 1, 2000 Actuarial Valuation Report

Commission Members:

Pursuant the terms of our actuarial services contract, we have performed an actuarial valuation of the Minneapolis Teachers' Retirement Fund as of July 1, 2000.

The results of our calculations are set forth in the following report, as are the actuarial assumptions upon which our calculations have been made. We have relied on the basic employee data and asset figures as submitted by the Minneapolis Teachers' Retirement Fund.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with the requirements of Section 356.215; Minnesota Statutes, and the requirements of the Standards of Actuarial Work as adopted by the Commission on Pensions and Retirement.

Respectfully submitted,

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Consulting Actuary

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Enclosure

Minneapolis Teachers' Retirement Fund
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Minneapolis Teachers' Retirement Fund
Report Highlights
(dollars in thousands)

	July 1, 1999 Valuation	July 1, 2000 Valuation
A. CONTRIBUTIONS % OF PAYROLL (Table 11)		
1. Statutory Contributions - Chapter 422A	23.79%	23.25%
2. Required Contributions - Chapter 356	23.88%	25.25%
3. Sufficiency / (Deficiency)	(0.09%)	(2.00%)
B. FUNDING RATIOS		
1. Accrued Benefit Funding Ratio		
a. Current Assets (Table 1)	\$ 939,459	\$ 1,027,633
b. Current Benefit Obligations (Table 8)	1,342,714	1,489,180
c. Funding Ratio	69.97%	69.01%
2. Accrued Liability Funding Ratio		
a. Current Assets (Table 1)	\$ 939,459	\$ 1,027,633
b. Actuarial Accrued Liability (Table 9)	1,394,357	1,544,358
c. Funding Ratio	67.38%	66.54%
3. Projected Benefit Funding Ratio (Table 8)		
a. Current and Expected Future Assets	\$ 1,542,537	\$ 1,635,867
b. Current and Expected Future Benefit Obligations	1,632,995	1,791,915
c. Funding Ratio	94.46%	91.29%
C. PLAN PARTICIPANTS		
1. Active Members		
a. Number (Table 3)	5,308	5,777
b. Projected Annual Earnings	\$ 242,288	\$ 255,488
c. Average Annual Earnings (Actual dollars)	\$ 45,646	\$ 44,225
d. Average Age	43.1	42.6
e. Average Service	9.0	8.4
f. Additional Members on Leave of Absence *	74	67
2. Others		
a. Service Retirements (Table 4)	2,881	3,033
b. Disability Retirements (Table 5)	21	20
c. Survivors (Table 6)	243	254
d. Deferred Retirements (Table 7)	715	756
e. Terminated Other Non-Vested (Table 7)	1,628	1,815
f. Total	5,488	5,878

* Valued as deferred retirements, liability included with actives.

Minneapolis Teachers' Retirement Fund

Commentary

Purpose

The purpose of this valuation is to determine the financial status of the Plan. To achieve this purpose, an actuarial valuation is made at the beginning of each fiscal year as required by Section 356.215 of Minnesota Statutes.

Report Highlights

The financial status of the Plan can be measured by three different funding ratios:

The *Accrued Benefit Funding Ratio* is a measure of current funding status and, when viewed over a period of years, presents a view of the funding progress. It is based upon benefits which have been earned by service to the valuation date. This year's ratio is 69.01%. The corresponding ratio for the prior year was 69.97%.

The *Accrued Liability Funding Ratio* is also a measure of funding status and funding progress. It is based on the actuarial cost method that has historically been used by the State. For 2000 the ratio is 66.54%, which is a decrease from the 1999 value of 67.38%.

The *Projected Benefit Funding Ratio* is a measure of the adequacy or deficiency in the contribution level. This year's ratio of 91.29% shows that the current statutory contributions are insufficient in the long run.

Asset Information (Tables 1 and 2)

Effective with the July 1, 2000 valuation of the fund, Minnesota Statutes require that the asset value used for actuarial purposes spread differences between actual return (measured on a market-value basis) and expected return on assets over a five year period. The previous method required under Minnesota Statutes recognized one third of the unrealized gains and losses. An Asset Valuation Method requirement exists because market values (which include all unrealized gains and losses) are typically volatile and can produce erratic changes in the contribution requirements from year to year. The intent of the change to the current method is to employ a more effective asset smoothing technique which is market-value based and which eliminates artificial bias related to manager style. The effective date of this requirement is July 1, 2000 with full transition to be accomplished as of July 1, 2003.

The calculation of the Actuarial Value of Assets is shown in Table 1 on lines F.1 to F.4. Actuarial Value of Assets is determined as:

Market Value of Assets at June 30, 2000, *less*

80% of the current year Unrecognized Asset Return at July 1, 2000 (the difference between actual net return on Market Value of Assets between 06/30/99 and 06/30/2000 and the asset return expected during that period based on the assumed interest rate employed in the July 1, 1999 Actuarial Valuation); *less*

60% of the Unrecognized Asset Return at July 1, 1999 (the difference between Market Value of Assets on 06/30/99 and the Actuarial Value of Assets used in the July 1, 1999 Actuarial Valuation).

The term "Actuarial Value of Assets" is used to indicate that the value was determined for use in this actuarial valuation. Since Minnesota Statutes refer to this value as "Current Assets", the latter phrase will be used in the remainder of this report.

Actuarial Balance Sheet (Table 8)

An actuarial balance sheet provides a method for evaluating current and future levels of funding. The Current Benefit Obligation used to measure current funding level is calculated as follows:

For Active Members - salary and service are projected to retirement to determine benefits for each member and the ratio of credited service to total service establishes the portion of the projected benefit to be used in calculating the current funding level.

For Non-active Members - the discounted value of benefits, including augmentation in cases where benefits have not commenced.

Actuarial Cost Method (Table 9)

The approach used by the State of Minnesota to determine contribution sufficiency is the Entry Age Normal Actuarial Cost Method. The primary characteristic of this method is that it allocates costs as a level of percentage of payroll.

A comparison of this actuarial method (Table 9) to the actuarial balance sheet (Table 8) illustrates the two techniques for allocating liabilities of active Members to past and future. As noted in the prior section, the balance sheet allocates benefits and the corresponding liabilities, on the basis of service. The method used in Table 9 allocates liabilities so that the cost each year will be a constant percentage of payroll. Both approaches, however, calculate the value of all future benefits the same way (see line F of Table 8 and line A.6, column 1, of Table 9).

An Unfunded Actuarial Accrued Liability is computed under the Entry Age Normal Actuarial Cost Method by comparing the liabilities allocated to past service (Actuarial Accrued Liability) to the Current Assets. This amount, line B.3, is funded over the remaining years to the amortization date by a series of payments that remain a constant percentage of payroll each year.

The payments will increase 5.0% each year because that is the assumed rate of increase in payroll. Although the payment schedule will be adequate to amortize the existing unfunded, the lower payments in the earlier years will not be sufficient to cover the interest on the unfunded liability. After a few years, the annual payment will cover the interest and also repay a portion of the unfunded.

Sources of Actuarial Gains and Losses (Table 10)

The assumptions used in making the calculations using the Entry Age Normal Actuarial Cost Method are based on long-term expectations. Each year, the actual experience will deviate from the long-term expectation. For an analysis of the major components of the Actuarial Gain or Loss refer to Table 10.

Contribution Sufficiency (Table 11)

This report determines the adequacy of Statutory Contributions by comparing the Statutory Contributions to the Required Contributions.

The Required Contributions, set forth in Chapter 356, consist of:

Normal Costs based on the Entry Age Normal Actuarial Cost Method.

A Supplemental Contribution for amortizing any Unfunded Actuarial Accrued Liability.

An Allowance for Expenses.

Table 11 shows the Fund has a current year contribution deficiency since the Statutory Contribution Rate is 23.25% compared to the Required Contribution Rate of 25.25%.

Changes in Actuarial Assumption

Effective with this July 1, 2000 valuation, the following plan provisions have been added or amended:

- Asset Valuation Method is changed to employ a more effective asset smoothing technique which is market-value based and which eliminates artificial bias related to manager style.

