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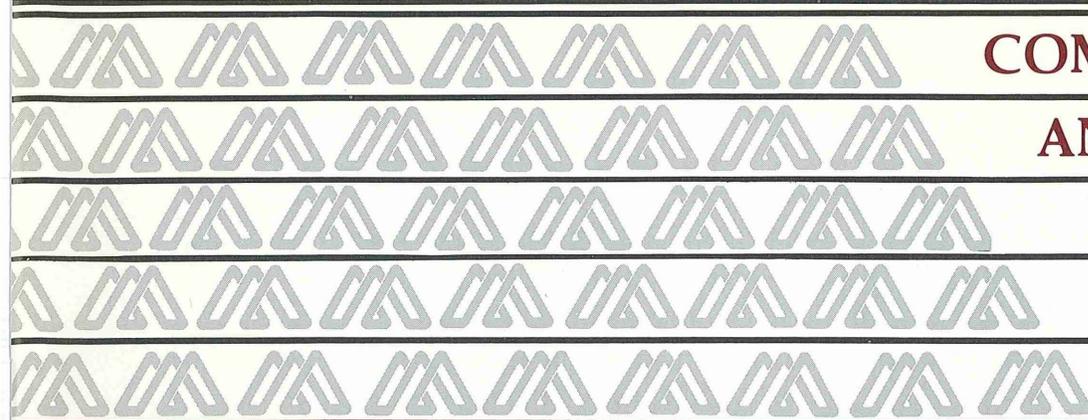
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COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT
June 30, 1983
Public Employees Retirement Association of Minnesota

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Pursuant to MS 356.20



COMPREHENSIVE

ANNUAL

FINANCIAL

REPORT

June 30, 1983

Public Employees Retirement Association of Minnesota

BOARD OF TRUSTEES

ELECTED MEMBERS

Theodore Griak—Chairperson, Duluth
Garland Nash—Vice Chairperson, Austin
Carol A. Ogren, Minneapolis
William J. Meuwissen, Saint Paul
Cecil Halter, Brooklyn Center
Evonne Luedtke, Rosemount
Deborah A. Feist, Forest Lake
Joyce Marie Boman, Duluth
Clifford Dahl, Duluth
Lamonte Dehn, Police and Fire Member
Charles Myhervold, Annuitant Member

APPOINTED MEMBERS

James L. Jacobs—Minnesota School Boards Assn.
Stanley Peskar—League of Minnesota Cities
Morris J. Anderson—Assn. of Minnesota Cities
Richard Patterson—Labor Representative

C. Mike McLaren
Executive Director

Prepared by:
Finance Department

Paul L. Hayne
Assistant Executive Director

Michael A. Hovde
Manager, Finance

INTRODUCTORY SECTION

Contents

	PAGE
Introductory Section	
Certificate of Conformance	3
Letter of Transmittal.....	4
Chairman's Report	6
Board of Trustees	7
Summary of Retirement System Plan	8
Financial Section	
Legislative Auditor's Report	14
Combined Balance Sheet.....	15
Combined Statement of Revenues, Expenses, and Changes in Fund Balance	16
Combined Statement of Changes in Financial Position	17
Notes to Financial Statements.....	18
Combining Balance Sheet	22
Combining Statement of Revenues, Expenses, and Changes in Fund Balance.....	23
Combining Statement of Changes in Financial Position	24
Statement of Revenues, Expenses, and Changes in Fund Balance — Public Employees Retirement Fund	26
Statement of Revenues, Expenses, and Changes in Fund Balance — Public Employees Police and Fire Fund	27
Schedule of Administrative Expenses.....	28
Summary Schedules	
Schedule of Cash Receipts and Disbursements	29
Summary Schedule of Commissions and Payments to Consultants	29
Portfolio Summary and Activity	
Public Employees Retirement Fund	30
Public Employees Police and Fire Fund	30
Investment Portfolio Listing	31
Actuarial Section	
Actuary's Report.....	41
Statistical Section	
Revenue by Source	49
Revenue Ratios by Source of Revenue	50
Expense by Type	51
Benefit Expense by Type	52
Additions to Net Assets Available	53
Schedule of Participating Members	54
Schedule of Retired Members by Amount and Type of Benefit.....	55
Participating Employers.....	56

Certificate of Conformance

Certificate
of
Conformance
in Financial
Reporting

Presented to

Minnesota Public Employees
Retirement Association

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1982

A Certificate of Conformance in Financial Reporting is presented by the Municipal Finance Officers Association of the United States and Canada to governmental units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) are judged to substantially conform to program standards.



Carl F. White
President

Jeffrey L. Essler
Executive Director

INTRODUCTORY SECTION
Letter of Transmittal



C. Mike McLaren
Executive Director

Public Employees Retirement Association of Minnesota
203 Capitol Square Building, 550 Cedar Street,
St. Paul, Minnesota 55101
612-296-7460



November 1, 1983

Board of Trustees
Public Employees Retirement Association
State of Minnesota
St. Paul, MN 55101

The Public Employees Retirement Association is proud to submit this Fifty-second Annual Report for fiscal year ended June 30, 1983. This comprehensive report includes a summary of the retirement system, financial statements, actuarial reports, and statistical tables including investment information. We trust that you will find this annual report helpful in understanding your public employees retirement system—a system which continues to maintain a strong and positive financial future.

ACCOUNTING SYSTEMS AND REPORTS

This report was prepared to conform with the principles of governmental accounting and reporting as put forth by the National Council on Governmental Accounting and the American Institute of Certified Public Accountants (in accordance with Minnesota Statutes, Section 356.20).

The Municipal Finance Officers Association of the United States and Canada (MFOA) awarded a Certificate of Conformance in Reporting to the Minnesota Public Employees Retirement Association for its comprehensive annual financial report for the fiscal year ended June 30, 1982.

In order to be awarded a Certificate of Conformance, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Conformance is valid for a period of one year only. We believe our current report continues to conform to Certificate of Conformance Program requirements, and we are submitting it to MFOA to determine its eligibility for another certificate.

Our internal accounting controls are carefully designed to provide reasonable assurance regarding the safekeeping and reliability of all financial records. Transactions of the Public Employees Retirement Fund and the Public Employees Police and Fire Fund are reported on the accrual basis of accounting.

REVENUES

Collection of employer and employee contributions, as well as income from investments, provide the reserves needed to finance retirement benefits. The Public Employees Retirement Fund received contributions and investment income from fiscal year 1983 totaling \$289,598,593, which is a 20.3% increase over fiscal year 1982 revenue. The Public Employees Police and Fire Fund received contributions and investment income for fiscal year 1983 totaling \$48,046,633, which is a 23.3% increase over fiscal year 1982 revenue. This increase in revenues resulted primarily from members' higher average earnings.

EXPENSES

The principal purpose for which the Public Employees Retirement Association was created was to provide annuities, survivor benefits, and total and permanent disability benefits to qualified members and their beneficiaries. The cost of such programs includes recurring benefit payments as designated by the plan, refunds of contributions to terminated employees, and the cost of administering the association. The Public Employees Retirement Fund benefit expenses for fiscal year 1983 totaled \$73,059,024, an increase of 13.1% over fiscal year 1982 expenses. The Public Employees Police and Fire Fund benefit expenses for fiscal year 1983 totaled \$6,182,890, an increase of 18.3% over fiscal year 1982 expenses. The increase in benefit expenses resulted mainly from a growth in the number of benefits paid and in the amount of the average benefit payment.

INVESTMENTS

A major source of income for the two funds is the investment portfolio. Income from both long-term and short-term investments for the Public Employees Retirement Fund amounted to \$149,412,786 in fiscal year 1983, accounting for 51.1% of total revenue. Income from investments from the Public Employees Police and Fire Fund amounted to \$25,391,187, which represents 52.3% of total revenues.

FUNDING

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. The Public Employees Retirement Fund and the Public Employees Police and Fire Fund are among the best funded public programs in the United States. Of course, the bottom line for a retirement association is the level of funding. The better the level of funding, the larger the ratio of assets accumulated and the greater the level of investment potential. The advantage of a well-funded plan is that the participants can look at assets that are committed to the payment of benefits. Constant effort is directed by your association to maintaining and improving this level of funding with a view to ensure participants of a financially sound retirement system.

1984 MINNESOTA LEGISLATIVE PROGRAM

A major concern of the association, as we approach the 1984 Minnesota Legislative session, will be continued discussion regarding the funding of the Public Employees Retirement Association's plans and the level of benefits paid to plan participants.

This discussion involves a number of questions raised by Winklevoss & Associates, Inc., Philadelphia, Pennsylvania, an independent consulting firm which was contracted by the Minnesota Department of Finance in November 1982 to perform a thorough analysis of the three major state-wide pension funds. This study raises several issues of great importance to our membership.

One of the proposals in the Winklevoss report involved a change in the method of arriving at cost-of-living adjustments for retired members. Under the current provisions, interest yields in excess of 5% (an artificially low assumption) are distributed to retirees in the form of lifetime increases. These increases have averaged out at approximately 6½% for the last two years and we anticipate this will continue in the future. The Winklevoss study proposes changing this adjustment to a fixed cost-of-living adjustment of 3½% for future retirees.

Another issue which arises from this study is benefit adequacy. Winklevoss points out that benefits in the Coordinated Fund rank at the bottom 14% of all public

employee plans in the nation. Despite these low benefit payments, the study concludes that the benefits are adequate and it goes on to propose substantially reducing protection against inflation after retirement.

The association has taken strong exception to this conclusion. It believes that, not only are benefit levels low in the Coordinated Fund, but that similar statistics exist for the Basic Fund when you take into consideration the lack of survivor benefits and health coverage which are afforded Coordinated members under Social Security.

Lastly, your association wants to ensure that the conclusions of this study do not produce changes in the present funding method for the association. While the study acknowledges the association as in very good condition in regards to funding, the other state-supported funds were found to be adequate, but not as sound.

We believe the association continues to be adequately funded because we draw, not upon state money, but upon payroll deductions from local government employers and employee members. We want to ensure that any corrective action regarding the other funds does not adversely impact our current funding methods—funding methods which have placed the association in a position not only to provide more adequate retirement and survivor benefits, but also the ability to start reducing the tax burden on the local employer.

PROFESSIONAL SERVICES

Actuarial Services are provided to the Public Employees Retirement Association by Mr. Davis H. Roensch of Compensation & Capital Incorporated, Chicago, Illinois. Legal counsel to the funds is provided by the State Attorney General. An annual financial audit of the funds is conducted by the State Legislative Auditor and his comments are included on page 14 of this report. The State Treasurer serves as custodian of the invested assets, and the firm of Ennis, Knupp, & Gold Incorporated, Chicago, Illinois, acts as investment advisor to the Association.

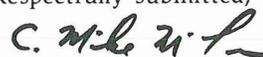
REPORTS TO THE MEMBERSHIP

The annual Personal Benefit Statement of account for the fiscal year ended June 30, 1983, was distributed to each active and deferred member in August 1983. This statement provided current and cumulative information regarding salaries, deductions, and service credits. Projected and deferred retirement benefits, as well as disability and survivor benefit payment amounts, were also provided. We compliment this Comprehensive Annual Financial Report with a condensed Annual Report of the Association, which will be mailed to each active member of the association.

ACKNOWLEDGEMENTS

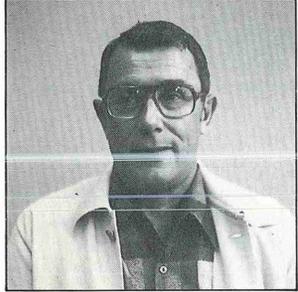
On behalf of the Board of Trustees, I would like to take this opportunity to express my gratitude to the staff and the advisors who have worked so diligently to assure the successful operation of the association.

Respectfully submitted,



C. Mike McLaren
Executive Director

INTRODUCTORY SECTION
Chairman's Report



Theodore Griak
Chairman

Public Employees Retirement Association of Minnesota
203 Capitol Square Building, 550 Cedar Street,
St. Paul, Minnesota 55101
612-296-7460



November 1, 1983

TO ALL PUBLIC EMPLOYEES RETIREMENT MEMBERS:

This Fifty-second Annual Report of the Public Employees Retirement Association again illustrates the continued growth and viability of our association.

Through their membership in the association, local governments make promises of future payments to their employees. To assure that these benefits will be payable, the board and the association maintain the system's financial soundness by currently recognizing the full costs necessary to fund each member's future benefits. We on the board are dedicated to preserving this sound growth policy for our employer and employee members.

We are also proud to note that the association's efforts have received national recognition in two important areas:

First, the Municipal Finance Officers Association (MFOA) of the U.S. and Canada awarded its 1983 Award for Excellence in Financial Management to the Minnesota Public Employees Retirement Association for its Automated Business Systems. The Award for Excellence is the highest form of professional recognition in the area of retirement administration and its attainment represents a significant accomplishment for the Minnesota Public Employees Retirement Association.

Perhaps of more importance, in the eyes of our membership, are the expanded and improved services that we are now capable of delivering. We will continue to work hard to maximize the productivity and growth of your retirement system, as well as to extend and expedite services to our members.

Second, PERA was awarded the coveted Certificate of Conformance in Financial Reporting on the basis of its Comprehensive Annual Report for fiscal year ended June 30, 1982. This certificate is presented to governmental units and public employee retirement systems whose comprehensive annual reports are judged to substantially conform to the standards established by the Municipal Finance Officers Association. Again, this year, we will be submitting our annual report to this national professional association for its rigorous review.

On behalf of all members of the Board and our Executive Director, I would like to extend a special note of thanks to each of you for your splendid cooperation in our past endeavors and to solicit your support for our plans in the year ahead.

