



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Financial and Investment Summary
For the Year Ended December 31, 2004
(Dollars in Thousands)

Public Pension Plans	Assets 1/1/2004	Assets 12/31/2004	OSA ROR	Plan ROR	Statutory Assumed ROR	Benchmark ROR
Bloomington Fire	\$ 92,141	\$ 101,588	9.5 %	9.5 %	5.0%	8.6 %
Duluth Teachers'	256,553	270,091	10.6 %	10.6 %	8.5%	11.3 %
Eden Prairie Fire	11,309	12,876	10.8 %	10.6 %	5.0%	13.3 %
Minneapolis Employees	1,277,350	1,326,532	12.8 %	12.8 %	5.0% ¹	13.3 %
Minneapolis Fire	252,939	257,633	10.1 %	10.2 %	6.0%	8.9 %
Minneapolis Police	326,620	351,717	10.1 %	9.7 %	6.0%	11.0 %
Minneapolis Teachers'	776,490	786,060	10.2 %	10.2 %	8.5%	10.9 %
St. Paul Teachers'	851,075	932,462	14.1 %	14.1 %	8.5%	12.7 %
State Board of Investment - Basic Fund	18,434,935	20,200,862	13.0 %	13.0 %	8.5%	12.7 %
State Board of Investment - Post Fund	18,162,018	19,479,434	11.8 %	11.8 %	8.5%	11.4 %
Total ²	\$ 40,441,430	\$ 43,719,255	12.4 %	12.4 %	N/A	12.0 %

¹ The Minneapolis Employees Retirement Fund has a different statutory assumed rate of return for its active and retired funds that are 6% and 5%, respectively. The lower rate is used.

² Total rate of return percentages are calculated using the individual plan rate of return weighted according to 1/1/04 plan assets.



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Historical Rates of Return

Public Pension Plans	1999	2000	2001	2002	2003	2004
Bloomington Fire	13.2 %	(3.9)%	(7.9)%	(14.4)%	19.4 %	9.5 %
Duluth Teachers'	29.4 %	(1.6)%	(4.3)%	(12.6)%	28.2 %	10.6 %
Eden Prairie Fire ¹	14.0 %	2.8 %	(5.6)%	(13.4)%	28.2 %	10.8 %
Minneapolis Employees	15.5 %	(1.3)%	(6.1)%	(11.4)%	23.8 %	12.8 %
Minneapolis Fire	17.8 %	(2.7)%	(3.3)%	(10.0)%	20.0 %	10.1 %
Minneapolis Police	11.1 %	(2.0)%	(4.1)%	(10.1)%	22.3 %	10.1 %
Minneapolis Teachers'	21.5 %	(6.0)%	(7.7)%	(16.1)%	22.8 %	10.2 %
St. Paul Teachers'	13.6 %	(0.2)%	(1.7)%	(10.1)%	26.7 %	14.1 %
State Board of Investment - Basic Fund	17.1 %	(1.8)%	(6.8)%	(11.6)%	22.7 %	13.0 %
State Board of Investment - Post Fund	15.8 %	(3.8)%	(5.1)%	(11.6)%	23.5 %	11.8 %
Total ²	16.5 %	(2.7)%	(5.9)%	(11.7)%	23.2 %	12.4 %

¹ The rate of return for Eden Prairie Fire was calculated using a different methodology than the other plans.

² Total rate of return percentages are calculated using the individual plan rate of return weighted according to beginning of year plan assets.