All other actuarial assumptions are the same as those used in the prior valuation. Table 12 contains a summary of all actuarial assumptions and methods.

Changes in Plan Provisions

All plan provisions are the same as those used in the prior actuarial valuation of the Fund. Tables 13A and 13B contain summaries of current plan benefits.

TABLE 1

Minneapolis Teachers' Retirement Fund
Accounting Balance Sheet
(dollars in thousands)

July 1, 2000

	Market Value
A. ASSETS	
1. Cash, Equivalents, Short-Term Securities	\$ 103,383
2. Investments	
a. Fixed Income	417,801
b. Equity	594,194
c. Real Estate	11,299
3. Equity in Minnesota Post-Retirement Investment Fund	-
4. Other Assets	23,748
B. TOTAL ASSETS	<u>\$ 1,150,425</u>
C. AMOUNTS CURRENTLY PAYABLE	\$ 50,909
D. ASSETS AVAILABLE FOR BENEFITS	
1. Member Reserves	\$ 237,283
2. Employer Reserves	862,233
3. MPRIF Reserves	-
4. Non-MPRIF Reserves	-
5. Total Assets Available for Benefits	<u>\$ 1,099,516</u>
E. TOTAL AMOUNTS CURRENTLY PAYABLE AND ASSETS AVAILABLE FOR BENEFITS	<u>\$ 1,150,425</u>
F. DETERMINATION OF ACTUARIAL VALUE OF ASSETS	
1. Market Value of Assets Available for Benefits (D.5)	\$ 1,099,516
2. Unrecognized Asset Returns	
a. June 30, 2000	\$ 44,266
b. June 30, 1999	60,783
3. UAR Adjustment: $.80 * 2(a) + .60 * 2(b)$	71,883
4. Actuarial Value of Assets (F.1 - F.3)	<u>\$ 1,027,633</u>

TABLE 2

Minneapolis Teachers' Retirement Fund
Change In Assets Available for Benefits
(dollars in thousands)

June 30, 2000

	Market Value
A. ASSETS AVAILABLE AT BEGINNING OF PERIOD	\$ 1,000,242
B. OPERATING REVENUES	
1. Member Contributions	\$ 16,169
2. Employer Contributions	21,938
3. Supplemental Contributions *	20,618
4. Investment Income	39,626
5. MPRIF Income	-
6. Net Realized Gain / (Loss)	59,108
7. Other	-
8. Net Change in Unrealized Gain / (Loss)	35,408
9. Total Operating Revenue	\$ 192,867
C. OPERATING EXPENSES	
1. Service Retirements	\$ 79,907
2. Disability Benefits	726
3. Survivor Benefits	5,807
4. Refunds	487
5. Administrative Expenses	587
6. Investment Expenses	6,079
7. Total Operating Expenses	\$ 93,593
D. CHANGE IN ACCOUNTING METHOD	\$ -
E. ASSETS AVAILABLE AT END OF PERIOD	\$ 1,099,516
F. DETERMINATION OF CURRENT YEAR UNRECOGNIZED ASSET RETURN	
1. Average Balance	
(a) Assets Available at Beginning of Period	1,000,242
(b) Assets Available at End of Period	1,099,516
(c) Average Balance $\{[(a) + (b) - \text{Net Investment Income}] / 2\}$	\$ 985,848
{Net Investment Income: B.4+B.5+B.6+B.7+B.8-C.6}	
2. Expected Return: $.085 * F.1$	83,797
3. Actual Return	128,063
4. Current Year UAR: $F.3 - F.2$	44,266

* Includes contributions from School District #1, the City of Minneapolis, and matching State contributions.

TABLE 3
Total Plan

Minneapolis Teachers' Retirement Fund
Active Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF SERVICE								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<20	-	-	-	-	-	-	-	-	-
20-24	121	41	-	-	-	-	-	-	162
25-29	246	416	24	-	-	-	-	-	686
30-34	133	364	286	3	-	-	-	-	786
35-39	73	204	260	124	24	-	-	-	685
40-44	196	195	231	124	74	6	1	-	827
45-49	70	186	234	169	82	51	15	-	807
50-54	62	133	222	162	109	88	151	78	1,005
55-59	34	42	119	83	67	38	65	93	541
60-64	12	25	42	39	32	15	16	38	219
65+	2	7	13	14	2	4	9	8	59
All	949	1,613	1,431	718	390	202	257	217	5,777

Age	Average Annual Earnings								TOTAL
	YEARS OF SERVICE								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<20	-	-	-	-	-	-	-	-	-
20-24	12,959	22,445	-	-	-	-	-	-	15,360
25-29	17,481	28,026	34,478	-	-	-	-	-	24,470
30-34	20,471	32,526	39,464	42,684	-	-	-	-	33,050
35-39	19,615	36,956	45,110	49,145	55,541	-	-	-	41,060
40-44	18,505	35,742	48,960	52,746	56,341	51,303	35,775	-	39,855
45-49	15,932	34,424	46,455	57,454	60,192	62,195	70,418	-	46,174
50-54	19,405	36,614	48,731	58,401	63,292	61,326	66,908	71,020	54,020
55-59	21,116	40,321	46,775	57,207	66,507	65,851	68,996	70,453	56,786
60-64	13,753	30,645	43,127	48,115	65,941	68,699	65,802	64,669	51,460
65+	315	11,106	18,720	30,139	68,987	71,316	68,615	50,527	37,096
All	17,758	32,695	45,047	54,290	61,643	62,844	67,511	68,909	41,902

Total Annual Earnings (in Thousands)								
YEARS OF SERVICE								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
16,852	52,738	64,462	38,980	24,042	12,695	17,350	14,953	242,072

TABLE 4
Total Plan

Minneapolis Teachers' Retirement Fund
Retired Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	9	79	1	-	-	-	-	-	89
55-59	12	309	50	-	-	-	-	-	371
60-64	8	247	224	32	-	-	-	-	511
65-69	1	134	255	128	31	-	-	-	549
70-74	1	27	134	214	100	21	1	-	498
75-79	-	3	18	98	172	70	15	-	376
80-84	-	1	-	27	90	115	18	5	256
85+	-	1	-	2	23	114	155	88	383
All	31	801	682	501	416	320	189	93	3,033

Age	Average Annual Annuity								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	29,909	31,863	13,938	-	-	-	-	-	31,464
55-59	37,635	34,201	24,497	-	-	-	-	-	33,004
60-64	22,279	25,649	35,373	22,204	-	-	-	-	29,643
65-69	9,401	20,861	31,326	33,641	25,042	-	-	-	28,917
70-74	30,195	28,441	28,358	31,507	31,622	22,478	13,722	-	30,097
75-79	-	31,705	30,881	28,779	28,972	28,723	9,000	-	28,192
80-84	-	9,632	-	30,204	24,692	23,961	9,579	13,969	23,614
85+	-	38,042	-	20,847	28,817	20,376	16,747	15,252	18,286
All	30,278	28,872	31,534	30,812	28,382	23,628	15,434	15,183	27,928

Total Annual Annuity (in Thousands)									
YEARS OF RETIREMENT									
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>	
939	23,127	21,506	15,437	11,807	7,561	2,917	1,412	84,705	

TABLE 5
Total Plan

Minneapolis Teachers' Retirement Fund
Disabled Members as of June 30, 2000

	Participant Count								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	1	1	-	-	-	-	-	2
50-54	-	3	3	-	1	-	-	-	7
55-59	-	1	4	-	-	-	-	-	5
60-64	-	-	3	1	1	1	-	-	6
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	5	11	1	2	1	-	-	20

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	1,579	36,083	-	-	-	-	-	18,831
50-54	-	35,564	29,685	-	32,123	-	-	-	32,553
55-59	-	42,716	55,090	-	-	-	-	-	52,615
60-64	-	-	30,698	28,568	38,485	12,880	-	-	28,671
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	30,198	39,781	28,568	35,304	12,880	-	-	35,032