Sincerely,

Theodore (Ted) Griak
Chairman, Board of Trustees

INTRODUCTORY SECTION
Board of Trustees

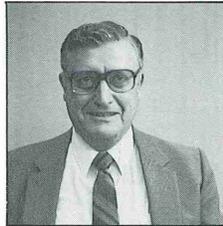
ELECTED MEMBERS

**Area One
 Member**

Anoka, Hennepin,
 Ramsey and
 Washington Counties



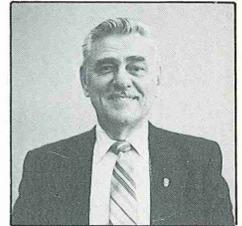
Carol A. Ogren
 Hennepin County
 Community Services Dept.
 300 South Sixth Street
 Minneapolis, MN 55487



William J. Meuwissen
 St. Paul Water Dept.
 25 E. Fourth Street
 St. Paul, MN 55102



Cecil Halter
 Hennepin Vo Tech 287
 6419 Indiana Ave N.
 Brooklyn Center, MN
 55429



Lamonte Dehn
 5712 Humboldt Ave. N.
 Brooklyn Center, MN
 55430

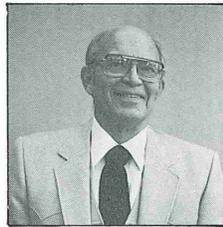
**Police and
 Fire Fund
 Member**

**Area Two
 Member**

Big Stone, Swift,
 Kandiyohi, Meeker
 and Wright Counties
 and all counties
 south thereof,
 except counties in
 Area One



Evonne Luedtke
 ISD No. 196
 6575 168th St. W.
 Rosemount, MN 55068



Garland Nash
 Board Vice Chairperson
 Municipal Utilities
 303 16th St. N.W.
 Austin, MN 55912



Deborah A. Feist
 820 13th Ave. S.E.
 Forest Lake, MN 55025

**Area Three
 Member**

All remaining
 counties in
 the state



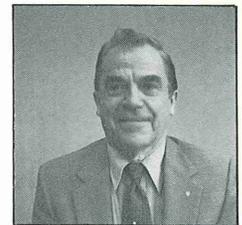
Joyce Marie Boman
 Legislative Committee
 Chairperson
 313 City Hall
 Duluth, MN 55802



Clifford Dahl
 261 Pike Lake
 Duluth, MN 55811



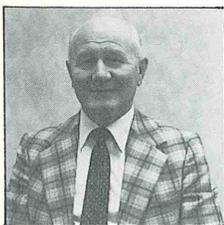
Theodore (Ted) Griak
 Board Chairperson
 Street Maintenance Div.
 211 City Hall
 Duluth, MN 55802



Charles Myhervold
 305 E. 58th Street
 Minneapolis, MN 55419

**Annuitant
 Member**

APPOINTED MEMBERS



James L. Jacobs
 MN School Boards Assn.
 P.O. Box 119
 St. Peter, MN 56082



Stanley Peskar
 League of Minnesota Cities
 183 University Ave. East
 St. Paul, MN 55101



Morris J. Anderson
 Assn. of MN Counties
 555 Park
 St. Paul, MN 55103

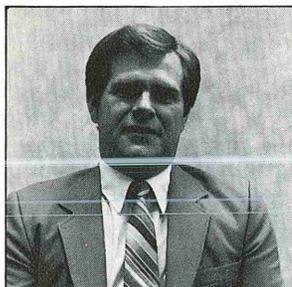


Richard E. Patterson
 Labor Representative
 1592 E. Cottage Ave.
 St. Paul, MN 55106

INTRODUCTORY SECTION

Summary of Retirement System Plan

Public Employees Retirement Association of Minnesota



Paul L. Hayne
Assistant Executive Director, MIS/Finance

Purpose

The Public Employees Retirement Association of Minnesota is a self-insured service organization which was established by the State Legislature to provide annuities, survivor benefits and total and permanent disability benefits to over 100,000 qualified public employees and their beneficiaries throughout the state. These benefits are in addition to those provided by the Social Security Administration to coordinated members. It is also charged with the responsibility of administering the law in accordance with the expressed intent of the legislature and bears a fiduciary obligation to the State of Minnesota, the taxpayers, and the public employees who are its beneficiaries.

Administration

The administration of PERA is governed by a 15-member Board of Trustees consisting of 11 elected members (three each from three geographically designated areas of the state, one elected by the Police and Fire Fund, and one elected by the retirees and disabilitants), plus four appointed members (one each from the Minnesota School Boards Association, the League of Minnesota Cities, the Association of Minnesota Counties, and the labor union that represents the most PERA members).

The management of the association is vested in the Executive Director who, by statutory definition, is the administrative head. As such, he acts as advisor to the Board of Trustees on all matters pertaining to the association. With approval of the Board, he designates the Assistant Director(s), contracts for actuarial services, professional management services and consulting services as may be necessary and fixes the compensation therefor. He serves as a member of the State Board of Investment Advisory Council and performs such other duties as are stipulated by statute.

Employer Membership

PERA serves approximately 2,100 separate units of government, including cities, counties, townships, school districts within the state, or any department or unit of state government whose revenues are derived from taxation, fees, assessments, or from other sources, except certain public authorities which are exempted by statute. These various governmental units have from one to over 7,500 members. PERA conducts seminars throughout the state on pre-scheduled dates for the benefit of personnel and payroll managers. There is no charge for attending the seminars, nor for a very comprehensive Procedural Manual which is provided to all units of government.

Employee Membership

Membership in PERA includes any person performing personal services for a governmental subdivision whose salary is paid in whole or in part from revenue derived from taxation, fees, assessments, or from other sources. There are three principal categories of membership:

COORDINATED FUND—All full-time and certain part-time employees who either elected coverage under Section 218(d) of the Social Security Act or who were automatically so covered by reason of being new employees, and who are not contributing to any other local retirement plan.

BASIC FUND—All full-time and certain part-time employees who did not elect coverage under Section 218(d) of the Social Security Act and who are not contributing to any other local retirement plan.

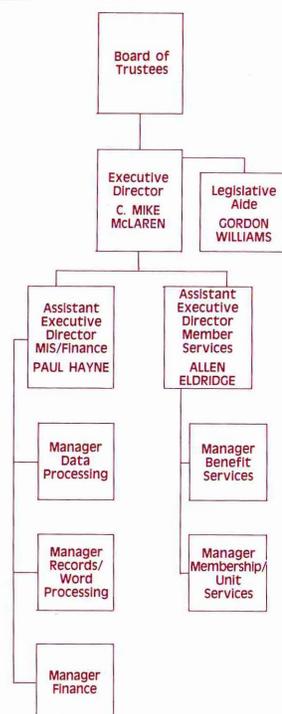
POLICE AND FIRE FUND—All police officers, fire fighters, and peace officers who qualify for membership by statute.

Participating membership in PERA exceeds 100,000.

Member Contributions

Contributions shall be in an amount (a) for a "Basic member" equal to 8% of total salary; (b) for a "Coordinated member" equal to 4% of total salary; and (c) for a "Police and Fire member" equal to 8% of total salary.

ADMINISTRATIVE ORGANIZATION



Employer Contributions

The employer matches the employee contribution plus an additional percentage as indicated: (a) for a "Basic member," employer matches the 8% and pays an additional 2½%; (b) for a "Coordinated member," employer matches the 4% and pays an additional 1½%; and (c) for a "Police and Fire member," the employer pays 12%.

Retirement Benefits

Eligibility

BASIC AND COORDINATED FUNDS

- When age plus years of service equal 90, normal annuity is the same as at age 65. Years and months in age and service can be used to total 90.
- As early as age 58 with at least 20 years of paid service credit; annuity reduced 1/4% for each month under age 65.
- As early as age 58 with at least 30 years of paid service credit; annuity reduced 1/4% for each month under age 62.
- Between ages 62 and 65 with at least 10 years of paid service credit; annuity reduced 1/4% for each month under age 65.
- Age 65 or older with at least one but less than 10 years of paid service credit (proportionate annuity). Must terminate service at age 65 or older.
- Age 62 with at least 10 years of paid service credit or as early as age 58 with at least 20 years representing PERA service combined with other fund coverage. "Rule of 90" may be used to calculate PERA portion of annuity if age requirement is met under the other fund(s). (Combined service annuity.)

POLICE AND FIRE FUND

- When age plus years of service equal 90, normal annuity is the same as at age 55. Years and months in age and service can be used to total 90.
- Age 55 or older with at least 10 years' service credit.
- Age 55 or older with at least 10 years of paid service credit representing PERA service combined with other fund coverage. (Combined service annuity.)
- Age 65 or older with at least one but less than 10 years of paid service credit (proportionate annuity). Must terminate service at age 65 or older.

Kinds of Annuity Available

NORMAL ANNUITY

This is a personal lifetime annuity which will cease on the death of the annuitant. Any balance of employee deductions will be refunded to the designated beneficiary. No survivor benefit payable.

50% REGULAR OR BOUNCE BACK JOINT AND SURVIVOR OPTION*

Annuity is payable for the retiree's lifetime and, if survived by the person named as joint annuitant, one-half of the annuity is paid to such person for life.

100% REGULAR OR BOUNCE BACK JOINT AND SURVIVOR OPTION*

Annuity is payable for the retiree's lifetime and, if survived by the person designated as joint annuitant, the same amount is paid to such person for life.

RETIREMENT BEFORE ELIGIBILITY FOR SOCIAL SECURITY

A member who retires before qualifying for Social Security benefit may elect to receive a retirement annuity from PERA in an amount greater than the annuity computed on basis of age at retirement as provided by statute (M.S. 353.29, Subd. 2, 3). This greater amount shall be paid until annuitant reaches age 62, at which time the payment from PERA shall be reduced.

PROPORTIONATE ANNUITY

Any person who is an active member of any applicable fund who has credit for at least one year but less than 10 years of allowable service in one or more of the participating funds, and who terminates active service pursuant to mandatory retirement law or at age 65 or older, is entitled to a proportionate retirement annuity from each participating fund in which the person has allowable service credit.

DEFERRED ANNUITY

A member who terminates public service with 10 or more years of credited allowable service may leave the deductions in the fund to qualify for annuity at retirement age. The annuity as determined under the formula will be increased by interest from the first of the month following date of termination at the rate of 5% compounded annually through December 31, 1980, and at the rate of 3% from January 1, 1981, to the date eligible for the monthly annuity. The former member may accept a refund at any time prior to date retirement annuity begins.

*NOTE: Election of a 50% or 100% joint and survivor option will reduce the normal annuity based on the age of both the retiring member and the person named to receive the optional annuity. Under the Regular 50% or 100% joint and survivor option, if the retiree dies before the joint annuitant, the monthly payment would remain the same. Selection of Bounce Back 50% or 100% option would reduce the normal annuity more than under the Regular option, but if the joint annuitant dies before the retiree, the monthly payment changes, or "bounces back," to the normal annuity.

Summary
Continued



Allen B. Eldridge
Asst. Executive Director
Member Services

Kinds of Annuity (cont'd)

COMBINED SERVICE ANNUITY (PORTABILITY)

A person with allowable service totaling 10 or more years in any two or more participating funds and who has at least six months of allowable service with the last such fund earned during the last period of employment and who has not begun to receive an annuity from any such funds may, upon retirement, in lieu of any augmentation of deferred annuities provided by the laws of such funds, elect to receive a retirement annuity from each fund, based upon the allowable service in each fund as specifically provided by statute. (M.S. 356.30, Subd. 1)

Maximum Annuity

The monthly annuity cannot exceed 100% of the regular base salary for the final month of employment.

Formula

BASIC MEMBER

2% of the "average salary"* over the highest five successive years on which deductions were paid for each of the first 10 years and 2½% of said average salary for the period thereafter.

COORDINATED MEMBER

1% of the "average salary"* over the highest five successive years on which deductions were paid for each of the first 10 years and 1½% of said average salary for the period thereafter.

POLICE AND FIRE MEMBER

2½% of the "average salary"* over the highest five successive years on which deductions were paid for each of the first 20 years and 2% of said average salary for the period thereafter.

*"AVERAGE SALARY" defined:
"Average salary" means an amount equivalent to the highest salary upon which contributions were paid for any five successive years of allowable service.

Survivor (Death) Benefits

Death of member or former member before retirement and no survivor benefits payable

Designated beneficiary is entitled to a refund of the decedent's balance with interest at 3½% compounded annually. If no designated beneficiary survives, refund is due the surviving spouse; or, if none, the legal representative of the estate of the deceased.

Death of member before retirement or upon death of disabled member receiving disability benefits

BASIC MEMBER: If a member whose average salary is not less than \$75 per month dies after at least 18 months of service credit, or while receiving a normal disability benefit, monthly benefits* are payable to qualified survivors.

POLICE AND FIRE MEMBER: If a member whose average salary is not less than \$75 per month dies at any time during membership (no minimum coverage period required) or while receiving a normal disability benefit, monthly benefits* are payable to qualified survivors.

Monthly Benefits Payable*

- **SURVIVING SPOUSE:**
30% of member's average salary over last six full months of service preceding death, for life or until remarriage.
- **EACH DEPENDENT CHILD:**
10% of above salary.
- **FAMILY MAXIMUM:**
BASIC MEMBER: \$700 per month;
POLICE & FIRE MEMBER: 50% of average salary over last six full months worked.

* NOTE: No survivor benefits payable to surviving spouse or dependent children of coordinated member.

Surviving Spouse Optional Annuity

BASIC OR COORDINATED FUND

Should a member die after reaching age 58 with at least 20 years' service credit (or age 62 with at least 10 years' service) the surviving spouse, instead of survivor benefits, may elect a monthly payment equal to the 50% joint and survivor annuity for which the member could have qualified on the date of death. This annuity is payable for life even if the spouse remarries.

POLICE AND FIRE FUND

Should a member die after reaching age 55 with at least 10 years' service credit in PERA, the surviving spouse may elect, in lieu of survivor benefits, a monthly annuity equal to the 50% joint and survivor annuity for which member could have qualified on the date of death. Annuity is payable for life even if spouse remarries.

DEATH OF RETIRED ANNUITANT

Any accumulated contributions not paid out in the way of annuities shall be paid to designated beneficiary without interest.

DECEASED MEMBER WITH NO CHILDREN

Surviving spouse (if named as beneficiary) may elect refund of balance with 3½% compound interest rather than any other benefit available under law.

DEATH OF "OLD LAW" RETIREE

Surviving spouse, if named as sole beneficiary, at least 60 years old, and not receiving any other benefit from PERA, is entitled to an automatic survivor benefit amounting to one-half of decedent's annuity at retirement limited to maximum of \$100 per month, plus increases allowed since 1973. This benefit is payable for life or until remarriage.

DEATH OF RETIREE WHO IS RECEIVING OPTIONAL ANNUITY

If survived by person named to receive option, amount payable will depend upon option selected.

Disability Benefits

Definitions

BASIC AND COORDINATED MEMBERS

"...the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to be of long-continued and indefinite duration..." (duration of at least one year)

POLICE AND FIRE FUND MEMBER

A condition occurring prior to age 55 which renders a member physically or mentally unfit to perform the duties of a police officer or fire fighter, as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty;

Retirement by reason of a sickness or injury occurring prior to age 55 while not on active duty which renders a member unable to perform the duties of a police officer or fire fighter.

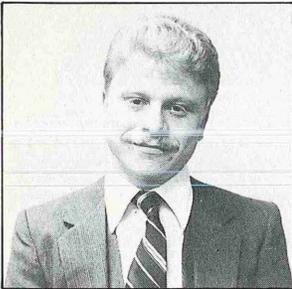
Eligibility Requirements

BASIC AND COORDINATED MEMBERS

- Before age 50, must have at least 10 years of allowable service credit. If service terminated during the 10 years, must have at least five years' service credit after last becoming a member.
- After age 50 but before age 65 with at least five years of allowable service credit.
- PERA service combined with coverage in another Minnesota retirement fund can be used to determine eligibility but not for calculating disability benefit.
- Must be under age 65 when disability occurs.
- Average salary must be at least \$75 per month.
- Must provide medical evidence to support application.
- Disability must occur before termination of public service.
- After benefits are granted, PERA has authority to require periodic examinations as frequently as considered necessary.



