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## **\*\*\*PRESS RELEASE\*\*\***

### **State Auditor Otto Releases Large Public Pension Plan Investment Report**

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**ST. PAUL (12/22/2011)** – State Auditor Rebecca Otto today released the Large Public Pension Plan Investment Report, which reviews the investment performance of Minnesota’s large public pension plans for the year ended December 31, 2010.

The individual large public pension plans included in this report are the Bloomington Fire Department Relief Association, the Duluth Teachers’ Retirement Fund Association, the Minneapolis Firefighters’ Relief Association, the Minneapolis Police Relief Association, and the St. Paul Teachers’ Retirement Fund Association.

Oversight of these pension plans is important to safeguard the pensions of public employees and to control local and state liabilities. This report informs lawmakers of the large plans’ investment performance, educates fiduciaries and members of the plans, and provides transparency to the public.

Highlights from the report include:

- During 2010, rates of return for the large plans ranged from 12.0 percent (Minneapolis Fire) to 16.0 percent (Duluth Teachers’). All of the plans except for Minneapolis Fire were able to meet their respective benchmarks.
- All of the large plans except Bloomington Fire ended 2010 with funding ratios below 100 percent. Bloomington Fire and Duluth Teachers’ were the only plans that experienced an increase in their funding ratios. Bloomington Fire and Duluth Teachers’ had funding ratios of 105.4 percent and 81.7 percent, respectively.
- The ten-year period from January 2001 through December 2010 provided minimal investment growth. None of the large plans were able to meet their actuarial assumed rates of return over this period, although most of the plans were able to keep up with or exceed market returns.

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- The plans with the lowest rates of return for the ten-year period were Bloomington Fire and Duluth Teachers', with returns of 2.5 percent and 3.3 percent, respectively. Both of these plans exceeded their benchmarks for 2010.

**To view the complete report, which includes an Executive Summary, graphs and tables, go to:**

**<http://www.auditor.state.mn.us/default.aspx?page=20111221.000>**.

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*The Office of the State Auditor is a constitutional office that is charged with overseeing more than \$20 billion spent annually by local governments in Minnesota. The Office of the State Auditor does this by performing audits of local government financial statements, and by reviewing documents, data, reports, and complaints reported to the Office. The financial information collected from local governments is analyzed and is the basis of statutory reports issued by the Office of the State Auditor.*

*Rebecca Otto is Minnesota's 18<sup>th</sup> State Auditor. A high-resolution official photo is available for download at [http://www.auditor.state.mn.us/images/otto\\_hires.jpg](http://www.auditor.state.mn.us/images/otto_hires.jpg). To learn more about State Auditor Otto, see <http://www.auditor.state.mn.us/default.aspx?page=bio>.*