Total Annual Annuity (in Thousands)									
YEARS OF RETIREMENT									
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>	
-	151	438	29	71	13	-	-	701	

TABLE 6
Total Plan

Minneapolis Teachers' Retirement Fund
Survivor Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	2	27	23	7	4	-	-	-	63
50-54	-	2	4	-	-	-	-	-	6
55-59	-	2	3	-	-	-	-	-	5
60-64	1	6	9	-	-	1	-	-	17
65-69	2	12	7	10	1	-	1	-	33
70-74	2	11	12	11	1	5	1	-	43
75-79	2	12	10	2	3	5	-	1	35
80-84	-	4	6	1	-	1	1	1	14
85+	-	4	7	6	9	8	1	3	38
All	9	80	81	37	18	20	4	5	254

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	19,241	12,056	15,682	3,749	12,144	-	-	-	12,690
50-54	-	38,614	29,426	-	-	-	-	-	32,489
55-59	-	11,453	12,605	-	-	-	-	-	12,144
60-64	56,112	22,977	34,900	-	-	15,522	-	-	30,800
65-69	53,624	27,438	41,467	28,247	22,697	-	14,026	-	31,696
70-74	22,790	20,249	28,589	35,411	18,654	20,400	11,328	-	26,346
75-79	23,365	24,525	25,478	15,043	20,207	20,323	-	8,631	22,765
80-84	-	19,911	21,403	20,914	-	24,263	16,786	19,962	20,714
85+	-	22,324	22,979	16,577	12,938	15,290	15,178	11,689	16,806
All	32,683	19,734	24,787	22,938	14,833	18,286	14,330	12,732	21,587

Total Annual Annuity (in Thousands)								
YEARS OF RETIREMENT								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
294	1,579	2,008	849	267	366	57	64	5,483

TABLE 7
TOTAL PLAN

Minneapolis Teachers' Retirement Fund
Reconciliation of Members

	<u>Actives</u>	<u>Terminated</u>		
		<u>Leave of Absence</u>	<u>Deferred Retirement</u>	<u>Other Non-Vested</u>
A. ON JUNE 30, 1999	5,308	74	715	1,629
B. ADDITIONS	992	4	88	290
C. DELETIONS				
1 Service Retirement	(149)	(4)	(35)	(15)
2 Disability	(3)	-	(1)	(1)
3 Death – Survivor	(2)	-	-	(1)
4 Death – Other	(1)	-	-	-
5 Terminated – Deferred	(87)	(1)	-	-
6 Terminated – Refund	(63)	(1)	(5)	(40)
7 Terminated - Other Non-Vested	(290)	-	-	-
8 Returned as Active	72	(5)	(20)	(47)
D. DATA ADJUSTMENTS	-	-	14	-
1 Vested	3,215			
2 Non-Vested	2,562			
E. TOTAL ON JUNE 30, 2000	5,777	67	756	1,815

	<u>Recipients</u>			
	<u>Retirement Annuitants</u>	<u>Disabled</u>	<u>Survivors</u>	<u>Other Beneficiary</u>
A. ON JUNE 30, 1999	2,881	21	243	-
B. ADDITIONS	215	1	38	3
C. DELETIONS				
1 Service Retirement	-	(2)	-	-
2 Death	(71)	-	(7)	-
3 Annuity Expired	-	-	(7)	-
4 Returned as Active	-	-	-	-
D. DATA ADJUSTMENTS	(15)	-	(13)	20
E. TOTAL ON JUNE 30, 2000	3,010	20	254	23

TABLE 8

Minneapolis Teachers' Retirement Fund
Actuarial Balance Sheet
(dollars in thousands)

July 1, 2000

A. CURRENT ASSETS (Table 1; Line F.6)				\$	1,027,633
B. EXPECTED FUTURE ASSETS					
1. Present Value of Expected Future Statutory Supplemental Contributions				\$	360,677
2. Present Value of Future Normal Costs					247,557
3. Total Expected Future Assets					<u>608,234</u>
C. TOTAL CURRENT AND EXPECTED FUTURE ASSETS				\$	<u>1,635,867</u>
D. CURRENT BENEFIT OBLIGATIONS		Non-Vested	Vested		Total
1. Benefit Recipients					
a. Retirement Annuities			\$ 954,743	\$	954,743
b. Disability Benefits			6,784		6,784
c. Surviving Spouse and Child Benefits			47,100		47,100
2. Deferred Retirements			19,178		19,178
3. Former Members Without Vested Rights			34		34
4. Active Members					
a. Retirement Annuities *	\$	2,816	419,903		422,719
b. Disability Benefits		20,999	-		20,999
c. Surviving Spouse and Child Benefits		4,848	-		4,848
d. Deferred Retirements		324	9,777		10,101
e. Refund Liability Due to Death or Withdrawal		-	2,674		2,674
5. Total Current Benefit Obligations	\$	28,987	\$ 1,460,193	\$	<u>1,489,180</u>
E. EXPECTED FUTURE BENEFIT OBLIGATIONS				\$	<u>302,735</u>
F. TOTAL CURRENT AND EXPECTED FUTURE BENEFIT OBLIGATIONS				\$	<u>1,791,915</u>
G. CURRENT UNFUNDED ACTUARIAL LIABILITY (D.5 - A)				\$	461,547
H. CURRENT AND FUTURE UNFUNDED ACTUARIAL LIABILITY (F - C)				\$	156,048

* Includes members on leave of absence.

TABLE 9

Minneapolis Teachers' Retirement Fund
Determination of Unfunded Actuarial Accrued Liability (UAAL) and
Supplemental Contribution Rate

(dollars in thousands)

July 1, 2000

	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	\$ 688,170	\$ 197,503	\$ 490,667
b. Disability Benefits	40,873	20,756	20,117
c. Surviving Spouse and Child Benefits	9,627	4,736	4,891
d. Deferred Retirements	18,863	17,525	1,338
e. Refund Liability Due to Death or Withdrawal	6,543	7,037	(494)
f. Total	<u>\$ 764,076</u>	<u>\$ 247,557</u>	<u>\$ 516,519</u>
2. Deferred Retirements	\$ 19,178		\$ 19,178
3. Former Members Without Vested Rights	34		34
4. Annuitants in MPRIF	-		-
5. Annuitants Not in MPRIF	1,008,627		1,008,627
6. Total	<u><u>\$ 1,791,915</u></u>	<u><u>\$ 247,557</u></u>	<u><u>\$ 1,544,358</u></u>
B. DETERMINATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY (UAAL)			
1. Actuarial Accrued Liability (A.6)			\$ 1,544,358
2. Current Assets (Table 1; Line F.6)			<u>1,027,633</u>
3. Unfunded Actuarial Accrued Liability (B.1 - B.2)			<u><u>\$ 516,725</u></u>
C. DETERMINATION OF SUPPLEMENTAL CONTRIBUTION RATE			
1. Present Value of Future Payrolls Through the Amortization Date of June 30, 2020			3,626,799
2. Supplemental Contribution Rate (B.3 / C.1)			<u><u>14.25%</u></u>

Minneapolis Teachers' Retirement Fund
Changes in Unfunded Actuarial Accrued Liability (UAAL)
(dollars in thousands)

June 30, 2000

A. UAAL AT BEGINNING OF YEAR	\$ 454,898
B. CHANGE DUE TO INTEREST REQUIREMENTS AND CURRENT RATE OF FUNDING	
1. Normal Cost and Expenses	\$ 26,970
2. Contributions	(58,725)
3. Interest	38,463
4. Total	<u>\$ 6,708</u>
C. EXPECTED UAAL AT END OF YEAR (A + B.4)	\$ 461,606
D. INCREASE / (DECREASE) DUE TO ACTUARIAL LOSSES / (GAINS) BECAUSE OF EXPERIENCE DEVIATIONS FROM EXPECTED	
1. Age and Service Retirements (b)	\$ -
2. Disability Retirements (b)	-
3. Death-in-Service Benefits (a)	-
4. Withdrawal (b)	-
5. Salary Increases	7,869
6. Contribution Income (b)	-
7. Investment Income (c)	37,030
8. Mortality of Annuitants	856
9. Other Items	21,870
10. Total	<u>\$ 67,625</u>
E. UAAL AT END OF YEAR BEFORE PLAN AMENDMENTS AND CHANGES IN ACTUARIAL ASSUMPTIONS (C + D.5)	\$ 529,231
F. CHANGE IN UAAL DUE TO PLAN AMENDMENTS	-
G. CHANGE IN UAAL DUE TO CHANGES IN ACTUARIAL ASSUMPTIONS	<u>(12,506)</u>
H. UAAL AT END OF YEAR (E + F + G)	<u><u>\$ 516,725</u></u>

(a) Included in Item D.8.