Summary Continued



Michael A. Hovde
Manager, Finance

Disability Benefits/ Eligibility (cont'd)

POLICE AND FIRE MEMBERS

- Before age 55, if disability did not occur in line of duty, must have at least five years' service credit.
- Before age 55, if disability occurred in line of duty after membership commenced, no minimum coverage period required.
- Police and Fire Fund service combined with coverage in another Minnesota retirement fund can be used to determine eligibility, but not for calculating disability benefit.
- Adequate proof of disability must be submitted to the association.
- Disability must occur before termination of public service.

Kinds of Benefits

NORMAL BENEFITS

BASIC MEMBERS: If death occurs before age 65, surviving spouse would receive a benefit amounting to 30% of average salary over the last six full months disabilitant was employed in public service and each dependent child would receive 10% of such average salary, limited to \$700 per month maximum family benefit.

COORDINATED: If death occurs before age 65, a refund of any balance in account would be paid to designated beneficiary. No survivor benefits payable.

POLICE & FIRE: If death occurs before age 55, surviving spouse would receive a benefit amounting to 30% of average salary over the last six full months disabilitant was employed in public service and each dependent child would receive 10% of such average salary, but maximum family benefit is limited to 50% of the average salary.

OPTIONS

50% or 100% Regular or Bounce Back Joint and Survivor Options are the same as available at retirement.

If optional disability benefit is selected, the disabilitant may not change such option when retirement age is reached.

If normal disability benefit is selected, optional annuity may be selected at retirement age.

Formula

BASIC MEMBERS: Disability benefit is equal to the normal annuity payable to a member who has reached age 65 with the same number of years' allowable service and the same average salary, plus a monthly supplement, depending upon age when disabled. Maximum supplement: \$50 per month

Supplement is payable for as long as disability payments are due and is not reduced as the disabled person grows older.

COORDINATED: Disability benefit is equal to the normal annuity payable to a member who has reached age 65 with the same number of years of allowable service and same average salary.

POLICE & FIRE: The disability benefit is based on the same formula as for normal annuity, payable at age 55.

Not in line of duty: If paid service credit is at least five years but less than ten, benefit is allowed as though ten years were paid.

In line of duty: Benefit equal to 50% of average salary. If less than five years' credit, benefit is based on average salary over actual years paid; but if over five years paid, the high five are used to determine average salary. For each year of credit in excess of 20, the benefit is increased by 2% of average salary.

Separation Benefits

Deferred Annuity

A deferred annuity is payable after 10 years at age 65 (or earlier if otherwise eligible), provided former member does not withdraw accumulated deductions. (Said 10 years of service need not represent PERA coverage only, but may be in conjunction with service covered by other participating funds in Minnesota. Deferred annuity is paid by each fund according to number of years of allowable service in each fund.)

Annuity is determined as for normal retirement under the provisions of plan on date of termination, augmented by interest compounded annually from first of the month following separation from service or from July 1, 1971, whichever is later, to the date annuity begins to accrue, at the rate of 5% until January 1, 1981, and thereafter at the rate of 3%.

Refund of Salary Deductions

Upon termination, regardless of years of service, if not rehired to a PERA-covered position, all salary deductions will be refunded, with interest at 3½% compounded annually based on deductions received after first three years of membership.

Growth Chart

PERA's activities during the past year were focused on providing members with more accurate and timely information that could be used in planning for the future. Our overall progress and growth are shown below.

- Our Cashiers**—edited and reconciled 1,966,467 member transactions from over 2,100 separate employers.
- Benefits Department**—conducted 1,780 in-office and 1,044 out-state interviews with members; generated 7,835 estimates to members; and processed 1,499 disability, survivor, and death cases.
- Membership Department**—processed 128,506 address, name, and beneficiary changes for members.
- Word Processing Department**—generated 47,637 letters to members and governmental units.
- Staff**—responded to 2,745 Hot Line messages.
- Accounting Staff**—processed 940 repayments of refunds and omitted deductions.
- Total Assets**—increased \$266,725,630 from \$1,466,034,029 to \$1,732,759,659.
- Number Benefit Recipients**—increased from 18,436 to 19,826.
- Field Service Department**—conducted 62 group meetings for members.
- Microfilm Department**—microfilmed 34,506 inactive member files.
- Disbursement Department**—issued a total of 236,330 benefit payments.
- Benefit Payments**—grew from \$57,243,857 to \$67,945,396.
- Refund Department**—processed and paid 12,269 refunds.

The continued goal of PERA is to obtain optimum benefits for PERA members by developing and implementing appropriate programs and operations.

FINANCIAL SECTION
Legislative Auditor's Report



STATE OF MINNESOTA
OFFICE OF THE LEGISLATIVE AUDITOR
Veterans Service Building
St. Paul, Minnesota 55155

Board of Trustees
and
Executive Director
Public Employees Retirement Association

We have examined the combined financial statements of the Public Employees Retirement Association and the combining and individual fund financial statements of the association as of and for the year ended June 30, 1983 as presented on pages 15 to 27 of the Financial Section. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Reserves required, totaling \$1,875,559,860 for the Public Employees Retirement Fund and \$250,280,229 for the Public Employees Police and Fire Fund at June 30, 1983, are presented in accordance with reports certified by the consulting actuary of the association.

In our opinion, relying on the certification from the consulting actuary as to the reserves required, the combined financial statements referred to above present fairly the financial position of the Public Employees Retirement Association at June 30, 1983 and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Also, in our opinion, relying on the certification from the consulting actuary as to the reserves required, the combining and individual fund financial statements referred to above present fairly the financial position of the individual funds of the Public Employees Retirement Association at June 30, 1983 and the results of operations and changes in financial position of such funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. In addition, the aforementioned financial statements are in compliance with the reporting requirements of Minn. Stat. Section 356.20.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole and on the combining and individual fund financial statements. The supplemental financial information included on pages 28 to 40 of the Financial Section is presented for purposes of additional analysis and is not a required part of the combined financial statements of the Public Employees Retirement Association. The information has been subjected to the auditing procedures applied in the examination of the combined, combining, and individual fund financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

John Asmussen, CPA
Deputy Legislative Auditor

A handwritten signature in cursive script that reads "John Asmussen".

November 1, 1983

FINANCIAL SECTION

Combined Balance Sheet

JUNE 30, 1983

Assets

Cash (5.a.)	\$ 549,700
Accounts Receivable	4,854,846
Security Sales Receivable	4,126,944
Due From Other Funds	174,705
Accrued Investment Income (5.c.)	11,334,092
Investments (5.b.)	
Bonds (Market Value \$379,373,045)	403,882,908
Equity Securities (Market Value \$560,615,363)	453,998,834
Minnesota Outside Managed Pooled Funds (Market Value \$238,877,353) (10)	217,715,523
Short-term Cash Equivalents	40,135,670
Equity in Minnesota Post-Retirement Investment Fund (6.b.)	567,142,298
Deferred Yield Adjustment (5.e.)	28,218,635
Fixed Assets, Net of Accumulated Depreciation (8.b.)	602,496
Other	23,008

Total Assets \$ 1,732,759,659

Liabilities and Reserves Required

Liabilities:

Current —

Accounts Payable (6.d.)	\$ 4,189,559
Accrued Compensated Absences	314,925
Payable to Other Funds	174,705
Obligations Under Capital Lease	10,893
Security Purchases Payable	4,476,298
	<u>\$ 9,166,380</u>

Long-term —

Obligations Under Capital Lease	12,218
---------------------------------	--------

Total Liabilities \$ 9,178,598

Fund Balance:

Member Reserves	\$ 401,138,091
Minnesota Post-Retirement Investment Fund Reserve	567,142,298
Benefit Reserves	<u>1,157,559,700</u>

Total Reserves \$ 2,125,840,089

Unreserved Fund Balance —

Unfunded Actuarial Accrued Liability	\$ (402,259,028)
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Total Fund Balance \$ 1,723,581,061

Total Liabilities and Fund Balance \$ 1,732,759,659

The accompanying notes are an integral part of the financial statements.

FINANCIAL SECTION

Combined Statement

Of Revenues, Expenses, and Changes in Fund Balance

FOR FISCAL YEAR ENDED JUNE 30, 1983

Operating Revenues:	
Member Contribution (9)	\$ 75,883,050
Employer Contribution	86,958,203
Investment Income	123,459,634
Distributed Income of the Minnesota Post-Retirement Investment Fund (6.c.)	51,344,339
Other	<u>3,231,088</u>
Total Operating Revenues	\$ <u>340,876,314</u>

Operating Expenses:	
Benefits Paid	\$ 67,945,396
Refunds	11,296,518
Administrative Expenses	2,647,885
Other	<u>6,635</u>
Total Operating Expenses	\$ <u>81,896,434</u>

Other Changes in Reserves:	
Transfer to State General Fund (9)	\$ <u>(22,827,948)</u>
Total Other Changes	\$ <u>(22,827,948)</u>

Net Fund Balance Additions	\$ 236,151,932
Recovery of Unrealized Loss on Marketable Equity Securities	23,414,885

Fund Balance, July 1, 1982 **1,464,014,244**

Fund Balance, June 30, 1983 **\$ 1,723,581,061**

FINANCIAL SECTION

**Combined Statement
Of Changes In Financial Position
FOR FISCAL YEAR ENDED JUNE 30, 1983**

Resources Provided by:

From Operations —	
Net Operating Income	\$ 236,151,932
Item Not Requiring Resources Currently:	
Depreciation Expense	131,675
Recovery of Unrealized Loss on Marketable Equity Securities	<u>23,414,885</u>

Total Resources Provided **\$ 259,698,492**

Resources Used by:

Payments of Obligation Under Capital Lease	\$ 10,893
Current Year Acquisition of Equipment	160,106
Net Increase in Working Capital	<u>259,527,493</u>

Total Resources Used **\$ 259,698,492**

Elements of Net Increase (Decrease) in Working Capital

	Year Ended June 30		Increase (Decrease)
	1983	1982	
Current Assets:			
Cash	\$ 549,700	\$ 1,049,972	\$ (500,272)
Accounts Receivable	4,854,846	870,749	3,984,097
Security Sales Receivable	4,126,944	-0-	4,126,944
Due From Other Funds	174,705	197,689	(22,984)
Accrued Investment Income	11,334,092	15,456,867	(4,122,775)
Investments —			
Bonds	403,882,908	482,935,831	(79,052,923)
Equity Securities	453,998,834	443,604,034	10,394,800
Minnesota Outside Managed Pooled Funds	217,715,523	-0-	217,715,523
Short-term Cash Equivalents	40,135,670	57,687,404	(17,551,734)
Equity in Minnesota Post-Retirement Investment Fund	567,142,298	456,579,187	110,563,111
Deferred Yield Adjustment	28,218,635	7,051,797	21,166,838
Other	23,008	26,435	(3,427)
Total Current Assets	\$ <u>1,732,157,163</u>	\$ <u>1,465,459,965</u>	

Current Liabilities:

Accounts Payable	\$ 4,189,559	\$ 1,529,063	(2,660,496)
Accrued Compensated Absences	314,925	259,030	(55,895)
Payable to Other Funds	174,705	197,689	22,984
Obligations Under Capital Leases	10,893	10,893	-0-
Security Purchases Payable	4,476,298	-0-	(4,476,298)

Total Current Liabilities **\$ 9,166,380** **\$ 1,996,675**

Working Capital **\$ 1,722,990,783** **\$ 1,463,463,290** **\$ 259,527,493**

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

Summary of Significant Accounting Policies

1. Description of the Association

The Public Employees Retirement Fund and the Police and Fire Fund are defined benefit pension plans administered by the Public Employees Retirement Association in accordance with Minnesota Statutes, Chapters 353 and 356.

The Public Employees Retirement Fund's membership consists of employees of counties, cities, and schools in non-certified positions throughout the State of Minnesota. The membership of the Public Employees Police and Fire Fund consists of police officers and fire fighters employed by counties and cities throughout the State of Minnesota.

In general, the association provides defined retirement benefits based on a member's average salary for any five successive years of allowable service, age, and years of credit at termination of service. In addition, the retirement program provides benefits to members upon disability and to survivors upon death of eligible members.

2. Financial Statement Presentation

Financial statements are prepared in accordance with generally accepted accounting principles (GAAP) as prescribed in the National Council on Governmental Accounting's *Statement 1, Governmental Accounting and Financial Reporting Principles*. Financial statements also comply with Minnesota Statutes, Section 356.20.

3. Basis of Accounting

Transactions of the Public Employees Retirement Fund and the Public Employees Police and Fire Fund are reported on the accrual basis of accounting.

4. Actuarial Valuations of Plan Benefits

- a. Minnesota Statutes, Section 356.215, Subd. 4, provides that annual actuarial valuations of plan benefits shall be computed in accordance with the entry age normal cost (level normal cost) method. In the calculation of normal cost and accrued liabilities of the benefit plan, the actuary uses a 5 percent interest rate assumption and assumes an annual growth rate of 3½ percent in member's salary. Actuarial assumptions did not change during the year.
- b. The unfunded accrued liabilities of \$401,518,619 in the Public Employees Retirement Fund and \$740,409 in the Public Employees Police and Fire Fund as of June 30, 1983, are the amounts by which reserves required to fund plan benefits exceed the assets of the funds, as defined by Minnesota Statutes, Section 356.20, Subd. 4. In addition to the level normal cost, the actuarial calculations include the amount of additional annual contribution which would be required to retire the current unfunded accrued liability by June 30, 2009.
- c. Pension benefits are funded from member and employer contributions and income from investment of fund assets. Public Employees Retirement Fund members belong to either the Basic or Coordinated Plan. Coordinated members are covered by Social Security and Basic members are not. All new members of the Public Employees Retirement Fund must participate in the Coordinated Plan. Current contribution rates for the funds are as follows:

See paragraph 4.c.

	Employee	Employer	Additional Employer
Public Employees Retirement Fund:			
Basic Plan	8%	8%	2½%
Coordinated Plan	4%	4%	1½%
Public Employees Police and Fire Fund	8%	12%	—

Employee contributions for all members were increased by 2% beginning with the first full pay period after December 28, 1982, and ending with the last full pay period before July 1, 1983. (See note 9.)