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Funding Levels 1997-2004

<u>Pension Plan</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Bloomington Fire (12/31)	148.1%	152.5%	164.8%	144.1%	123.6%	96.4%	110.2%	115.1%
Duluth Teachers' (6/30)	86.0%	95.1%	99.2%	103.8%	107.6%	100.4%	95.7%	91.8%
Eden Prairie Fire (12/31)	107.0%	96.0%	106.0%	104.0%	96.0%	74.0%	94.0%	101.9%
MERF (6/30)	84.2%	89.4%	92.6%	93.4%	93.3%	92.4%	92.3%	92.1%
Minneapolis Fire (12/31)	89.5%	105.4%	109.2%	107.5%	103.9%	87.2%	80.6%	90.2%
Minneapolis Police (12/31)	91.0%	93.4%	95.4%	87.5%	75.1%	66.8%	64.5%	70.7%
Minneapolis Teachers' (6/30)	57.4%	63.9%	67.4%	66.5%	66.0%	61.9%	56.9%	50.8%
St. Paul Teachers' (6/30)	69.1%	72.6%	75.0%	80.3%	81.9%	78.8%	75.6%	71.8%
PERF (6/30)	82.7%	87.1%	89.9%	86.3%	87.0%	85.0%	81.3%	76.7%
TRA (6/30)	101.3%	105.7%	105.7%	105.2%	105.9%	105.3%	103.1%	100.0%
MSRS State Emp. (6/30)	103.2%	107.7%	109.2%	110.5%	112.1%	104.5%	99.1%	100.0%



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Contributions For Fiscal Year 1997

<u>Public Pension Plans</u>	<u>State of Minnesota Contributions</u>	<u>City Contributions</u>	<u>Employer Contributions</u>	<u>Total Members at Fiscal Year End¹</u>	<u>Aid Per Member</u>
Bloomington Fire	\$ 340,683	\$ 480,900		265	\$ 3,100
Duluth Teachers'			\$ 2,708,473	3,034	\$ 893
Eden Prairie Fire	\$ 188,773	\$ 311,227		110	\$ 4,545
Minneapolis Employees	\$ 11,056,266		\$ 18,586,141	6,870	\$ 4,315
Minneapolis Fire	\$ 1,219,587	\$ 3,725,237		804	\$ 6,150
Minneapolis Police	\$ 3,630,557	\$ 3,907,944		1,078	\$ 6,993
Minneapolis Teachers'	\$ 3,572,588	\$ 1,231,959	\$ 19,216,860	8,272	\$ 2,904
St. Paul Teachers'	\$ 1,023,327		\$ 15,019,989	5,889	\$ 2,724
PERA			\$ 189,703,000	196,362	\$ 966
TRA			\$ 191,670,080	100,591	\$ 1,905
MSRS			\$ 91,534,000	82,002	\$ 1,116
Total	<u>\$ 21,031,781</u>	<u>\$ 9,657,267</u>	<u>\$ 528,438,543</u>	<u>405,277</u>	<u>\$ 1,380</u>

¹ Does not include terminated, non-vested members



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA

OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Contributions For Fiscal Year 2004

<u>Public Pension Plans</u>	<u>State of Minnesota Contributions</u>	<u>City Contributions</u>	<u>Employer Contributions</u>	<u>Total Members at Fiscal Year End¹</u>	<u>Aid Per Member</u>
Bloomington Fire	\$ 625,566	\$ 2,986,280		289	\$ 12,498
Duluth Teachers'	\$ -	\$ -	\$ 2,826,730	3,277	\$ 863
Eden Prairie Fire	\$ 457,038	\$ 260,000		141	\$ 5,085
Minneapolis Employees	\$ 7,093,000		\$ 38,366,010	5,714	\$ 7,956
Minneapolis Fire	\$ 2,146,934	\$ 2,670		663	\$ 3,242
Minneapolis Police	\$ 7,089,022	\$ 20,800,530		939	\$ 29,701
Minneapolis Teachers'	\$ 16,771,302	\$ 2,180,146	\$ 22,051,636	10,081	\$ 4,067
St. Paul Teachers'	\$ 3,392,761		\$ 20,378,315	8,190	\$ 2,902
PERA			\$ 289,780,000	248,211	\$ 1,167
TRA			\$ 151,028,911	120,424	\$ 1,254
MSRS			\$ 108,740,000	108,661	\$ 1,001
Total	\$ 37,575,623	\$ 26,229,626	\$ 633,171,602	506,590	\$ 1,376