(b) Included in Item D.9.

(c) Includes a gross investment gain of \$25,827 offset by \$62,857 used to provide next year's cost of living adjustment to annuitants.

Minneapolis Teachers' Retirement Fund
Determination of Contribution Sufficiency
(dollars in thousands)

July 1, 2000

	Percent of Payroll	Dollar Amount
A. STATUTORY CONTRIBUTIONS - CHAPTER 354A		
1. Employee Contributions	6.10%	\$ 15,595
2. Employer Contributions	8.95%	22,854
3. Supplemental Contribution *		
a. 1993 Legislation	1.96%	5,000
b. 1996 Legislation	1.17%	2,990
c. 1997 Legislation	5.07%	12,954
4. Administrative Expense Assessment	0.00%	-
5. Total	23.25%	\$ 59,393
B. REQUIRED CONTRIBUTIONS - CHAPTER 356		
1. Normal Cost		
a. Retirement Benefits	8.67%	\$ 22,162
b. Disability Benefits	0.87%	2,210
c. Surviving Spouse and Child Benefits	0.19%	479
d. Deferred Retirements	0.74%	1,895
e. Refund Liability Due to Death or Withdrawal	0.29%	739
f. Total	10.76%	\$ 27,485
2. Supplemental Contribution Amortization	14.25%	36,400
3. Allowance for Administrative Expenses	0.24%	616
4. Total	25.25%	\$ 64,501
C. CONTRIBUTION SUFFICIENCY / (DEFICIENCY) (A.3 - B.5)	(2.00%)	(5,108)
Projected Annual Payroll for Fiscal Year Beginning on the Valuation Date:		\$ 255,488

* Includes contributions from School District #1, the City of Minneapolis, and matching State contributions.

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

<i>Interest:</i>	Pre-Retirement:	8.50% per annum
	Post-Retirement:	8.50% per annum
<i>Salary Increases:</i>	Total reported pay for prior fiscal year increased through the salary increase assumption to current fiscal year. Graded rates are shown in the rate table.	
<i>Mortality:</i>	<u>Pre-Retirement:</u>	
	Male:	1983 Group Annuity Mortality Table male rates set back 6 years.
	Female:	1983 Group Annuity Mortality Table female rates set back 4 years.
	<u>Post-Retirement:</u>	
	Male:	1983 Group Annuity Mortality Table male rates set back 4 years.
	Female:	1983 Group Annuity Mortality Table female rates set back 2 years.
	<u>Post-Disability:</u>	
	Male:	1977 Railroad Retirement Board Mortality for Disabled Annuitants
	Female:	1977 Railroad Retirement Board Mortality for Disabled Annuitants
<i>Retirement Age:</i>	<u>Active Members:</u>	
	Active Members are assumed to retire according to the graded rates shown in the rate table. Rates are applied beginning at the participant's first early retirement age.	
	<u>Deferred Members:</u>	
	Basic Members are assumed to retire at age 60. Coordinated Members are assumed to retire at age 63. If over the assumed retirement age, one year from valuation date.	
	<u>Other Non-Vested Members:</u>	
	Return of contributions is assumed to occur immediately.	
<i>Separation:</i>	Graded rates shown in the rate table.	
<i>Disability:</i>	Graded rates shown in the rate table.	

TABLE 12
(cont)

<i>Administrative Expenses:</i>	Prior year administrative expenses (excluding investment expenses) expressed as a percentage of prior year payroll.
<i>Return of Contributions:</i>	All employees withdrawing after becoming eligible for a deferred benefit were assumed to take the larger of their contributions accumulated with interest or the value of their deferred benefit.
<i>Family Composition:</i>	80% of male Members and 60% of female Members are assumed to be married. Female is assumed to be three years younger than male.
<i>Social Security:</i>	N/A
<i>Benefit Increases After Retirement:</i>	2.0% per annum
<i>Special Consideration:</i>	Additional post retirement benefit increase is accounted for by increasing the reserve value for all service retirements, disability retirements and survivors eligible for the increase by an amount that equals the excess of the five year time weighted total rate of return over the assumed interest rate of 8.50% multiplied by the quantity of one minus the rate of contribution deficiency.
<i>Optional Benefit Forms:</i>	<p>Married Members are assumed to elect the following forms of benefit:</p> <p>Males: 25% elect life annuity option 15% elect 50% J&S option 20% elect 75% J&S option 40% elect 100% J&S option</p> <p>Females: 70% elect life annuity option 15% elect 50% J&S option 5% elect 75% J&S option 10% elect 100% J&S option</p>
<i>Actuarial Cost Method:</i>	Entry Age Normal Actuarial Cost Method with normal costs expressed as a level percentage of earnings. Under this method Actuarial Gains (Losses) reduce (increase) the Unfunded Actuarial Accrued Liability.

TABLE 12
(cont)

Asset Valuation Method: **Market Value, adjusted for amortization obligations receivable at the end of each fiscal year, less of 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). Transition rules apply between July 1, 2000 and July 1, 2003, when the method is fully in effect.**

***Payment on the
Unfunded Actuarial
Accrued Liability:***

The Unfunded Actuarial Accrued Liability is amortized as level percentage of payroll each year to the statutory amortization date assuming payroll increases of 5.00% per annum.

Missing Data:

The submitted participant data has been reviewed for reasonableness and constancy with data submitted for prior valuations. We have not audited this data, and the results of this valuation may change based on the accuracy of the underlying data. In cases where submitted data was missing or incomplete, the following assumptions were applied:

Date of Birth:	Average age of participant group based on prior years valuation report. Assumed date is for 07/01/2000 is July 1, 1957.
Date of Hire:	Current valuation date minus years of service.
Years of Service:	Years of service on last year's valuation plus one year.
Sex:	Male.
Deferred Benefit:	Calculated. Service at termination is calculated assuming termination on the valuation date in which the participant is first reported in vested status. Salary at termination is estimated based on assumed termination date if not available. Estimated salary begins at \$15,000 for 1993 termination date and increases according to the salary assumption thereafter. Current level is \$23,456.

TABLE 12
(cont)

Supplemental Contributions: The City of Minneapolis, the Minneapolis School District, and the State of Minnesota are scheduled to make the following supplemental contributions to the plan:

1993 Legislation:

Supplemental contributions of \$5,000,000 annually are assumed to be made until the amortization date of June 30, 2020.

1996 Legislation:

Supplemental contributions of \$1,740,000 annually are assumed to be made until the amortization date of June 30, 2020 plus additional supplemental contributions according to the following schedule:

<u>Year</u>	<u>Amount</u>
June 30, 2001	1,250,000
June 30, 2002	1,550,000
June 30, 2003	1,850,000
June 30, 2004 - 2020	2,000,000

1997 Legislation:

Supplemental contributions of \$12,954,000 annually are assumed to be made beginning July 1, 1999 and continuing until the amortization date of June 30, 2020.