5. Cash, Investments, and Investment Income

- a. Cash on deposit consists of the year-end receipts which were not processed as of the investment cutoff deadline on June 30.
- b. Investments in bonds are reported at amortized cost and Equity Securities are reported at cost as of June 30, 1983, with market value, as determined by the State Board of Investment, disclosed parenthetically. At June 30, 1982, Equity Securities were recorded at the lower of cost or market for the portfolio as a whole, pursuant to Financial Accounting Standards Board (FASB), *Statement of Financial Accounting Standards No. 12, Accounting for Certain Marketable Securities*. For the year ended June 30, 1983, the Public Employees Retirement Fund and the Public Employees Police and Fire Fund recovered the unrealized losses on marketable Equity Securities of \$19,945,171 and \$3,469,714 respectively.
- c. Interest and dividend income are accrued monthly. Dividend income is recorded on the ex-dividend date.
- d. Certain U.S. Government and Government Agency Securities are loaned out to banks and brokers to generate additional income of 0.5 percent. Collateral in the amount of 105 percent of the market value of securities loaned is required. A summary of securities loaned and collateral as of June 30, 1983, follows:

See paragraph 5.d.

	Loaned Securities	Collateral
Public Employees Retirement Fund	\$67,100,000	\$68,230,000
Public Employees Police and Fire Fund	<u>7,500,000</u>	<u>7,575,000</u>
Total	<u>\$74,600,000</u>	<u>\$75,805,000</u>

- e. In accordance with Minnesota Statutes, Section 356.20, Subd. 5, gains or losses on the sale of debt securities are recorded in the deferred yield adjustment account. The balance in the account is amortized against investment income over the average remaining life of the bonds sold. This procedure was established to provide for reinvestment of bond sale proceeds in securities generating a higher rate of return. Future accounting periods will reflect the additional income and will be charged with a share of the losses incurred to produce the higher return.

6. Minnesota Post-Retirement Investment Fund (MPRIF) Reserve

- a. Upon retirement, the reserves required to pay the cost of the member's annuity are transferred to the MPRIF where the funds are invested. Increases in annuities are based upon earnings of the MPRIF, as defined in Minnesota Statutes, Section 11A.18, Subd. 9.
- b. Participation in the MPRIF is shown at the required reserves level in accordance with Minnesota Statutes, Section 11A.18, Subd. 7. The Public Employees Retirement Fund's share of net assets of the MPRIF is \$505,278,748, or \$10,519,054 less than required reserves. The Public Employees Police and Fire Fund's share of net assets of the MPRIF is \$50,783,722 or \$560,774 less than required reserves. The deficiencies are part of the MPRIF and are to be funded from excess investment income, as described in 6.c.

FINANCIAL SECTION

Notes (CONTINUED)

- c. The distributed MPRIF income represents the 5 percent earnings on required reserves for fiscal year 1983, plus 1982 income used to pay the January 1, 1983, increase. In accordance with Minnesota Statutes, Section 11A.18, Subd. 9, any excess investment income to the MPRIF for fiscal year 1983 was distributed as follows:
- 1) Five percent used to reduce the deficiency between book value of the assets and required reserves of the MPRIF.
 - 2) The remaining 95 percent will be used to increase retirement benefits for eligible annuitants, effective January 1, 1984.
- d. At June 30, 1983, the Public Employees Retirement Fund had a payable to MPRIF of \$532,876, resulting from a mortality loss. The Public Employees Police and Fire Fund had a payable to MPRIF of \$571,161, resulting from a mortality loss.

7. Other Reserves

- a. Accumulated member contributions, without interest, less the amounts refunded, transferred to

the Minnesota Post-Retirement Investment Fund for current retirees, or paid for disability and survivor benefits are recorded in the Member Reserve.

- b. Employer contributions and investment income are recorded in the Benefit Reserve with administrative expenses and survivor and disability benefits paid therefrom.

8. Administrative Expenses

- a. Administrative expenses of the Public Employees Retirement Association are paid from the Public Employees Retirement Fund. At year-end, a portion of the expenses are allocated to the Public Employees Police and Fire Fund based upon the percentage of transactions processed for each fund during the year. The applicable amounts are reported as expenses of the two funds.
- b. Fixed assets are capitalized at the time of acquisition at cost. Depreciation is computed on a straight-line method in accordance with guidelines as published by the Internal Revenue Service. Included in fixed assets are equipment, improvements to lease office, and leaseholds. As of June 30, 1983, fixed assets include Capital Lease equipment in the amount of \$59,304. The equipment under Capital Lease consists of two Information Processors.

The following table reports the changes in fixed assets for 1983:

See paragraph 8.b.

FIXED ASSETS					
Year Ended June 30, 1983					
	Beginning Balance	Additions	Retirements	Ending Balance	Useful Life
Building					
Improvements	\$ 70,325	\$ -0-	\$ -0-	\$ 70,325	10 Yrs
Automobiles	14,975	1,300	-0-	16,275	3 Yrs
Equipment and Furniture	788,748	158,806	4,999	942,555	6-10 Yrs
	\$874,048	\$160,106	\$4,999	\$1,029,155	
Accumulated Depreciation	299,983	131,675	4,999	426,659	
Fixed Assets, Net	\$574,065	\$ 28,431	\$ -0-	\$ 602,496	

9. Adjustment of Contribution Amounts

Laws 1982, Third Special Session, Chapter 1, Article II, Section 2, Subdivision 1, as amended by Laws 1983, Chapter 301, Section 224, Subdivision 1, required all public employees to contribute an additional 2% of their salary to the retirement funds beginning with the first full pay period after December 28, 1982, and ending with the last full pay period before July 1, 1983. During the same time period, the Public Employees Retirement Fund and the Public Employees Police and Fire Fund were required to transfer an amount equal to 4% of salary to the State General Fund. Laws 1983, Chapter 301, Section 224, appropriated \$8,480,000 from the State General Fund to reimburse the various public pension funds for the losses resulting from the reduced contributions. The Public Employees Retirement Fund and the Public Employees Police and Fire Fund will be reimbursed \$2,470,500 and \$229,500 respectively.

See paragraph 9.

10. Outside Managers Pooled Funds

Participation in the Outside Managers Pooled Funds, which is a co-mingled fund, is in accordance with Minnesota Statutes, Section 11A.04. On March 1, 1983, six Minnesota retirement funds contributed \$550 million to the fund, which is divided among eleven (11) managers. The Public Employees Retirement Fund's share equals 32.2817% and the Public Employees Police and Fire Fund's share equals 6.5400%. Income for the year for the Public Employees Retirement Fund amounted to \$3,491,220 and for the Public Employees Police and Fire Fund amounted to \$707,303.

Information on the activity and listing of investments can be obtained by writing to the Minnesota State Board of Investment, Room 105, M.E.A. Building, 55 Sherburne Avenue, St. Paul, Minnesota 55155.

ACTIVITY SUMMARY

	<u>Public Employees Retirement Fund</u>	<u>Public Employees Police and Fire Fund</u>
Additional 2% Employee Contribution	\$ 11,681,879	\$ 1,082,096
Transfer of 4% to State General Fund	\$ 23,363,757	\$ 2,164,191
Less: State General Fund Reimbursement	<u>2,470,500</u>	<u>229,500</u>
Net Transfer to the State General Fund	<u>\$ 20,893,257</u>	<u>\$ 1,934,691</u>
Net Loss from Transfers	<u>\$ 9,211,378</u>	<u>\$ 852,595</u>

FINANCIAL SECTION

Combining Balance Sheet

JUNE 30, 1983

	<u>PUBLIC EMPLOYEES RETIREMENT FUND</u>	<u>PUBLIC EMPLOYEES POLICE AND FIRE FUND</u>	<u>TOTAL</u>
Assets			
Cash (5.a.)	\$ 494,904	\$ 54,796	\$ 549,700
Accounts Receivable	3,997,020	857,826	4,854,846
Security Sales Receivable	3,762,758	364,186	4,126,944
Due From Other Funds	156,701	18,004	174,705
Accrued Investment Income (5.c.)	9,348,613	1,985,479	11,334,092
Investments (5.b.)			
Bonds (Market Value \$379,373,045)	335,737,263	68,145,645	403,882,908
Equity Securities (Market Value \$560,615,363)	375,369,407	78,629,427	453,998,834
Minnesota Outside Managed Pooled Funds (Market Value \$238,877,353) (10)	181,038,220	36,677,303	217,715,523
Short-term Cash Equivalents	30,336,529	9,799,141	40,135,670
Equity in Minnesota Post-Retirement Investment Fund (6.b.)	515,797,802	51,344,496	567,142,298
Deferred Yield Adjustment (5.e.)	24,791,056	3,427,579	28,218,635
Fixed Assets, Net of Accumulated Depreciation (8.b.)	602,496	-0-	602,496
Other	23,008	-0-	23,008
Total Assets	<u>\$ 1,481,455,777</u>	<u>\$ 251,303,882</u>	<u>\$ 1,732,759,659</u>
Liabilities and Reserves Required			
Liabilities:			
Current -			
Accounts Payable (6.d.)	\$ 3,356,625	\$ 832,934	\$ 4,189,559
Accrued Compensated Absences	314,925	-0-	314,925
Payable to Other Funds	18,004	156,701	174,705
Obligations Under Capital Lease	10,893	-0-	10,893
Security Purchases Payable	3,701,871	774,427	4,476,298
	\$ 7,402,318	\$ 1,764,062	\$ 9,166,380
Long-term -			
Obligations Under Capital Lease	12,218	-0-	12,218
Total Liabilities	<u>\$ 7,414,536</u>	<u>\$ 1,764,062</u>	<u>\$ 9,178,598</u>
Fund Balance:			
Member Reserves	\$ 348,904,449	\$ 52,233,642	\$ 401,138,091
Minnesota Post-Retirement Investment Fund Reserve	515,797,802	51,344,496	567,142,298
Benefit Reserves	1,010,857,609	146,702,091	1,157,559,700
Total Reserves	<u>\$ 1,875,559,860</u>	<u>\$ 250,280,229</u>	<u>\$ 2,125,840,089</u>
Unreserved Fund Balance			
Unfunded Actuarial Accrued Liability	<u>\$ (401,518,619)</u>	<u>\$ (740,409)</u>	<u>\$ (402,259,028)</u>
Total Fund Balance	<u>\$ 1,474,041,241</u>	<u>\$ 249,539,820</u>	<u>\$ 1,723,581,061</u>
Total Liabilities and Fund Balance	<u>\$ 1,481,455,777</u>	<u>\$ 251,303,882</u>	<u>\$ 1,732,759,659</u>

FINANCIAL SECTION
Combining Statement
 Of Revenues, Expenses, and Changes
 in Fund Balance
 FOR FISCAL YEAR ENDED JUNE 30, 1983

	PUBLIC EMPLOYEES RETIREMENT FUND	PUBLIC EMPLOYEES POLICE AND FIRE FUND	TOTAL
Operating Revenues:			
Member Contribution (9)	\$ 66,180,991	\$ 9,702,059	\$ 75,883,050
Employer Contribution	74,004,816	12,953,387	86,958,203
Investment Income	102,761,451	20,698,183	123,459,634
Distributed Income of the Minnesota Post-Retirement Investment Fund (6.c.)	46,651,335	4,693,004	51,344,339
Other	<u>2,690,965</u>	<u>540,123</u>	<u>3,231,088</u>
Total Operating Revenues	\$ <u>292,289,558</u>	\$ <u>48,586,756</u>	\$ <u>340,876,314</u>
Operating Expenses:			
Benefits Paid	\$ 62,587,600	\$ 5,357,796	\$ 67,945,396
Refunds	10,471,424	825,094	11,296,518
Administrative Expenses	2,506,488	141,397	2,647,885
Other	<u>6,635</u>	<u>-0-</u>	<u>6,635</u>
Total Operating Expenses	\$ <u>75,572,147</u>	\$ <u>6,324,287</u>	\$ <u>81,896,434</u>
Other Changes in Reserves:			
Transfer to State General Fund (9)	\$ <u>(20,893,257)</u>	\$ <u>(1,934,691)</u>	\$ <u>(22,827,948)</u>
Total Other Changes	\$ <u>(20,893,257)</u>	\$ <u>(1,934,691)</u>	\$ <u>(22,827,948)</u>
Net Fund Balance Additions	\$ 195,824,154	\$ 40,327,778	\$ 236,151,932
Recovery of Unrealized Loss on Marketable Equity Securities	19,945,171	3,469,714	23,414,885
Fund Balance, July 1, 1982	<u>1,258,271,916</u>	<u>205,742,328</u>	<u>1,464,014,244</u>
Fund Balance, June 30, 1983	\$ <u>1,474,041,241</u>	\$ <u>249,539,820</u>	\$ <u>1,723,581,061</u>

The accompanying notes are an integral part of the financial statements.

FINANCIAL SECTION

Combining Statement
Of Changes in Financial Position
FOR FISCAL YEAR ENDED JUNE 30, 1983

Public Employees Retirement Fund

Resources Provided by:

From Operations —

Net Operating Income	\$	195,824,154
Item Not Requiring Resources Currently:		
Depreciation Expense		131,675
Recovery of Unrealized Loss on Marketable Equity Securities		19,945,171

Total Resources Provided

\$ 215,901,000

Resources Used by:

Payments of Obligation Under Capital Lease	\$	10,893
Current Year Acquisition of Equipment		160,106
Net Increase in Working Capital		215,730,001

Total Resources Used

\$ 215,901,000

Elements of Net Increase (Decrease) in Working Capital

	Year Ended June 30		Increase (Decrease)
	1983	1982	
Current Assets:			
Cash	\$ 494,904	\$ 906,303	\$ (411,399)
Accounts Receivable	3,997,020	222,915	3,774,105
Security Sales Receivable	3,762,758	-0-	3,762,758
Due from Other Funds	156,701	179,138	(22,437)
Accrued Investment Income	9,348,613	12,727,004	(3,378,391)
Investments —			
Bonds	335,737,263	403,446,983	(67,709,720)
Equity Securities	375,369,407	373,840,984	1,528,423
Minnesota Outside Managed Pooled Funds	181,038,220	-0-	181,038,220
Short-term Cash Equivalents	30,336,529	48,088,106	(17,751,577)
Equity in Minnesota Post-Retirement Investment Fund	515,797,802	413,640,881	102,156,921
Deferred Yield Adjustment	24,791,056	6,459,478	18,331,578
Other	23,008	26,435	(3,427)
Total Current Assets	\$ <u>1,480,853,281</u>	\$ <u>1,259,538,227</u>	

Current Liabilities:

Accounts Payable	\$ 3,356,625	\$ 1,528,791	(1,827,834)
Accrued Compensated Absences Payable to Other Funds	314,925	259,030	(55,895)
Obligations Under Capital Leases	18,004	18,551	547
Security Purchases Payable	10,893	10,893	-0-
	3,701,871	-0-	(3,701,871)