¹ Does not include terminated, non-vested members



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

**Minnesota Large Public Pension Fund Administrative Expenses
For Fiscal Year 1997**

<u>Public Pension Plans</u>	<u>Reported Administrative Expenses</u>	<u>Total Assets</u>	<u>Administrative Expenses as a Percent of Assets</u>	<u>Administrative Expenses Per Member¹</u>
Bloomington Fire	\$ 50,392	\$ 88,415,033	0.06 %	\$ 190
Duluth Teachers'	\$ 311,379	\$ 199,442,263	0.16 %	\$ 103
Eden Prairie Fire ¹	\$ 13,679	\$ 6,705,177	0.20 %	\$ 124
Minneapolis Employees	\$ 1,016,740	\$ 1,323,749,756	0.08 %	\$ 148
Minneapolis Fire	\$ 513,812	\$ 264,720,900	0.19 %	\$ 639
Minneapolis Police	\$ 546,854	\$ 372,895,470	0.15 %	\$ 507
Minneapolis Teachers'	\$ 519,638	\$ 796,275,892	0.07 %	\$ 63
St. Paul Teachers'	\$ 407,004	\$ 647,249,634	0.06 %	\$ 69
PERA	\$ 6,252,000	\$ 11,138,837,000	0.06 %	\$ 32
TRA	\$ 4,552,372	\$ 12,921,310,349	0.04 %	\$ 45
MSRS	\$ 2,555,000	\$ 6,354,251,000	0.04 %	\$ 31
Total	\$ 16,738,870	\$ 34,113,852,474	0.05 %	\$ 41

¹ Does not include terminated, non-vested members



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

Minnesota Large Public Pension Fund Administrative Expenses For Fiscal Year 2004

<u>Public Pension Plans</u>	<u>Reported Administrative Expenses</u>	<u>Total Assets</u>	<u>Administrative Expenses as a Percent of Assets</u>	<u>Administrative Expenses Per Member¹</u>
Bloomington Fire	\$ 64,224	\$ 101,341,890	0.06 %	\$ 222
Duluth Teachers'	\$ 448,704	\$ 258,831,515	0.17 %	\$ 137
Eden Prairie Fire ¹	\$ 15,140	\$ 12,875,538	0.12 %	\$ 107
Minneapolis Employees	\$ 717,952	\$ 1,282,717,353	0.06 %	\$ 126
Minneapolis Fire	\$ 577,336	\$ 254,086,792	0.23 %	\$ 871
Minneapolis Police	\$ 769,566	\$ 348,910,983	0.22 %	\$ 820
Minneapolis Teachers'	\$ 730,892	\$ 763,089,276	0.10 %	\$ 73
St. Paul Teachers'	\$ 515,715	\$ 871,902,589	0.06 %	\$ 63
PERA	\$ 9,805,000	\$ 14,229,972,000	0.07 %	\$ 40
TRA	\$ 12,179,212	\$ 15,095,803,651	0.08 %	\$ 101
MSRS	\$ 6,057,000	\$ 8,379,829,000	0.07 %	\$ 56
Total	\$ 31,880,741	\$ 41,599,360,587	0.08 %	\$ 63

¹ Does not include terminated, non-vested members



PATRICIA ANDERSON
STATE AUDITOR

STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
stateauditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

**Minnesota Large Public Pension Fund Investment Expense
For Fiscal Year 2004**

Public Pension Plans	Investment Expense	Net Assets	Investment Fees as a Percent of Assets
Bloomington Fire	\$ 78,689	\$ 101,449,970	0.08 %
Duluth Teachers'	\$ 1,203,295	\$ 258,831,515	0.46 %
Eden Prairie Fire ¹	\$ 112,497	\$ 12,875,538	0.87 %
Minneapolis Employees	\$ 3,885,872	\$ 1,282,717,353	0.30 %
Minneapolis Fire	\$ 1,042,816	\$ 254,990,605	0.41 %
Minneapolis Police	\$ 922,855	\$ 349,456,470	0.26 %
Minneapolis Teachers'	\$ 2,406,830	\$ 763,089,276	0.32 %
St. Paul Teachers'	\$ 3,059,912	\$ 871,902,589	0.35 %
SBI Basic	\$ 23,831,000	\$ 18,800,000,000	0.13 %
SBI Post	\$ 24,950,000	\$ 18,400,000,000	0.14 %
TRA	\$ 20,450,572	\$ 15,095,803,651	0.14 %
PERA	\$ 18,340,000	\$ 14,229,972,000	0.13 %
MSRS	\$ 10,382,000	\$ 8,379,829,000	0.12 %
Total	\$ 110,666,338	\$ 78,800,917,967	0.14 %