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

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

<u>Age</u>	<u>Withdrawal</u>		<u>Disability</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
20	1,200	1,200	3	4
21	1,150	1,150	3	4
22	1,100	1,100	3	4
23	1,050	1,050	3	5
24	1,000	1,000	3	5
25	950	950	3	5
26	900	900	4	5
27	850	850	4	5
28	800	800	4	6
29	750	750	4	6
30	700	700	4	6
31	650	650	4	6
32	600	600	4	7
33	550	550	5	7
34	500	500	5	8
35	450	450	5	8
36	400	400	6	8
37	350	350	6	9
38	300	300	6	9
39	250	250	6	10
40	200	200	7	10
41	190	190	7	11
42	180	180	8	12
43	170	170	8	13
44	160	160	9	14
45	150	150	10	15
46	140	140	11	16
47	130	130	12	18
48	120	120	14	20
49	110	110	16	23
50	100	100	18	26
51	90	90	20	29
52	80	80	23	33
53	70	70	26	37
54	60	60	30	42

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

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

<u>Age</u>	<u>Withdrawal</u>		<u>Disability</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
55	50	50	36	49
56	40	40	42	58
57	30	30	50	68
58	20	20	59	80
59	10	10	69	94
60	0	0	90	121
61	0	0	116	154
62	0	0	146	193
63	0	0	0	0
64	0	0	0	0
65	0	0	0	0
66	0	0	0	0
67	0	0	0	0
68	0	0	0	0
69	0	0	0	0
70	0	0	0	0

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

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

<u>Age</u>	Pre-Retirement Mortality		Post-Retirement Mortality		Post-Disability Mortality	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
20	3	1	3	2	271	271
21	3	2	3	2	271	271
22	3	2	4	2	271	271
23	3	2	4	2	272	272
24	4	2	4	2	272	272
25	4	2	4	2	272	272
26	4	2	4	2	272	272
27	4	2	4	3	272	272
28	4	2	4	3	272	272
29	4	3	5	3	272	272
30	4	3	5	3	272	272
31	5	3	5	3	272	272
32	5	3	5	3	272	272
33	5	3	6	4	272	272
34	5	3	6	4	273	273
35	6	4	6	4	273	273
36	6	4	7	4	273	273
37	6	4	7	5	273	273
38	7	4	8	5	273	273
39	7	5	9	5	273	273
40	8	5	9	6	273	273
41	9	5	10	6	273	273
42	9	6	10	7	273	273
43	10	6	11	7	274	274
44	10	7	12	8	274	274
45	11	7	14	8	274	274
46	12	8	15	9	275	275
47	14	8	17	10	276	276
48	15	9	19	11	279	279
49	17	10	22	12	283	283
50	19	11	25	14	289	289
51	22	12	28	15	297	297
52	25	14	31	16	310	310
53	28	15	35	18	327	327
54	31	16	39	19	348	348

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

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

<u>Age</u>	Pre-Retirement Mortality		Post-Retirement Mortality		Post-Disability Mortality	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
55	35	18	43	21	371	371
56	39	19	48	23	395	395
57	43	21	52	25	417	417
58	48	23	57	28	437	437
59	52	25	61	31	455	455
60	57	28	66	34	473	473
61	61	31	71	38	494	494
62	66	34	77	42	516	516
63	71	38	84	47	541	541
64	77	42	92	52	569	569
65	84	47	101	58	598	598
66	92	52	111	64	628	628
67	101	58	124	71	658	658
68	111	64	139	78	687	687
69	124	71	156	87	716	716
70	139	78	176	97	746	746

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

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

Age	Basic Members Eligible for 30 and out Provision	Basic Members Not Eligible for 30 and out Provision	Coordinated Members Eligible for Rule of 90 Provision	Coordinated Members Not Eligible for Rule of 90 Provision
55 or less	3,000	300	3,000	200
56	3,000	300	3,000	200
57	3,000	300	3,000	200
58	3,000	300	3,000	200
59	3,000	300	3,000	200
60	5,000	5,000	3,000	800
61	5,000	5,000	3,000	800
62	5,000	5,000	3,000	800
63	5,000	5,000	3,000	2,000
64	5,000	5,000	3,000	2,000
65	7,500	7,500	5,000	5,000
66	7,500	7,500	5,000	5,000
67	7,500	7,500	5,000	5,000
68	7,500	7,500	5,000	5,000
69	7,500	7,500	5,000	5,000
70	7,500	7,500	7,500	7,500
71	7,500	7,500	7,500	7,500
72	7,500	7,500	7,500	7,500
73	7,500	7,500	7,500	7,500
74	7,500	7,500	7,500	7,500
75	7,500	7,500	7,500	7,500
76	7,500	7,500	7,500	7,500
77	7,500	7,500	7,500	7,500
78	7,500	7,500	7,500	7,500
79	7,500	7,500	7,500	7,500
80 or more	10,000	10,000	10,000	10,000

TABLE 12
(cont)

Minneapolis Teachers' Retirement Fund
Summary of Actuarial Assumptions and Methods

Annual Salary Increases

<u>Age</u>	<u>Male</u>	<u>Female</u>
<22	7.50%	7.50%
23	7.40%	7.40%
24	7.30%	7.30%
25	7.20%	7.20%
26	7.10%	7.10%
27	7.00%	7.00%
28	6.90%	6.90%
29	6.80%	6.80%
30	6.70%	6.70%
31	6.60%	6.60%
32	6.50%	6.50%
33	6.40%	6.40%
34	6.30%	6.30%
35	6.20%	6.20%
36	6.10%	6.10%
37	6.00%	6.00%
38	5.90%	5.90%
39	5.80%	5.80%
40	5.70%	5.70%
41	5.60%	5.60%
42	5.50%	5.50%
43	5.45%	5.45%
44	5.40%	5.40%
45	5.35%	5.35%
46	5.30%	5.30%
47	5.25%	5.25%
48	5.20%	5.20%
49	5.15%	5.15%
50	5.10%	5.10%
51	5.05%	5.05%
52	5.00%	5.00%
53	5.00%	5.00%
54	5.00%	5.00%
55	5.00%	5.00%

TABLE 3A
Basic Plan

Minneapolis Teachers' Retirement Fund
Active Members as of June 30, 2000

	Participant Count								
	YEARS OF SERVICE								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<20	-	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-
45-49	-	-	4	6	8	34	15	-	67
50-54	-	1	3	16	34	65	151	78	348
55-59	-	1	2	10	28	30	65	91	227
60-64	-	-	1	4	5	11	16	38	75
65+	-	-	-	1	1	3	9	8	22
All	-	2	10	37	76	143	256	215	739

Age	Average Annual Earnings								TOTAL
	YEARS OF SERVICE								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<20	-	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-	-
25-29	-	-	-	-	-	-	-	-	-
30-34	-	-	-	-	-	-	-	-	-
35-39	-	-	-	-	-	-	-	-	-
40-44	-	-	-	-	-	-	-	-	-
45-49	-	-	61,926	46,811	67,780	64,479	70,418	-	64,468
50-54	-	58,236	63,042	60,752	67,313	61,102	66,908	71,020	66,444
55-59	-	51,409	57,086	54,049	65,345	65,498	68,996	70,570	67,874
60-64	-	-	4,182	47,772	67,782	67,712	65,802	64,669	63,857
65+	-	-	-	900	68,568	73,478	68,615	50,527	59,621
All	-	54,822	55,519	53,659	66,685	63,595	67,635	68,945	66,238

Total Annual Earnings (in Thousands)									
YEARS OF SERVICE									
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>	
-	110	555	1,985	5,068	9,094	17,314	14,823	48,950	

TABLE 4A
Basic Plan

Minneapolis Teachers' Retirement Fund
Retired Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	9	76	1	-	-	-	-	-	86
55-59	12	297	47	-	-	-	-	-	356
60-64	7	225	213	32	-	-	-	-	477
65-69	1	114	245	126	31	-	-	-	517
70-74	1	23	125	211	100	21	1	-	482
75-79	-	2	17	98	172	70	15	-	374
80-84	-	1	-	27	90	115	18	5	256
85+	-	1	-	2	23	114	155	88	383
All	30	739	648	496	416	320	189	93	2,931