Total Current Liabilities

\$ 7,402,318 \$ 1,817,265

Working Capital

\$ 1,473,450,963 \$ 1,257,720,962 \$ 215,730,001

Public Employees Police and Fire Fund

Total

\$ 40,327,778
-0-
3,469,714

\$ 236,151,932
131,675
23,414,885

\$ 43,797,492

\$ 259,698,492

\$ -0-
-0-
43,797,492

\$ 10,893
160,106
259,527,493

\$ 43,797,492

\$ 259,698,492

Year Ended June 30		Increase (Decrease)	Year Ended June 30		Increase (Decrease)
1983	1982		1983	1982	
\$ 54,796	\$ 143,669	\$ (88,873)	\$ 549,700	\$ 1,049,972	\$ (500,272)
857,826	647,834	209,992	4,854,846	870,749	3,984,097
364,186	-0-	364,186	4,126,944	-0-	4,126,944
18,004	18,551	(547)	174,705	197,689	(22,984)
1,985,479	2,729,863	(744,384)	11,334,092	15,456,867	(4,122,775)
68,145,645	79,488,848	(11,343,203)	403,882,908	482,935,831	(79,052,923)
78,629,427	69,763,050	8,866,377	453,998,834	443,604,034	10,394,800
36,677,303	-0-	36,677,303	217,715,523	-0-	217,715,523
9,799,141	9,599,298	199,843	40,135,670	57,687,404	(17,551,734)
51,344,496	42,938,306	8,406,190	567,142,298	456,579,187	110,563,111
3,427,579	592,319	2,835,260	28,218,635	7,051,797	21,166,838
-0-	-0-	-0-	23,008	26,435	(3,427)
\$ <u>251,303,882</u>	\$ <u>205,921,738</u>		\$ <u>1,732,157,163</u>	\$ <u>1,465,459,965</u>	

\$ 832,934	\$ 272	(832,662)	4,189,559	\$ 1,529,063	(2,660,496)
-0-	-0-	-0-	314,925	259,030	(55,895)
156,701	179,138	22,437	174,705	197,689	22,984
-0-	-0-	-0-	10,893	10,893	-0-
<u>774,427</u>	<u>-0-</u>	<u>(774,427)</u>	<u>4,476,298</u>	<u>-0-</u>	<u>(4,476,298)</u>
\$ <u>1,764,062</u>	\$ <u>179,410</u>		\$ <u>9,166,380</u>	\$ <u>1,996,675</u>	
\$ <u>249,539,820</u>	\$ <u>205,742,328</u>	\$ <u>43,797,492</u>	\$ <u>1,722,990,783</u>	\$ <u>1,463,463,290</u>	\$ <u>259,527,493</u>

The accompanying notes are an integral part of the financial statements.

FINANCIAL SECTION

Statement of Revenues Expenses, and Changes in Fund Balance Public Employees Retirement Fund FOR FISCAL YEAR ENDED JUNE 30, 1983

	Reserves				Total
	Member	Minnesota Post-Retirement Investment Fund	Benefit	Unreserved Fund Balance	
Operating Revenue:					
Member Contribution (9)	\$ 66,180,991	\$	\$	\$	\$ 66,180,991
Employer Contribution			74,004,816		74,004,816
Investment Income			102,761,451		102,761,451
Distributed Income of the Minnesota Post-Retirement Investment Fund (6.c.)		46,651,335			46,651,335
Other			2,690,965		2,690,965
Total Operating Revenues	\$ 66,180,991	\$ 46,651,335	\$ 179,457,232	\$	\$ 292,289,558
Operating Expenses:					
Benefits Paid	\$ 1,542,751	\$ 51,491,885	\$ 9,552,964	\$	\$ 62,587,600
Refunds	9,578,520		892,904		10,471,424
Administrative Expenses			2,506,488		2,506,488
Other	6,162		473		6,635
Total Operating Expenses	\$ 11,127,433	\$ 51,491,885	\$ 12,952,829	\$	\$ 75,572,147
Other Changes in Reserves:					
Annuities Awarded	\$ (14,981,078)	\$ 106,464,595	\$ (91,483,517)	\$	\$ -0-
Mortality Loss		532,876	(532,876)		-0-
Transfer to State General Fund (9)			(20,893,257)		(20,893,257)
Total Other Changes	\$ (14,981,078)	\$ 106,997,471	\$ (112,909,650)	\$	\$ (20,893,257)
Net Fund Balance Additions	\$ 40,072,480	\$ 102,156,921	\$ 53,594,753	\$	\$ 195,824,154
Recovery of Unrealized Loss on Marketable Equity Securities				19,945,171	19,945,171
Change in Unfunded Accrued Liability			32,747,917	(32,747,917)	
Fund Balance, July 1, 1982	308,831,969	413,640,881	924,514,939	(388,715,873)	1,258,271,916
Fund Balance, June 30, 1983	\$ 348,904,449	\$ 515,797,802	\$ 1,010,857,609	\$ (401,518,619)	\$ 1,474,041,241

FINANCIAL SECTION

Statement of Revenues Expenses and Changes in Fund Balance Public Employees Police and Fire Fund FOR FISCAL YEAR ENDED JUNE 30, 1983

	Reserves				Unreserved Fund Balance	Total
	Member	Minnesota Post-Retirement Investment Fund	Benefit			
Operating Revenue:						
Member Contribution (9)	\$ 9,702,059	\$	\$	\$		\$ 9,702,059
Employer Contribution			12,953,387			12,953,387
Investment Income			20,698,183			20,698,183
Distributed Income of the Minnesota Post-Retirement Investment Fund (6.c.)		4,693,004				4,693,004
Other	6,162		533,961			540,123
Total Operating Revenues	\$ 9,708,221	\$ 4,693,004	\$ 34,185,531	\$		\$ 48,586,756
Operating Expenses:						
Benefits Paid	\$ 228,550	\$ 4,316,705	\$ 812,541	\$		\$ 5,357,796
Refunds	769,296		55,798			825,094
Administrative Expenses			141,397			141,397
Total Operating Expenses	\$ 997,846	\$ 4,316,705	\$ 1,009,736	\$		\$ 6,324,287
Other Changes in Reserves:						
Annuities Awarded	\$ (907,565)	\$ 7,458,730	\$ (6,551,165)	\$		\$ -0-
Mortality Loss		571,161	(571,161)			-0-
Transfer to State General Fund (9)			(1,934,691)			(1,934,691)
Transfer Between Reserves	1,724		(1,724)			-0-
Total Other Changes	\$ (905,841)	\$ 8,029,891	\$ (9,058,741)	\$		\$ (1,934,691)
Net Fund Balance Additions	\$ 7,804,534	\$ 8,406,190	\$ 24,117,054	\$		\$ 40,327,778
Recovery of Unrealized Loss on Marketable Equity Securities					3,469,714	3,469,714
Change in Unfunded Accrued Liability			(12,520,019)		12,520,019	
Fund Balance, July 1, 1982	44,429,108	42,938,306	135,105,056	(16,730,142)		205,742,328
Fund Balance, June 30, 1983	\$ 52,233,642	\$ 51,344,496	\$ 146,702,091	\$ (740,409)		\$ 249,539,820

The accompanying notes are an integral part of the financial statements.

FINANCIAL SECTION

Schedule of Administrative Expenses

FOR FISCAL YEAR ENDED JUNE 30, 1983

Personal Services:		
Staff Salaries	\$	1,472,039
Social Security		72,805
Retirement		91,080
Insurance and Workers' Compensation		91,707
Total Personal Services	\$	1,727,631
Professional Services:		
Actuarial	\$	32,000
Audit		24,982
Legal		18,748
Management Consultants		25,602
Investment Consultants		70,725
Total Professional Services		172,057
Communication:		
Printing	\$	63,173
Telephone		18,594
Postage		181,751
Travel		44,125
Mailing Services		9,573
Total Communication		317,216
Rentals:		
Office Space	\$	55,299
Equipment Leasing		20,398
Total Rentals		75,697
Other:		
Medical Examinations	\$	34,560
Stationery and Office Supplies		52,936
Maintenance Service Contracts		54,831
Depreciation		131,675
Education (Employees)		17,009
Copying Expense		841
Publications and Subscriptions		4,856
Meeting Expense		8,232
Vehicle Expense		3,793
Equipment (\$100 and Under)		244
Drawing Account—Executive Director		3,866
Freight		444
Bonds and Insurance		3,166
Indirect Cost from State		37,101
Miscellaneous		1,730
Total Other		355,284
Total Administrative Expense	\$	2,647,885
Allocation of Administrative Expense:		
Public Employees Retirement Fund	\$	2,506,488
Public Employees Police and Fire Fund		141,397
Total	\$	2,647,885

FINANCIAL SECTION

Summary Schedules

FOR FISCAL YEAR ENDED JUNE 30, 1983

Summary Schedule of Cash Receipts and Disbursements

	PUBLIC EMPLOYEES RETIREMENT FUND		PUBLIC EMPLOYEES POLICE AND FIRE FUND	
Cash Balance at Beginning of Year		\$ 906,303		\$ 143,669
Add Receipts:				
Member Contributions	\$ 64,870,536		\$ 9,572,404	
Employer Contributions	73,873,498		12,929,838	
Investment Income	81,694,278		17,185,678	
Investments Redeemed	4,253,391,648		1,002,488,760	
Minnesota Post-Retirement Investment Fund	51,491,885		4,373,745	
Other	3,255,576		690,457	
Total Cash Receipts		4,528,577,421		1,047,240,882
		\$4,529,483,724		\$1,047,384,551
Less Disbursements:				
Benefit Payments	\$ 62,862,330		\$ 5,375,750	
Administrative Expense	2,475,092		130,346	
Investments Purchased	4,324,485,590		1,031,587,495	
Refunds	10,515,185		832,291	
Minnesota Post-Retirement Investment Fund	106,474,595		7,458,728	
4% Payment to State	20,654,647		1,902,419	
Other	1,521,381		42,726	
		4,528,988,820		1,047,329,755
Cash Balance at End of Year:				
June 30, 1983		\$ 494,904		\$ 54,796

Summary Schedule of Commissions and Payments to Consultants

<u>INDIVIDUAL OR FIRM NAME</u>	<u>NATURE OF SERVICES</u>	<u>FEES AND COMMISSIONS PAID</u>	
Morison International, Inc.	Investment Consultant	\$ 54,400	
Ennis, Knupp, & Gold, Inc.	Investment Consultant	16,325	
			\$ 70,725
Attorney General - State of Minnesota	Legal Consultant	11,648	
Collins, Buckley, & Sauntry	Legal Consultant	7,100	
			\$ 18,748
Alexander & Alexander, Inc.	Communication Consultant	14,725	
McCarthy & Associates, Inc.	Communication Consultant	7,889	
Northco, Ltd.	Communication Consultant	2,988	
			\$ 25,602

The accompanying notes are an integral part of the financial statements.

FINANCIAL SECTION

Portfolio Summary and Activity

JUNE 30, 1983

Investment Portfolio Summary

JUNE 30, 1983

	Public Employees Retirement Fund			Public Employees Police and Fire Fund		
	Market Value	Book Value	% to Total Book Value	Market Value	Book Value	% to Total Book Value
Bonds	\$ 314,658,423	\$ 335,737,263	36.40%	\$ 64,714,622	\$ 68,145,645	35.26%
Equity Securities	464,531,675	375,369,407	40.69	96,083,688	78,629,427	40.69
Minnesota Outside Pooled Funds	198,635,037	181,038,220	19.62	40,242,316	36,677,303	18.98
Short-term Cash Equivalents	30,336,529	30,336,529	3.29	9,799,141	9,799,141	5.07
Total	\$ 1,008,161,664	\$ 922,481,419	100.00%	\$ 210,839,767	\$ 193,251,516	100.0%

Investment Portfolio Activity At Book Value

FOR FISCAL YEAR ENDED JUNE 30, 1983

Public Employees Retirement Fund

	Beginning Balance July 1	Acquisitions	Dispositions	Ending Balance June 30
Bonds	\$ 403,446,983	\$ 125,734,730	\$ 193,444,450	\$ 335,737,263
Equity Securities	393,786,155	295,462,805	313,879,553	375,369,407
Short-term Cash Equivalents	48,088,106	3,730,326,324	3,748,077,901	30,336,529
Subtotal	\$ 845,321,244	\$ 4,151,523,859	\$ 4,255,401,904	\$ 741,443,199
Minnesota Outside Pooled Funds (10)				181,038,220
Total				\$ 922,481,419

Public Employees Police and Fire Fund

	Beginning Balance July 1	Acquisitions	Dispositions	Ending Balance June 30
Bonds	\$ 79,488,848	\$ 23,898,615	\$ 35,241,818	\$ 68,145,645
Equity Securities	73,232,764	64,798,112	59,401,449	78,629,427
Short-term Cash Equivalents	9,599,298	908,618,081	908,418,238	9,799,141
Subtotal	\$ 162,320,910	\$ 997,314,808	\$ 1,003,061,505	\$ 156,574,213
Minnesota Outside Pooled Funds (10)				36,677,303
Total				\$ 193,251,516

FINANCIAL SECTION

Investment Portfolio - Equities

Public Employees Retirement Fund

JUNE 30, 1983

Public Employees Retirement Fund

Common Stocks

COMPANY	STANDARD & POOR'S RATING	SHARES	MARKET VALUE	BOOK VALUE
Chemicals				
Air Products & Chemicals Inc.	A	73,100	\$ 3,490,525	\$ 2,470,155
Dow Chemical Company	A-	128,800	4,282,600	4,110,531
Du Pont E I De Nemours & Co	B+	133,170	6,358,868	5,927,730
Union Carbide Corporation	B	47,258	3,248,988	2,316,500
Paper				
International Paper Co.	B+	76,850	4,015,413	4,389,288
Aerospace				
Boeing Company	A-	253,330	11,589,848	8,231,108
Lockheed Aircraft Corp	B	44,600	5,463,500	4,915,622
Building and Construction				
American Standard Inc.	A-	253,330	5,059,875	4,380,445
Electrical Equipment				
General Electric Company	A+	262,000	14,410,000	7,189,823
Westinghouse Electric Company	A+	219,100	10,927,613	6,531,037
Environmental Control				
Waste Management	A-	167,440	9,020,830	8,757,089
Machinery				
Combustion Engineering	A+	93,395	3,385,569	3,406,205
Autos and Trucks				
General Motors Corporation	B	124,280	9,041,370	6,727,605
Auto Related				
Borg-Warner	A	121,100	6,191,238	4,957,118
Genuine Parts Company	A+	77,520	3,682,200	3,446,378
Goodyear Tire & Rubber Company	A-	344,055	11,095,774	8,418,192
Food Service/Lodging				
McDonalds Corporation	A-	175,340	11,484,770	6,196,329
Household Furnishings and Appliances				
Whirlpool Corporation	A	146,020	7,593,040	4,114,776
Photo and Optical				
Eastman Kodak Company	A+	96,600	7,015,575	7,025,382
Retail-General				
Penney J.C. Incorporated	A	67,620	4,023,390	4,083,734
Revco D.S.	A+	85,910	2,512,868	1,188,840
Tandy Corp.	B+	32,200	1,634,150	1,929,827
Drugs				
Bristol-Myers Company	A+	130,410	5,330,509	3,554,155
Smithkline-Beckman Corporation	A+	38,500	2,820,125	2,578,243
Squibb Corporation	A	80,500	3,803,625	3,869,634
Syntex Corporation	A-	233,745	13,148,156	8,530,521
Hospital Supply and Service				
Baxter Travenol Labs	A+	85,600	5,316,000	4,302,970
Johnson & Johnson	A+	136,845	6,739,616	5,641,644
National Med. Enter. Inc.	A	267,900	8,137,463	7,243,241