Age	Average Annual Annuity								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	29,909	32,778	13,938	-	-	-	-	-	32,258
55-59	37,635	35,281	25,596	-	-	-	-	-	34,081
60-64	24,819	27,319	36,803	22,204	-	-	-	-	31,174
65-69	9,401	22,843	32,305	34,096	25,042	-	-	-	30,175
70-74	30,195	31,653	29,917	31,892	31,622	22,478	13,722	-	30,861
75-79	-	44,954	32,546	28,779	28,972	28,723	9,000	-	28,322
80-84	-	9,632	-	30,204	24,692	23,961	9,579	13,969	23,614
85+	-	38,042	-	20,847	28,817	20,376	16,747	15,252	18,286
All	31,137	30,563	32,814	31,075	28,382	23,628	15,434	15,183	28,623

Total Annual Annuity (in Thousands)									
YEARS OF RETIREMENT									
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>	
934	22,586	21,264	15,413	11,807	7,561	2,917	1,412	83,894	

TABLE 5A
Basic Plan

Minneapolis Teachers' Retirement Fund
Disabled Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	1	1	-	-	-	-	-	2
50-54	-	2	3	-	1	-	-	-	6
55-59	-	1	4	-	-	-	-	-	5
60-64	-	-	2	1	1	1	-	-	5
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	4	10	1	2	1	-	-	18

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	1,579	36,083	-	-	-	-	-	18,831
50-54	-	48,963	29,685	-	32,123	-	-	-	36,518
55-59	-	42,716	55,090	-	-	-	-	-	52,615
60-64	-	-	41,957	28,568	38,485	12,880	-	-	32,769
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	35,555	42,941	28,568	35,304	12,880	-	-	37,983

Total Annual Annuity (in Thousands)								
YEARS OF RETIREMENT								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
-	142	429	29	71	13	-	-	684

TABLE 6A
Basic Plan

Minneapolis Teachers' Retirement Fund
Survivor Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	2	27	23	7	4	-	-	-	63
50-54	-	2	4	-	-	-	-	-	6
55-59	-	2	3	-	-	-	-	-	5
60-64	1	6	9	-	-	1	-	-	17
65-69	2	12	7	10	1	-	1	-	33
70-74	2	11	12	11	1	5	1	-	43
75-79	2	12	10	2	3	5	-	1	35
80-84	-	4	6	1	-	1	1	1	14
85+	-	4	7	6	9	8	1	3	38
All	9	80	81	37	18	20	4	5	254

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	19,241	12,056	15,682	3,749	12,144	-	-	-	12,690
50-54	-	38,614	29,426	-	-	-	-	-	32,489
55-59	-	11,453	12,605	-	-	-	-	-	12,144
60-64	56,112	22,977	34,900	-	-	15,522	-	-	30,800
65-69	53,624	27,438	41,467	28,247	22,697	-	14,026	-	31,696
70-74	22,790	20,249	28,589	35,411	18,654	20,400	11,328	-	26,346
75-79	23,365	24,525	25,478	15,043	20,207	20,323	-	8,631	22,765
80-84	-	19,911	21,403	20,914	-	24,263	16,786	19,962	20,714
85+	-	22,324	22,979	16,577	12,938	15,290	15,178	11,689	16,806
All	32,683	19,734	24,787	22,938	14,833	18,286	14,330	12,732	21,587

Total Annual Annuity (in Thousands)								
YEARS OF RETIREMENT								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
294	1,579	2,008	849	267	366	57	64	5,483

TABLE 11A
BASIC PLAN

Minneapolis Teachers' Retirement Fund
Determination of Contribution Sufficiency
(dollars in thousands)

July 1, 2000

	Percent of Payroll	Dollar Amount
A. STATUTORY CONTRIBUTIONS - CHAPTER 354A		
1. Employee Contributions	8.50%	\$ 4,371
2. Employer Contributions	12.14%	6,243
3. Supplemental Contribution *		
a. 1993 Legislation	1.96%	1,008
b. 1996 Legislation	1.17%	602
c. 1997 Legislation	5.07%	2,607
4. Administrative Expense Assessment	0.00%	-
5. Total	28.84%	\$ 14,831
B. REQUIRED CONTRIBUTIONS - CHAPTER 356		
1. Normal Cost		
a. Retirement Benefits	11.83%	\$ 6,084
b. Disability Benefits	1.17%	601
c. Surviving Spouse and Child Benefits	0.19%	100
d. Deferred Retirements	1.37%	704
e. Refund Liability Due to Death or Withdrawal	0.52%	267
f. Total	15.08%	\$ 7,756

Projected Annual Payroll for Fiscal Year Beginning on the Valuation Date: \$ 51,422

* Includes contributions from School District #1, the City of Minneapolis, and matching State contributions.

Minneapolis Teachers' Retirement Fund
Summary of Plan Provisions

GENERAL

<i>Eligibility:</i>	A teacher who is employed by the Board of Education of Special School District No. 1 and who is not covered by the Social Security Act. Certain part-time licensed employees are covered as well as employees of the Minneapolis Teachers Retirement Fund.
<i>Contributions:</i>	Member: 8.50% of Salary. Employer: 12.14% of Salary.
<i>Teaching Service:</i>	A year is earned during a calendar year if the Member is employed in a covered position and employee contributions are deducted. Certain part-time service and military service is also included.
<i>Salary:</i>	Total compensation. Excludes lump sum payments for unused vacation leave or unused sick leave at separation.
<i>Average Salary:</i>	Average of the 5 highest consecutive years of Salary.

RETIREMENT***Normal Retirement Benefit:***

<i>Eligibility:</i>	Age 60. Any age with 30 years of Teaching Service.
<i>Amount:</i>	2.50% of Average Salary for each year of Teaching Service.

Early Retirement Benefit:

<i>Eligibility:</i>	Age 55 with less than 30 years of Teaching Service.
<i>Amount:</i>	The greater of: 2.25% of Average Salary for each year of Teaching Service with reduction of 0.25% for each month the Member is under age first eligible for a normal retirement benefit. or

TABLE 13A
(cont)
BASIC

2.50% of Average Salary for each year of Teaching Service assuming augmentation to the age first eligible for a normal retirement benefit at 3.00% per year and actuarial reduction for each month the Member is under the age first eligible for a normal retirement benefit.

An alternative benefit is available to Members who are at least age 50 and have 7 years of Teaching Service. The benefit is based on the accumulation of the 6.5% "city deposits" to the Retirement Fund. Other benefits are also provided under this alternative depending on the Member's age and Teaching Service.

Form of Payment:

Life annuity.

Actuarially equivalent options are:

- 10 or 15 year certain and life
- 50%, 75% or 100% joint and Survivor with bounce back feature without additional reduction (option is canceled if Member is predeceased by beneficiary).

Benefit Increases:

Benefits are increased 2.0% annually beginning on the January 1 or July 1 if the Member has been receiving benefits for at least 12 months. Beneficiaries are entitled to the same increase the Member would have received.

In addition, if the time weighted rate of return over the last 5 years exceeds 8.5%, the Board of Trustees will increase benefits by the excess rate of return multiplied by the quantity of one minus the rate of contribution deficiency.

Members retired under laws in effect before May 1, 1974 and before any adjustment under Laws 1987, Chapter 372, receive an additional lump sum payment each year. In 1989, this lump sum payment is the greater of \$25 times each full year of Teaching Service and the sum of the benefits paid from any Minnesota public pension plan plus cash payments from the Social Security Administration for the preceding fiscal year July 1, 1988 through June 30, 1989. In each following year the lump sum will increase by the same increase that is applied to regular annuities.

DISABILITY

Disability Benefit:

<i>Eligibility:</i>	Total and permanent disability with 3 years of Teaching Service.
<i>Amount:</i>	An annuity based on the continued accumulation of Member and city contributions at the current rate for a period of 15 years (but not beyond age 65) plus an additional benefit equal to the smaller of 100% of the annuity provided by city contributions only or \$150 per month. A Member with 20 years of Teaching Service also receives an additional \$7.50 per month. Payments stop if disability ceases or death occurs. Benefits may be reduced on resumption of partial employment.
<i>Form of Payment:</i>	Same as for retirement.
<i>Benefit Increases:</i>	Same as for retirement.