FINANCIAL SECTION

Equities

Public Employees Retirement Fund

CONTINUED

COMPANY	STANDARD & POOR'S RATING	SHARES	MARKET VALUE	BOOK VALUE
Food				
Archer Daniels Midland Co.	A-	201,396	\$ 5,085,249	\$ 3,612,851
Retail-Food				
Southland Corporation	A+	37,460	1,671,653	571,291
Soaps and Toiletries				
Avon Products Inc.	A	81,940	2,796,203	3,115,154
Gillette Company	A-	59,850	2,618,438	1,623,376
Procter & Gamble.....	A+	19,200	1,058,400	1,054,121
Coal and Gas				
Tenneco Inc.	A+	102,465	4,175,449	4,206,748
Texas Oil & Gas Corporation	A	194,342	9,644,222	6,539,459
Oil-Supply and Construction				
Halliburton Inc.	A	322,965	13,160,824	12,666,975
Oil-Domestic				
Atlantic Richfield.....	A+	229,300	11,235,700	8,877,525
Unocal Corporation	A+	235,340	8,413,405	7,611,025
Oil-International				
Mobil Corporation.....	A	254,395	8,013,443	6,842,595
Royal Dutch Petroleum Gldrs	A	277,120	12,816,800	10,477,300
Standard Oil of California	A+	235,520	9,244,160	7,657,413
Banks				
Citicorp	A+	154,890	6,118,155	6,683,256
Security Pacific Corporation.....	A+	71,691	3,530,782	1,908,434
Financial Services				
American Express Company	A+	92,086	6,584,149	3,661,977
Avco Corporation	B	128,800	4,540,200	4,221,861
Federal National Mtg.	NR	245,935	6,148,375	6,140,602
Electronics				
Motorola Incorporated	A-	62,200	8,428,100	5,064,732
Texas Instruments	A	24,315	2,896,524	3,800,045
Office Equipment				
Intl. Business Machines.....	A+	221,365	26,619,141	13,920,515
NCR Corporation	A-	71,180	8,363,650	7,671,397
Wang Labs CL B	B+	39,855	1,594,200	1,419,189
Utility-Telephone				
American Telephone & Telegraph	A+	328,189	20,840,002	20,568,437
General Telephone & Electric Co.	A+	187,645	7,646,534	5,936,008
MCI Communication	NR	174,420	8,633,790	7,531,500
Utility-Electric				
Commonwealth Edison Co.	A-	482,090	12,172,773	12,209,834
Houston Industries Inc.	A	285,950	5,969,206	5,445,859
Northern States Power Co. Minn.	A	107,592	3,537,087	2,711,030
Diversified				
Greyhound Corporation.....	B+	187,680	5,043,900	4,623,493
Gulf & Western Industries.....	A-	169,500	4,851,938	3,161,933
Unit Funds-Real Estate				
Equity Life Assur. Society	—	4,023	11,465,003	10,600,000
Prudential Real Estate Fund	—	3,696	14,793,595	14,100,789
Aetna Real Estate Fund	—	4,058	7,535,574	7,100,000
Oil and Gas Leases				
American Gas & Oil Investors	—	7,369	6,461,553	\$ 5,598,561
Total Public Employees Retirement Fund			\$ 464,531,675	\$ 375,369,407

FINANCIAL SECTION

Investment Portfolio - Equities
Public Employees Police and Fire Fund
JUNE 30, 1983

Public Employees Police and Fire Fund

Common Stocks

COMPANY	STANDARD & POOR'S RATING	SHARES	MARKET VALUE	BOOK VALUE
Chemicals				
Air Products & Chemicals Inc.	A	16,200	\$ 773,550	\$ 542,927
Dow Chemical Company	A-	26,400	877,800	844,186
Du Pont E I De Nemours & Co.	B+	27,170	1,297,368	1,236,557
Union Carbide Corporation	B	9,818	674,988	461,079
Paper				
International Paper Co.	B+	15,960	833,910	911,555
Aerospace				
Boeing Company	A-	51,675	2,364,131	1,758,492
Lockheed Aircraft Corporation	B	9,260	1,134,350	917,887
Building and Construction				
American Standard Inc.	A-	29,800	975,950	866,529
Electrical Equipment				
General Electric Company	A+	48,600	2,673,000	1,457,716
Westinghouse Electric Company	A+	46,000	2,294,250	1,325,858
Environmental Control				
Waste Management	A-	34,165	1,840,639	1,785,506
Machinery				
Combustion Engineering	A+	24,940	904,075	907,170
Autos and Trucks				
General Motors Corporation	B	25,985	1,890,409	1,384,663
Auto Related				
Borg-Warner	A	24,500	1,252,563	1,015,613
Genuine Parts Company	A+	15,695	745,513	691,192
Goodyear Tire & Rubber Company	A-	70,520	2,274,270	1,738,146
Food Service/Lodging				
McDonalds Corporation	A-	32,970	2,159,535	1,186,933
Household Furnishings and Appliances				
Whirlpool Corporation	A	29,730	1,545,960	828,544
Photo and Optical				
Eastman Kodak Company	A+	19,710	1,431,439	1,430,347
Retail-General				
Penney J.C. Incorporated	A	13,860	824,670	837,066
Revco D.S.	A+	17,505	512,021	240,493
Tandy Corporation	B+	6,600	334,950	395,535
Drugs				
Bristol-Myers Company	A+	26,730	1,092,589	765,800
Smithkline-Beckman Corporation	A+	11,200	820,400	750,243
Squibb Corporation	A	16,500	779,625	789,293
Syntex Corporation	A-	48,545	2,730,656	2,056,011
Hospital Supply and Service				
Baxter Travenol Labs	A+	18,000	1,080,000	873,727
Johnson & Johnson	A+	27,225	1,340,831	1,106,172
National Med. Enter. Inc.	A	54,687	1,661,118	1,488,529
Food				
Archer Daniels Midland Co.	A-	35,020	884,255	629,448

FINANCIAL SECTION

Equities
Public Employees Police and Fire Fund
 CONTINUED

COMPANY	STANDARD & POOR'S RATING	SHARES	MARKET VALUE	BOOK VALUE
Retail-Food				
Southland Corporation	A+	7,542	\$ 336,562	\$ 112,062
Soaps and Toiletries				
Avon Products Inc.	A-	17,020	580,808	635,762
Gillette Company	A-	12,210	534,188	331,848
Proctor & Gamble	A+	4,000	220,500	219,609
Coal and Gas				
Tenneco Inc.	A+	21,280	867,160	873,592
Texas Oil & Gas Corporation	A	46,531	2,309,101	1,572,236
Oil-Supply and Construction				
Halliburton Inc.	A	65,970	2,688,278	2,543,392
Oil-Domestic				
Atlantic Richfield	A+	45,900	2,249,100	2,014,425
Unocal Corporation	A+	46,800	1,673,100	1,513,114
Oil-International				
Mobil Corporation	A	43,495	1,370,093	1,184,432
Royal Dutch Petroleum Gldrs	A	62,080	2,871,200	2,326,048
Standard Oil of California	A+	60,970	2,393,073	2,009,739
Banks				
Citicorp	A+	32,025	1,264,988	1,383,155
Security Pacific Corporation	A+	14,628	720,429	335,531
Financial Services				
American Express Company	A+	17,606	1,258,829	739,158
Avco Corporation	B	26,400	930,600	865,599
Federal National Mtg.	NR	50,545	1,263,625	1,255,358
Electronics				
Motorola Incorporated	A-	12,200	1,653,100	1,051,402
Texas Instruments	A	4,880	581,330	767,175
Office Equipment				
Intl. Business Machines	A+	47,000	5,651,750	2,974,961
NCR Corporation	A-	14,320	1,682,600	1,543,332
Wang Labs CL B	B+	8,465	338,600	301,483
Utility-Telephone				
American Telephone & Telegraph	A+	77,294	4,908,169	4,869,143
General Telephone & Electric Co.	A+	38,565	1,571,524	1,217,477
MCI Communication	NR	35,610	1,762,695	1,548,706
Utility-Electric				
Commonwealth Edison Co.	A-	98,170	2,478,793	2,545,406
Houston Industries Inc.	A	32,100	670,088	642,493
Northern States Power Co. Minn.	A	18,000	591,750	415,080
Diversified				
Greyhound Corporation	B+	37,765	1,014,934	930,326
Gulf & Western Industries	A-	35,200	1,007,600	659,720
Unit Funds-Real Estate				
Equity Life Assur. Society	—	873	2,487,321	2,300,000
Prudential Real Estate Fund	—	799	3,199,371	3,050,169
Aetna Real Estate Fund	—	886	1,645,663	1,550,000
Oil and Gas Leases				
American Gas & Oil Investors	—	1,485	1,301,951	1,124,277
Total Public Employees Police and Fire Fund			\$ 96,083,688	\$ 78,629,427
Total Public Employees Retirement Fund and Public Employees Police and Fire Fund			\$ 560,615,363	\$ 453,998,834

FINANCIAL SECTION

Fixed Income Securities
Public Employees Retirement Fund
JUNE 30, 1983

Public Employees Retirement Fund

Bonds

COMPANY	MOODY'S RATING	INTEREST RATE	MATURITY DATE	PAR VALUE	MARKET VALUE	BOOK VALUE
United States Governments						
U.S.A. Treasury Bond	AAA	11.625%	11/15/2002	\$ 3,000,000	\$ 3,082,500	\$ 2,985,445
U.S.A. Treasury Bond	AAA	10.375	11/15/2012	5,000,000	4,734,350	4,979,602
U.S.A. Treasury Note	AAA	11.625	08/31/1984	5,000,000	5,089,050	4,981,380
U.S.A. Treasury Note	AAA	10.500	11/15/1992	9,000,000	8,741,250	8,983,655
U.S.A. Treasury Note	AAA	9.500	04/30/1985	20,000,000	19,800,000	20,062,772
U.S.A. Treasury Note	AAA	10.125	05/15/1993	7,000,000	6,671,840	6,975,793
U.S.A. Treasury Note	AAA	9.875	05/31/1985	15,000,000	14,920,350	14,965,843
U.S.A. Treasury Note	AAA	9.000	02/15/1987	3,000,000	2,866,860	2,991,118
U.S.A. Treasury Bond	AAA	12.750	11/15/2010	5,000,000	5,603,100	5,012,603
U.S.A. Treasury Bond	AAA	11.500	11/15/1995	9,000,000	9,196,830	8,458,771
U.S.A. Treasury Bond	AAA	11.750	02/15/2001	3,000,000	3,105,000	2,850,816
U.S.A. Treasury Note	AAA	14.375	11/15/1984	7,000,000	7,378,420	7,017,257
U.S.A. Treasury Note	AAA	10.750	11/15/1989	2,000,000	1,986,240	2,069,333
Total United States Governments				93,000,000	93,175,790	92,334,388
United States Governments Agencies						
Federal Home Loan Mtg.	AAA	12.500	10/01/2009	2,696,894	2,628,798	2,669,303
Federal Home Loan Mtg.	AAA	12.500	01/01/2010	1,833,513	1,812,886	1,785,162
Federal National Mtg. Assn.	AAA	11.100	08/10/1984	4,000,000	4,042,480	3,880,000
Federal Home Loan Mtg.	AAA	10.750	07/01/2010	1,849,843	1,669,483	1,813,944
Federal Farm Credit Bank	AAA	11.900	10/20/1997	4,000,000	4,145,000	4,000,000
Federal Farm Credit Bank	AAA	10.600	10/22/1990	6,000,000	5,880,000	6,000,000
Federal National Mtg. Assn.	AAA	10.900	11/12/1990	4,000,000	3,955,000	4,000,000
Federal Farm Credit Bank	AAA	10.600	10/21/1991	5,000,000	4,853,100	5,054,370
Federal National Mtg. Assn.	AAA	10.300	05/10/1990	7,000,000	6,973,120	7,000,000
Federal Farm Credit Bank	AAA	10.750	10/20/1986	2,000,000	1,995,000	2,000,000
Federal Farm Credit Bank	AAA	13.250	04/22/1985	4,000,000	4,172,480	4,000,000
Federal Home Loan Bank	AAA	7.850	08/27/1984	3,185,000	3,115,312	3,183,674
Federal National Mtg. Assn.	AAA	10.500	06/10/1988	2,000,000	1,967,500	2,000,000
GNMA Pool #02731	AAA	8.000	02/15/2004	604,605	471,592	587,756
GNMA Pool #03518	AAA	8.000	01/15/2004	1,192,307	930,000	1,153,846
GNMA Pool #04039	AAA	8.250	07/15/2004	717,957	523,491	716,538
GNMA Pool #04281	AAA	8.250	09/15/2004	837,683	610,788	836,025
GNMA Pool #06336	AAA	8.000	06/15/2005	505,839	394,555	503,107
GNMA Pool #07214	AAA	8.000	09/15/2005	514,588	401,379	511,802
GNMA Pool #10943	AAA	8.000	07/15/2006	394,377	394,614	391,639
GNMA Pool #12025	AAA	8.000	10/15/2006	839,278	654,637	807,298
GNMA Pool #12599	AAA	8.000	09/15/2006	634,395	494,828	610,237
GNMA Pool #13099	AAA	8.000	10/15/2006	1,283,683	1,001,273	1,274,752
GNMA Pool #13262	AAA	8.000	11/15/2006	543,713	424,096	537,513
GNMA Pool #13327	AAA	8.000	11/15/2006	859,271	670,231	854,568
GNMA Pool #14053	AAA	8.000	12/15/2006	1,358,141	1,059,350	1,343,863
GNMA Pool #14188	AAA	8.000	10/15/2006	856,513	668,080	850,554
GNMA Pool #14919	AAA	8.000	02/15/2007	728,427	568,173	720,102
GNMA Pool #17619	AAA	8.000	08/15/2007	1,690,995	1,318,976	1,615,393
GNMA Pool #18099	AAA	8.000	08/15/2007	765,946	597,438	743,936
GNMA Pool #18542	AAA	8.000	09/15/2007	85,617	66,781	82,332
GNMA Pool #19458	AAA	8.000	08/15/2007	738,506	576,035	710,954
GNMA Pool #20008	AAA	8.000	11/15/2007	1,814,132	1,415,023	1,786,465
GNMA Pool #20289	AAA	8.000	11/15/2007	1,781,793	1,389,798	1,745,460
GNMA Pool #20290	AAA	8.000	12/15/2007	880,131	686,503	857,160
GNMA Pool #20305	AAA	8.000	11/15/2007	889,135	693,525	871,005