DEATH

A choice of Benefit A, Benefit B, or Benefit C.

Benefit A:

<i>Eligibility:</i>	Death before retirement.
<i>Amount:</i>	The accumulation of Member and city contributions plus 5% interest if death occurred before May 16, 1989, or 6% interest if death occurred on or after May 16, 1989. Paid as a life annuity, 15 year certain and life, or lump sum. If an annuity is chosen the beneficiary also receives additional benefits.

Benefit B:

<i>Eligibility:</i>	An active Member with 7 years of Teaching Service. A former Member age 60 with 7 years of Teaching Service who dies before retirement or disability benefits begin.
<i>Amount:</i>	The actuarial equivalent of any benefits the Member could have received if he had resigned on the date of death. Paid to the beneficiary in the form of a life annuity or a 15 year certain and life annuity.

Benefit C:

<i>Eligibility:</i>	An active Member who dies and leaves surviving children.
---------------------	----------------------------------------------------------

TABLE 13A
(cont)
BASIC

Amount: A monthly benefit of \$248.30 to the surviving widow while caring for a child and an additional \$248.30 per month for each surviving dependent child. The maximum family benefit is \$579.30 per month. These benefits may be increased by the Board of Trustees.

Benefits to the widow cease upon death or when no longer caring for an eligible child. Benefits for dependent children cease upon marriage or age 18 (age 22 if a full time student).

Benefit Increases: Same as retirement.

TERMINATION

Deferred Annuity:

Eligibility: 7 years of Teaching Service.

Amount: Benefit computed under law in effect at termination and increased by the following annual percentage:

3.00% until January 1 of the year following the attainment of 55, and,

5.00% thereafter until the annuity begins.

In addition, the interest earned on the Member and city contributions between termination and age 60 can be applied to provide an additional annuity.

Refund of Contributions:

Eligibility: Termination of teaching service.

Amount: Member's contributions with 6.00% interest. A deferred annuity may be elected in lieu of a refund.

TABLE 3B
Coordinated Plan

Minneapolis Teachers' Retirement Fund
Active Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF SERVICE								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<20	-	-	-	-	-	-	-	-	-
20-24	121	41	-	-	-	-	-	-	162
25-29	246	416	24	-	-	-	-	-	686
30-34	133	364	286	3	-	-	-	-	786
35-39	73	204	260	124	24	-	-	-	685
40-44	196	195	231	124	74	6	1	-	827
45-49	70	186	230	163	74	17	-	-	740
50-54	62	132	219	146	75	23	-	-	657
55-59	34	41	117	73	39	8	-	2	314
60-64	12	25	41	35	27	4	-	-	144
65+	2	7	13	13	1	1	-	-	37
All	949	1,611	1,421	681	314	59	1	2	5,038

Age	Average Annual Earnings								TOTAL
	YEARS OF SERVICE								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<20	-	-	-	-	-	-	-	-	-
20-24	12,959	22,445	-	-	-	-	-	-	15,360
25-29	17,481	28,026	34,478	-	-	-	-	-	24,470
30-34	20,471	32,526	39,464	42,684	-	-	-	-	33,050
35-39	19,615	36,956	45,110	49,145	55,541	-	-	-	41,060
40-44	18,505	35,742	48,960	52,746	56,341	51,303	35,775	-	39,855
45-49	15,932	34,424	46,186	57,846	59,372	57,629	-	-	44,518
50-54	19,405	36,450	48,535	58,144	61,469	61,958	-	-	47,440
55-59	21,116	40,050	46,599	57,640	67,341	67,174	-	65,101	48,770
60-64	13,753	30,645	44,076	48,155	65,600	71,413	-	-	45,004
65+	315	11,106	18,720	32,388	69,406	64,827	-	-	23,703
All	17,758	32,667	44,973	54,324	60,423	61,024	35,775	65,101	38,333

Total Annual Earnings (in Thousands)								
YEARS OF SERVICE								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
16,852	52,628	63,907	36,995	18,974	3,600	36	130	193,122

TABLE 4B
Coordinated Plan

Minneapolis Teachers' Retirement Fund
Retired Members as of June 30, 2000

	Participant Count								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	-	-	-	-	-	-	-	-
50-54	-	3	-	-	-	-	-	-	3
55-59	-	12	3	-	-	-	-	-	15
60-64	1	22	11	-	-	-	-	-	34
65-69	-	20	10	2	-	-	-	-	32
70-74	-	4	9	3	-	-	-	-	16
75-79	-	1	1	-	-	-	-	-	2
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	1	62	34	5	-	-	-	-	102

Age	Average Annual Annuity								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	-	8,694	-	-	-	-	-	-	8,694
55-59	-	7,482	7,272	-	-	-	-	-	7,440
60-64	4,501	8,574	7,671	-	-	-	-	-	8,162
65-69	-	9,567	7,332	4,981	-	-	-	-	8,582
70-74	-	9,973	6,715	4,402	-	-	-	-	7,096
75-79	-	5,207	2,572	-	-	-	-	-	3,889
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	4,501	8,725	7,133	4,633	-	-	-	-	7,952

Total Annual Annuity (in Thousands)									
YEARS OF RETIREMENT									
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
	5	541	243	23	-	-	-	-	811

TABLE 5B
Coordinated Plan

Minneapolis Teachers' Retirement Fund
Disabled Members as of June 30, 2000

Age	Participant Count								TOTAL
	YEARS OF RETIREMENT								
	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	
<50	-	-	-	-	-	-	-	-	-
50-54	-	1	-	-	-	-	-	-	1
55-59	-	-	-	-	-	-	-	-	-
60-64	-	-	1	-	-	-	-	-	1
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	1	1	-	-	-	-	-	2

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	-	-	-	-	-	-	-	-
50-54	-	8,767	-	-	-	-	-	-	8,767
55-59	-	-	-	-	-	-	-	-	-
60-64	-	-	8,180	-	-	-	-	-	8,180
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	8,767	8,180	-	-	-	-	-	8,473

Total Annual Annuity (in Thousands)									
YEARS OF RETIREMENT									
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>	
-	9	8	-	-	-	-	-	17	

TABLE 6B
Coordinated Plan

Minneapolis Teachers' Retirement Fund
Survivor Members as of June 30, 2000

Participant Count									
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	-	-	-	-	-	-	-	-

	Average Annual Annuity								
	YEARS OF RETIREMENT								
Age	<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
<50	-	-	-	-	-	-	-	-	-
50-54	-	-	-	-	-	-	-	-	-
55-59	-	-	-	-	-	-	-	-	-
60-64	-	-	-	-	-	-	-	-	-
65-69	-	-	-	-	-	-	-	-	-
70-74	-	-	-	-	-	-	-	-	-
75-79	-	-	-	-	-	-	-	-	-
80-84	-	-	-	-	-	-	-	-	-
85+	-	-	-	-	-	-	-	-	-
All	-	-	-	-	-	-	-	-	-

Total Annual Annuity (in Thousands)								
YEARS OF RETIREMENT								
<u><1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>TOTAL</u>
-	-	-	-	-	-	-	-	-

Minneapolis Teachers' Retirement Fund
Determination of Contribution Sufficiency
(dollars in thousands)

Percent of Payroll	Dollar Amount
5.50%	\$ 11,224
8.14%	16,611
1.96%	3,992
1.17%	2,388
5.07%	10,347
0.00%	-
21.84%	\$ 44,562

1. Normal Cost			
a. Retirement Benefits	7.88%	\$	16,078
b. Disability Benefits	0.79%		1,609
c. Surviving Spouse and Child Benefits	0.19%		379
d. Deferred Retirements	0.58%		1,191
e. Refund Liability Due to Death or Withdrawal	0.23%		472
f. Total	9.67%	\$	19,729

-MILLIMAN & ROBERTSON, INC.