FINANCIAL SECTION

Securities

Public Employees Retirement Fund

CONTINUED

COMPANY	MOODY'S RATING	INTEREST RATE	MATURITY DATE	PAR VALUE	MARKET VALUE	BOOK VALUE
GNMA Pool #20916	AAA	8.000%	11/15/2007	\$ 872,450	\$ 680,510	\$ 865,019
GNMA Pool #20963	AAA	8.000	11/15/2007	856,545	668,105	849,250
GNMA Pool #21329	AAA	8.000	12/15/2007	837,516	653,262	815,656
GNMA Pool #22832	AAA	8.000	09/15/2007	1,661,666	1,296,099	1,588,291
GNMA Pool #23012	AAA	8.000	03/15/2008	21,483	16,758	20,656
Total United States Governments Agencies				72,331,942	66,449,059	71,637,630
Municipal Bonds						
Anoka/Circle Pines	BBB	4.500	01/01/1987	38,000	33,297	38,000
Cass City/Pine River	A	4.700	09/01/1989	65,000	51,455	65,000
Clay Cty ISD #122.....	BBB	4.000	02/01/1984	5,000	4,881	5,000
Douglas ISD #214 Carlos	BBB	3.900	02/01/1986	5,000	4,466	5,000
Faribault/Freeborn	A	2.750	02/01/1985	15,000	13,765	15,000
Fargo N.D. Water Space Util	A	2.500	07/01/1983	3,000	3,000	3,000
Metro Wtr. Dist. So. Cal	AA	4.000	08/01/1985	150,000	141,825	150,000
Mille Lacs SD 4/1 Bock	BBB	3.900	03/01/1989	30,000	22,598	30,000
Morrison/Todd ISD #486	BBB	3.800	02/01/1988	40,000	31,590	40,000
Sherburne/Vill Big Lake	BBB	4.500	07/01/1986	33,000	30,137	33,000
Steele/Freeborn 30	A	2.700	01/01/1985	35,000	32,220	35,000
Wabasha/Olmsted 806	BBB	4.100	06/01/1987	15,000	12,837	15,000
Total Municipal Bonds				434,000	382,071	434,000
Corporate Bonds-Financial						
American Express	AA	10.100	07/01/1990	3,000,000	2,794,920	3,000,000
American Investment	BB	6.750	11/01/1986	200,000	169,632	200,000
First Interstate Bancorp	AA	10.500	04/15/1988	1,600,000	1,549,648	1,592,400
Household Finance	AA	7.250	01/01/1990	900,000	724,617	898,496
Norwest Financial	AAA	12.750	07/01/1990	4,000,000	4,240,000	4,000,000
LNM Acceptance Corp	AAA	9.100	12/01/1986	1,669,246	1,589,873	1,669,246
Norwest Corp	AA	7.875	09/15/1986	4,000,000	3,708,920	3,998,403
Seafirst Corp	BB	10.500	06/01/1990	2,000,000	1,800,000	1,993,025
Uslife Corporation	A	12.000	10/15/1989	2,000,000	2,028,860	2,000,000
Uslife Corporation	A	12.500	10/15/1990	3,000,000	3,078,840	2,989,034
Wells Fargo & Company	A	8.625	11/01/1998	2,500,000	1,825,775	2,500,000
Total Corporate Bonds-Financial				24,869,246	23,511,085	24,840,604
Corporate Bonds-Industrial						
Atlantic Richfield Co.	AAA	12.500	09/15/2012	3,000,000	3,086,130	2,954,821
Atlantic Richfield Co.	AAA	9.250	07/15/1996	3,687,761	3,080,129	3,687,761
Beatrice Foods Co.	AA	8.500	08/15/2008	2,000,000	1,535,740	1,939,630
Carnation Co.	AAA	8.500	05/01/1999	2,000,000	1,591,340	1,664,741
Dayton Hudson Co.	AA	11.875	10/15/2012	4,000,000	3,924,840	4,000,000
Dow Chemical Company	A	7.875	07/15/2007	3,000,000	2,074,200	1,950,007
Dresser Industries	A	8.650	05/15/1985	1,057,000	1,021,051	1,057,901
FMC Corporation	A	9.500	01/15/2000	3,800,000	3,146,856	3,774,581
Firestone Tire & Rubber	BBB	9.250	12/01/2004	4,000,000	3,025,760	4,000,000
Gulf Oil Corporation	AA	6.625	06/15/1993	800,000	597,256	800,000
Halliburton Co.	AA	10.200	06/01/2005	3,000,000	2,651,430	2,718,803
Hertz Corporation	A	9.500	02/15/1999	2,300,000	1,898,397	2,300,000
Int'l Bus. Machines	AAA	9.500	10/01/1986	2,000,000	1,940,780	1,889,230
Marathon Oil Company	AA	8.500	02/01/2000	4,000,000	2,979,480	3,943,910
Martin-Marietta Corp.	BBB	7.000	03/15/2011	3,000,000	1,710,000	1,750,041
Owens Illinois Inc.	A	10.375	06/01/1990	3,000,000	2,841,900	2,989,538
Pfizer Incorporated	AA	9.250	08/15/2000	1,000,000	833,180	995,612
Standard Oil of Calif	AAA	7.700	03/30/1997	502,561	376,362	502,561
Standard Oil of Calif	AAA	7.700	03/02/1997	586,321	434,581	586,321
Standard Oil of Calif	AAA	7.700	02/10/1997	586,321	439,729	586,321
Standard Oil of Calif	AAA	7.700	09/07/1997	427,060	318,407	427,060
Standard Oil of Calif	AAA	7.700	09/08/1997	427,060	318,399	427,060

COMPANY	MOODY'S RATING	INTEREST RATE	MATURITY DATE	PAR VALUE	MARKET VALUE	BOOK VALUE
Standard Oil of Calif.....	AAA	7.700 %	11/06/1997	\$ 427,060	\$ 317,895	\$ 427,060
Standard Oil of Calif.....	AAA	8.500	07/02/1999	1,765,452	1,397,886	1,765,453
Standard Oil (Indiana)	AAA	9.000	10/01/2000	1,423,329	1,158,860	1,423,330
Studebaker-Worthington.....	BBB	9.350	11/15/2003	5,000,000	3,951,950	5,000,000
Union Camp	AA	12.750	10/01/2012	3,000,000	3,067,800	2,985,375
Total Corporate Bonds-Industrial				59,789,925	49,720,338	56,547,117
Corporate Bonds-Public Utilities						
American Tel. & Tel.....	AA	7.125	12/01/2003	1,000,000	661,160	627,618
American Tel. & Tel.....	AA	6.000	08/01/2000	5,000,000	3,026,250	2,844,421
Bell Tel. Co. of Penna	AA	6.750	05/01/2008	4,000,000	2,408,160	2,312,055
Bell Tel. of Penna.	AA	4.750	05/01/2001	1,000,000	495,160	490,919
Cities Service Gas	A	13.000	09/15/2005	3,000,000	3,037,230	2,906,968
Cities Service Gas Co.	A	8.250	06/01/1991	1,450,000	1,198,063	1,450,000
Consolidated Edison	AA	9.250	01/01/1996	1,365,823	1,046,562	1,365,823
Consolidated Natural Gas	AA	12.875	10/01/2000	1,000,000	1,008,640	963,190
Duke Power Company.....	AA	10.125	05/01/2009	2,000,000	1,709,780	1,586,309
Florida Power & Light Co.....	A	11.300	05/01/2010	1,000,000	925,640	854,252
Florida Power & Light Co.....	A	12.125	11/01/2009	2,000,000	1,959,020	1,798,926
Hawaiian Telephone	AA	13.375	10/01/2010	2,000,000	2,110,580	1,983,505
Houston Lighting & Power	A	12.000	06/01/2010	1,000,000	961,530	903,465
Houston Natural Gas Co.....	A	11.000	11/15/1992	3,000,000	2,980,690	2,983,200
Illinois Bell Tel. & Tel.	AA	4.375	07/01/2003	1,000,000	448,730	448,779
Northwestern Bell Tel. Co.	AA	4.875	06/01/1998	2,000,000	1,083,420	1,058,218
Northwestern Bell Tel. Co.	AA	9.500	08/15/2016	2,000,000	1,612,140	1,505,558
Pacific NW Bell Tel. Co.	A	8.625	10/01/2010	2,000,000	1,460,980	1,268,172
Pacific Tel. & Tel. Co.	A	15.000	11/01/2020	3,000,000	3,497,160	2,990,549
Public Service Co. of Ind.	A	12.125	09/01/1990	4,000,000	4,038,800	3,981,355
Southwestern Bell Tel. & Tel.	A	4.625	08/01/1995	1,000,000	570,220	558,806
Southern Bell Tel. & Tel.	A	12.875	10/05/2020	2,000,000	2,067,520	1,890,350
Texas Power & Light	AAA	8.600	01/01/2006	2,000,000	1,511,100	1,394,545
Texas Power & Light	AAA	9.375	02/01/2009	3,000,000	2,406,359	2,276,458
Total Corporate Bonds-Public Utilities				50,815,823	42,124,894	40,443,441
Corporate Bonds-Transportation						
Burlington Northern.....	AA	8.750	09/01/1993	2,210,904	1,605,360	2,210,904
Grace Line, Inc.	AAA	5.100	02/01/1992	734,000	497,292	734,000
Lachmar (Hull 54)	AAA	14.000	09/25/1988	1,545,000	1,614,201	1,545,000
Louisville & Nashville	A	9.000	10/20/1991	1,098,563	903,327	1,098,563
Louisville & Nashville	A	8.375	04/20/1992	2,350,581	1,940,122	2,350,581
Louisville & Nashville	A	4.875	12/01/1987	500,000	410,000	499,002
Missouri Pacific RR	AA	12.750	06/01/1995	1,596,995	1,705,591	1,596,995
Missouri Pacific RR	AA	9.750	06/01/1994	2,913,541	2,568,257	2,913,541
Moore-McCormack Lines	AAA	5.750	04/01/1987	256,000	223,698	256,000
Southern Pacific Trans	AA	8.250	10/01/1992	2,333,333	1,885,567	2,333,333
St. Louis-SF Railway	A	7.250	12/15/1983	53,334	52,269	53,333
Union Tank Car	A	9.500	12/15/1995	3,000,000	2,555,430	3,000,000
Total Corporate Bonds-Transportation				18,592,251	15,961,114	18,591,252
Foreign Bonds						
British Columbia Hydro	AAA	9.625	07/15/1996	2,403,000	1,906,132	2,403,000
Manitoba Hydro Elec. Bd	AA	7.650	10/15/1997	3,500,000	2,480,345	3,500,000
Manitoba, Province of	AA	6.875	11/01/1993	800,000	573,832	799,001
Nova Scotia Power Comm	A	8.125	07/15/1998	1,500,000	1,091,415	1,497,562
Nova Scotia Power Comm	A	7.750	03/15/1997	1,500,000	1,060,785	1,495,475
Nova Scotia Power Corp.....	A	9.625	06/01/2008	1,000,000	812,930	991,695
Nova Scotia, Province of	A	7.250	08/01/1993	800,000	581,088	801,900
Ontario Hydro	AAA	9.500	03/15/1996	3,757,500	2,959,670	3,757,500
Ontario, Province of	AAA	6.875	12/01/1997	700,000	470,960	696,579
Ontario, Province of	AAA	7.850	05/15/2001	1,500,000	1,071,075	1,500,000
Ontario, Province of	AAA	7.300	12/15/2002	3,500,000	2,327,780	3,500,000
Ontario, Province of	AAA	9.375	06/01/2008	1,000,000	812,330	1,000,000
Ontario, Province of	AAA	9.375	11/30/2008	4,000,000	3,251,880	3,966,119
Saskatch, Province of	AA	9.250	04/15/2008	5,000,000	3,933,850	5,000,000
Total Foreign Bonds				30,960,500	23,334,072	30,908,831
Total Public Employees Retirement Fund				\$350,793,687	\$314,658,423	\$335,737,263