**Minneapolis Teachers' Retirement Fund
Summary of Plan Provisions**

GENERAL

<i>Eligibility:</i>	A teacher who is employed by the Board of Education of Special School District No. 1 and who is covered by the Social Security Act. Certain part-time licensed employees are covered as well as employees of the Minneapolis Teachers Retirement Fund (unless they belong to the Minneapolis Employees Retirement Fund).
<i>Contributions:</i>	Member: 5.50% of Salary. Employer: 8.14% of Salary.
<i>Allowable Service:</i>	A year is earned during a school year if the Member is employed in a covered position and employee contributions are deducted. May also include certain part-time service, extended leaves of absence, sabbatical leaves, and military service.
<i>Salary:</i>	Total compensation. Excludes lump sum payments for unused vacation leave or unused sick leave at separation.
<i>Average Salary:</i>	Average of the 5 highest consecutive years of Salary. Average Salary is based on all Allowable Service if less than 5 years.

RETIREMENT

Normal Retirement Benefit:

<i>Eligibility:</i>	
First hired before July 1, 1989:	Age 65 and 3 years of Allowable Service. Proportionate Retirement Annuity is available at age 65 and 1 year of Allowable Service.
First hired after July 1, 1989:	The greater of age 65 or the age eligible for full Social Security retirement benefits (but not later than age 66) and 3 years of Allowable Service. Proportionate Retirement Annuity is available at normal retirement age and 1 year of Allowable Service.
<i>Amount:</i>	1.70% of Average Salary for each year of Allowable Service.

TABLE 13B
(cont)
COORDINATED

Early Retirement Benefit:

Eligibility:

Age 55 and 3 years of Allowable Service. Any age with 30 years of Allowable Service. Rule of 90: Age plus Allowable Service totals 90.

Amount:

**First hired before
July 1, 1989:**

The greater of:

1.20% of Average Salary for each of the first 10 years of Allowable Service plus 1.70% of Average Salary for each subsequent year of Allowable Service with reduction of 0.25% for each month the Member is under age 65 (age 62 if 30 years of Allowable Service). No reduction if age plus years of Allowable Service totals 90.

or

1.70% of Average Salary for each year of Allowable Service assuming augmentation to age 65 at 3.00% per year and actuarial reduction for each month the Member is under age 65.

**First hired after
July 1, 1989:**

1.70% of Average Salary for each year of Allowable Service assuming augmentation to the age eligible for Normal Retirement benefits at 3.00% per year and actuarial reduction for each month the Member is under the Normal Retirement Age.

Form of Payment:

Life annuity. Actuarial equivalent options are:

- Guaranteed refund
- 10 or 15 year certain and life
- 50%, 75%, or 100% joint and survivor with bounce back feature without additional reduction (option is canceled if Member is predeceased by beneficiary).

Benefit Increases:

Benefits are increased 2.0% annually beginning on the January 1 or July 1 if the Member has been receiving benefits for at least 12 months. Beneficiaries are entitled to the increase the Member would have received.

In addition, if the time weighted rate of return over the last 5 years exceeds 8.5%, the Board of Trustees will increase benefits by the excess rate of return multiplied by the quantity of one minus the rate of contribution deficiency.

DISABILITY

Disability Benefit:

Eligibility: Total and permanent disability before the normal retirement age with 3 years of Allowable Service. Also, at least 2 of the years of Allowable Service must have been uninterrupted.

Amount: Normal Retirement Benefit based on Allowable Service and Average Salary at disability without reduction for commencement before the normal retirement age. Benefit is reduced by Workers' Compensation.

Payments are recomputed as a retirement at the normal retirement age. Payments stop if disability ceases or death occurs. Benefits may be reduced on resumption of partial employment.

Form of Payment: Same as for retirement.

Benefit Increases: Same as for retirement.

Retirement After Disability:

Eligibility: Normal retirement age with continued disability.

Amount: Any optional annuity continues. Otherwise the larger of the disability benefit paid before normal retirement age or the normal retirement benefit available at the normal retirement age, or an actuarially equivalent optional annuity.

Benefit Increases: Same as for retirement.

DEATH

Surviving Spouse Annuity:

Eligibility: Any active Member who dies with 3 years of Allowable Service prior to retirement or disability benefits commence.

Any former Member who dies before retirement or disability benefits commence, if age 50 with 3 years of Allowable Service or any age with 30 years of Allowable Service. If the former Member dies prior to age 55 benefits are deferred to age 55.

TABLE 13B
(cont)
COORDINATED

Amount: Survivor's payment of the 100% joint and survivor benefit the Member could have elected if terminated.

Upon the death of any vested active member, the benefit is calculated using 50% of otherwise applicable early retirement reduction from the Member's age 55 to the Member's benefit commencement age.

Benefit Increases: Same as for retirement.

Refund of Contributions:

Eligibility: Member or former Member dies before receiving any retirement benefits and survivor's benefits are not payable.

Amount: Member's contributions with 6.00% interest.

TERMINATION

Deferred Annuity:

Eligibility: 3 years of Allowable Service.

Amount: Benefit computed under law in effect at termination and increased by the following annual percentage:

3.00% until January 1 of the year following the attainment of 55, and

5.00% thereafter until the annuity begins.

Amount is payable as a normal or early retirement benefit.

Refund of Contributions:

Eligibility: Termination of teaching service.

Amount: Member's contributions with 6.00% interest. A deferred annuity may be elected in lieu of a refund.

TABLE 14

Minneapolis Teachers' Retirement Fund
Schedule of Funding Progress
(dollars in thousands)

July 1, 2000

Actuarial Valuation Date	Actuarial Value of Assets (A)	Actuarial Accrued Liability (B)	Unfunded AAL (UAAL) (B)-(A)	Funded Ratio (A)/(B)	Actual Covered Payroll (Previous FY) (C)	UAAL as % of Covered Payroll ((B)-(A))/(C)
07/01/91	\$ 424,677	\$ 826,574	\$ 401,897	51.38%	\$ 119,065	337.54%
07/01/92	457,978	840,840	382,862	54.47%	136,870	279.73%
07/01/93	501,741	878,693	376,952	57.10%	135,505	278.18%
07/01/94	514,138	920,470	406,332	55.86%	155,671	261.02%
07/01/95	554,960	983,249	428,289	56.44%	163,824	261.43%
07/01/96	612,852	1,055,063	442,211	58.09%	171,060	258.51%
07/01/97	673,209	1,173,412	500,203	57.37%	185,229	270.05%
07/01/98	809,978	1,267,424	457,446	63.91%	199,376	229.44%
07/01/99	939,459	1,394,357	454,898	67.38%	230,189	197.62%
07/01/00	1,027,633	1,544,358	516,725	66.54%	242,072	213.46%

Minneapolis Teachers' Retirement Fund
Schedule of Employer Contributions
(dollars in thousands)

July 1, 2000

Year Ended June 30	Actuarially Required Contribution Rate (A)	Actual Covered Payroll (B)	Actual Member Contributions (C)	Annual Required Contributions [(A)*(B)]-(C)	Actual Employer Contributions*	Percentage Contributed
1991	30.40%	\$ 119,065	\$ 9,337	\$ 26,859	\$ 12,358	46.01%
1992	30.55%	136,870	10,307	31,507	13,638	43.29%
1993	27.43%	135,505	10,713	26,456	13,711	51.83%
1994	25.83%	155,671	11,507	28,703	16,355	56.98%
1995	25.03%	163,824	10,470	30,535	21,194	69.41%
1996	25.18%	171,060	11,294	31,779	23,085	72.64%
1997	25.15%	185,229	11,697	34,888	24,021	68.85%
1998	28.23%	199,376	13,852	42,432	43,640	102.85%
1999	25.80%	230,189	14,935	44,464	40,476	91.03%
2000	23.88%	242,072	16,169	41,638	42,556	102.21%

*Includes contributions from other sources (if applicable)