FINANCIAL SECTION

Fixed Income Securities
Public Employees Police and Fire Fund
 JUNE 30, 1983

Public Employees Police and Fire Fund

COMPANY	MOODY'S RATING	INTEREST RATE	MATURITY DATE	PAR VALUE	MARKET VALUE	BOOK VALUE
United States Governments						
U.S.A. Treasury Bond	AAA	11.625%	11/15/2002	\$ 3,000,000	\$ 3,082,500	\$ 2,985,445
U.S.A. Treasury Note	AAA	9.500	04/30/1985	5,000,000	4,950,000	5,015,693
U.S.A. Treasury Note	AAA	10.125	05/15/1993	1,000,000	953,120	997,866
U.S.A. Treasury Note	AAA	9.875	05/31/1985	2,000,000	1,989,380	1,998,203
U.S.A. Treasury Note	AAA	9.000	02/15/1987	500,000	477,810	499,875
U.S.A. Treasury Bond	AAA	12.750	11/15/2010	2,000,000	2,241,240	1,983,482
U.S.A. Treasury Bond	AAA	11.500	11/15/1995	900,000	919,683	845,565
U.S.A. Treasury Note	AAA	14.375	11/15/1984	1,000,000	1,054,060	1,002,361
Total United States Governments				15,400,000	15,667,793	15,328,490
United States Governments Agencies						
Federal Home Loan Mtg.	AAA	12.500	01/01/2010	916,756	906,443	892,581
Federal National Mtg. Assn.	AAA	11.100	08/10/1984	1,000,000	1,010,620	970,000
Federal Farm Credit Bank	AAA	11.900	10/20/1997	1,000,000	1,036,250	1,000,000
Federal Farm Credit Bank	AAA	10.060	10/22/1990	1,000,000	980,000	1,000,000
Federal Natl Mtg Assn	AAA	10.900	11/12/1990	2,000,000	1,977,500	2,000,000
Federal Natl Mtg Assn	AAA	10.300	05/10/1990	1,000,000	996,160	1,000,000
Federal Farm Credit Bank	AAA	13.250	04/22/1985	1,000,000	1,043,120	1,000,000
Federal Home Loan Bank	AAA	12.250	08/25/1983	1,000,000	1,003,440	1,000,000
Federal Home Loan Bank	AAA	7.850	08/27/1984	105,000	102,703	105,000
Federal Natl. Mtg. Assn.	AAA	10.500	06/10/1988	500,000	491,875	500,000
GNMA Pool #04064	AAA	8.250	08/15/2004	473,373	345,155	472,445
GNMA Pool #08550	AAA	8.250	03/15/2006	22,985	16,759	22,938
GNMA Pool #10249	AAA	8.000	11/15/2006	515,355	401,977	512,534
GNMA Pool #10743	AAA	8.250	05/15/2006	53,995	39,370	53,887
GNMA Pool #11828	AAA	8.000	09/15/2006	641,835	500,631	637,373
GNMA Pool #16051	AAA	8.000	01/15/2008	891,318	695,227	861,551
Total United States Governments Agencies				12,120,617	11,547,230	12,028,309
Corporate Bonds-Financial						
American Investment	BB	6.750	11/01/1986	40,000	33,926	40,000
American Investment	BB	5.250	01/01/1991	66,000	40,466	66,000
Norwest Financial	AA	12.750	07/01/1990	785,000	832,100	785,000
Lincoln National Corp	A	13.875	09/15/1992	700,000	741,972	697,433
LNM Acceptance Corp	AAA	9.100	12/01/1986	834,623	794,937	834,623
Norwest Corp	AA	7.875	09/15/1986	800,000	741,784	799,681
Seafirst Corp	BB	10.500	06/01/1990	500,000	450,000	498,256
Uslife Corp.	A	12.000	10/15/1989	1,000,000	1,014,430	1,000,000
Uslife Corp.	A	12.500	10/15/1990	1,000,000	1,026,280	996,345
Wells Fargo & Company	A	8.625	11/01/1998	800,000	584,248	800,000
Total Corporate Bonds-Financial				6,525,623	6,260,143	6,517,338
Corporate Bonds-Industrial						
Atlantic Richfield Co.	AAA	9.250	07/15/1996	737,552	616,026	737,552
Dayton Hudson Co.	AA	11.875	10/15/2012	2,000,000	1,962,420	2,000,000
Dow Chemical Company	A	7.875	07/15/2007	1,000,000	691,400	652,361
FMC Corp.	A	9.500	01/15/2000	800,000	662,496	794,649
Firestone Tire & Rubber	BBB	9.250	12/01/2004	800,000	605,152	800,000
Hertz Corporation	A	9.500	02/15/1999	400,000	330,156	400,000
Gulf Oil Corporation	AA	6.625	06/15/1993	200,000	149,314	200,000
Marathon Oil Company	AA	8.500	02/01/2000	800,000	595,896	796,643
Owens Illinois Inc.	A	10.375	06/01/1990	500,000	473,650	498,256
Standard Oil of Calif.	AAA	7.700	03/30/1997	125,640	94,091	125,640
Standard Oil of Calif.	AAA	7.700	03/02/1997	125,640	93,125	125,640
Standard Oil of Calif.	AAA	7.700	02/10/1997	167,520	125,637	167,520

COMPANY	MOODY'S RATING	INTEREST RATE	MATURITY DATE	PAR VALUE	MARKET VALUE	BOOK VALUE
Standard Oil of Calif.	AAA	7.700%	09/07/1997	\$ 85,412	\$ 63,680	\$ 85,412
Standard Oil of Calif.	AAA	7.700	09/08/1997	85,412	63,680	85,412
Standard Oil of Calif.	AAA	7.700	11/06/1997	85,412	63,579	85,412
Standard Oil (Indiana)	AAA	9.000	10/01/2000	237,222	193,143	237,222
Studebaker-Worthington	BBB	9.350	11/15/2003	1,000,000	790,390	1,000,000
Union Camp	AA	12.750	10/01/2012	500,000	511,300	497,563
Total Corporate Bonds-Industrial				9,649,810	8,085,135	9,289,282
Corporate Bonds-Public Utilities						
American Telephone & Tel.	AA	6.000	08/01/2000	2,000,000	1,210,500	1,137,768
Bell Tel. Co. of Penna.	AA	6.750	05/01/2008	800,000	481,632	462,411
Cities Service Gas	A	13.000	09/15/2005	750,000	759,308	726,742
Cities Service Gas Co.	A	8.250	06/01/1991	300,000	247,875	300,000
Consolidated Edison	A	9.250	01/01/1996	227,637	174,427	227,637
Consolidated Natural Gas	AA	12.875	10/01/2000	500,000	504,320	481,518
Duke Power Company	AA	10.125	05/01/2009	1,000,000	854,890	793,154
Florida Power & Light Company	A	12.125	11/01/2009	1,000,000	979,510	899,463
Hawaiian Telephone	AA	13.375	10/01/2010	1,000,000	1,055,290	991,752
Houston Lighting & Power	A	12.000	06/01/2010	1,000,000	961,530	903,465
Houston Natural Gas Co.	A	11.000	11/15/1992	1,000,000	960,230	994,400
Minnesota Power & Light	A	8.700	09/01/2006	800,000	582,912	800,000
Northern States Power Co. MN	AA	8.375	01/01/2004	800,000	539,336	777,618
Northwestern Bell Tel. Co.	AA	4.875	06/01/1998	420,000	227,518	222,226
Northwestern Bell Tel. Co.	AA	9.500	08/15/2016	1,500,000	1,128,105	1,128,201
Pacific Northwest Bell Tel. Co.	A	8.625	10/01/2010	500,000	365,245	316,251
Pacific Tel. & Tel. Co.	A	15.000	11/01/2020	500,000	582,860	499,417
Public Service Co. of Ind.	A	12.125	09/01/1990	1,000,000	1,009,700	1,000,000
Southwestern Bell Tel. & Tel.	A	4.625	08/01/1995	750,000	427,665	419,105
Southern Bell Tel. & Tel.	A	12.875	10/05/2020	800,000	827,008	756,140
Texas Power & Light	AAA	8.600	01/01/2006	1,000,000	755,550	697,273
Total Corporate Bonds-Public Utilities				17,647,637	14,716,411	14,534,541
Corporate Bonds-Transportation						
Burlington Northern	AA	8.750	09/01/1993	484,188	351,574	484,188
Chesapeake & Ohio RY	AA	8.750	03/15/1989	179,731	159,973	179,731
Grace Line, Inc.	AAA	5.100	02/01/1992	99,000	67,074	99,000
Louisville & Nashville	A	9.000	10/20/1991	401,913	330,485	401,913
Louisville & Nashville	A	4.875	12/01/1987	50,000	41,000	49,900
Missouri Pacific RR	AA	12.750	06/01/1995	798,498	852,796	798,498
Missouri Pacific RR	AA	9.750	06/01/1994	728,385	642,064	728,385
Moore-McCormack Lines	AAA	5.750	04/01/1987	53,000	46,313	53,000
Seaboard Coast Line RR	A	9.000	04/01/1992	708,598	578,839	708,598
Southern Pacific Trans	AA	8.250	10/01/1992	466,667	377,113	466,667
Total Corporate Bonds-Transportation				3,969,980	3,447,231	3,969,880
Foreign Bonds						
British Columbia Hydro	AAA	9.625	07/15/1996	890,000	705,975	888,871
Manitoba Hydro Elec. Bd.	AA	7.650	10/15/1997	500,000	354,335	500,000
Nova Scotia, Province of	A	7.250	08/01/1993	250,000	181,590	250,593
Ontario Hydro	AAA	9.500	03/15/1996	835,000	657,704	835,000
Ontario, Province of	AAA	7.850	05/15/2001	300,000	214,215	300,000
Ontario, Province of	AAA	7.300	12/15/2002	500,000	332,540	500,000
Ontario, Province of	AAA	9.375	06/01/2008	500,000	406,165	500,000
Ontario, Province of	AAA	9.375	11/30/2008	800,000	650,376	793,224
Ontario, Province of	AAA	5.625	04/15/1997	100,000	60,322	100,000
Saskatch, Province of	AA	9.250	04/15/2008	800,000	629,416	800,000
Ontario Province of Canada	AAA	9.125	06/15/2005	1,000,000	798,041	1,010,117
Total Foreign Bonds				6,475,000	4,990,679	6,477,805
Total Public Employees Police and Fire Fund				\$ 71,788,667	\$ 64,714,622	\$ 68,145,645
Total Public Employees Retirement Fund and Public Employees Police and Fire Fund				\$422,582,354	\$379,373,045	\$403,882,908

FINANCIAL SECTION

Short-term Cash Equivalents

JUNE 30, 1983

Public Employees Retirement Fund

	MATURITY DATE	YIELD	PAR VALUE
Bill:			
U.S.A. Treasury Bill	9/08/83	10.260%	\$ 6,420,000
Commercial Paper:			
Union Oil Credit Company	7/01/83	8.875	500,000
State Board of Investment C.D.	7/18/83	8.640	4,100,000
State Board of Investment C.D.	7/18/83	8.640	700,000
State Board of Investment C.D.	7/18/83	8.640	250,000
State Board of Investment C.D.	7/18/83	8.640	1,700,000
General Motors Acceptance	7/29/83	9.250	350,000
State Board of Investment C.D.	10/17/83	9.160	5,500,000
State Board of Investment C.D.	10/17/83	9.160	2,750,000
Repurchase Agreement:			
Repurchase Agreement	7/01/83	9.350	220,000
Repurchase Agreement	7/01/83	9.910	174,000
Repurchase Agreement	7/05/83	9.310	5,000,000
Repurchase Agreement	7/05/83	10.010	1,803,000
Repurchase Agreement	7/29/83	9.500	1,000,000
			\$ 30,467,000
Less: Unamortized Discounts			(130,471)
Subtotal			\$ 30,336,529

Public Employees Police and Fire Fund

Bill:			
U.S.A. Treasury Bill	9/08/83	10.260	3,865,000
Commercial Paper:			
Union Oil Credit Company	7/01/83	8.875	130,000
State Board of Investment C.D.	7/18/83	8.640	500,000
State Board of Investment C.D.	7/18/83	9.090	500,000
State Board of investment C.D.	7/18/83	9.090	300,000
State Board of Investment C.D.	10/17/83	9.160	1,200,000
Repurchase Agreement:			
Repurchase Agreement	7/01/83	9.910	35,000
Repurchase Agreement	7/05/83	9.310	2,425,000
Repurchase Agreement	7/05/83	10.010	596,000
Repurchase Agreement	7/29/83	9.500	325,000
			\$ 9,876,000
Less: Unamortized Discount			(76,859)
Subtotal			\$ 9,799,141
Total			\$ 40,135,670

ACTUARIAL SECTION
Certification Letter

COMPENSATION & CAPITAL
INCORPORATED

125 SOUTH WACKER DRIVE
DAVIS H. ROENISCH, FSA

CHICAGO, ILLINOIS 60606

TELEPHONE 312 332-4420
ACTUARIAL SERVICES

October 31, 1983

Board of Trustees
Public Employees Retirement Association
203 Capitol Square Building
550 Cedar Street
St. Paul, Minnesota 55101

Members of the Board:

We have recently completed our annual actuarial valuation of the Minnesota Public Employees Retirement Association, for the purpose of determining the actuarial status of the Public Employees Retirement Fund and the Public Employees Police and Fire Fund obligations as of June 30, 1983.

The basic financial and employee data used in the actuarial valuation are those submitted to us by the association office. The actuarial valuation was based upon applicable statutory provisions in effect on June 30, 1983, together with the employee census and financial data as of that date.

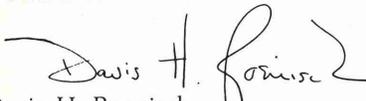
The pension laws were amended to provide additional employee contributions of 2% during the first six months of calendar 1983. This increased contribution amount will be refunded with interest in a lump sum payment upon termination of employment or at retirement. A portion of the employer contribution equal to 4% of payroll was transferred to the state general fund during this period. Other amendments to the pension laws were made during the year which were minor and of an administrative nature.

The valuation was made on the basis of the entry age normal cost (level normal cost) method of financing and the actuarial assumptions as required by statute, with future costs expressed as a percentage of payroll. To achieve the fundamental financing objective of the funds, the contribution requirement of the funds must be sufficient to meet current service costs and to amortize the unfunded liabilities by the year 2009.

The valuation indicated that the present assets and expected future contributions required by statute, with investment earnings thereon, are sufficient to provide the benefits to be paid in the future. The current funding level of the Public Employees Retirement Fund is 79%, and of the Public Employees Police and Fire Fund 99%.

On the basis of the foregoing, and the assumptions indicated therein, we hereby certify that, to the best of our knowledge and belief, the attached statements are true and correct and in accordance with the laws of the State of Minnesota.

Respectfully submitted,
COMPENSATION & CAPITAL INC.


Davis H. Roenisch
Enrolled Actuary No. 174

Actuarial Tables

JUNE 30, 1983

Actuarial Cost Method and Assumptions Entry Age Normal

Public Employees Retirement Fund

Actuarial Assumptions

Retirement	65 for members with less than 30 years service. If more than 30 years service, 30% at 62, 15% at 63 and 64, and 100% at 65. In addition, 50% when age plus service totals 90 years.
Mortality	1965 Group Annuity.
Disability	PERA Experience. See table below for sample values.
Separation	PERA Experience. See table below for sample values.
Loading for Expense	.148%.
Asset Valuation	Cost.
Investment Return	5% compounded annually.
Earnings Progression	3½% per year.

ANNUAL RATE PER 100 EMPLOYEES

Age	Mortality		Disability	Separation	
	Male	Female	All Employees	Male	Female
20	.05	.03	.07	27.5	38.3
30	.08	.06	.12	16.1	28.1
40	.17	.11	.22	8.2	13.4
50	.54	.26	.46	3.9	6.6
60	1.30	.66	1.07	—	—
65	2.05	1.14	—	—	—

Public Employees Police and Fire Fund

Actuarial Assumptions

Retirement	Age 60.
Mortality	1965 Male Group Annuity.
Disability	PERA Experience. See table below for sample values.
Separation	PERA Experience. See table below for sample values.
Loading for Expense	.089%.
Asset Valuation	Cost.
Investment Return	5% compounded annually.
Earnings Progression	3½% per year.

ANNUAL RATE PER 100 EMPLOYEES

Age	Mortality	Disability	Separation
20	.05	.17	7.00
30	.08	.24	6.58
40	.17	.59	2.45
50	.54	1.77	.50
60	1.30	—	—

Actuarial Present Value of Accumulated Plan Benefits (June 30, 1983)

Public Employees Retirement Fund	\$ 1,745,054,247
Public Employees Police and Fire Fund	249,446,908

Recommended Contribution Schedule *Applies to total compensation*

	MEMBER	EMPLOYER
Public Employees Retirement Fund		
No Social Security	8%	10.5%
Covered by Social Security	4%	5.5%
Public Employees Police and Fire Fund	8%	12%

ACTUARIAL SECTION

Required Reserves

JUNE 30, 1983

	<u>PUBLIC EMPLOYEES RETIREMENT FUND</u>	<u>PUBLIC EMPLOYEES POLICE AND FIRE FUND</u>
For active members		
Retirement benefits:		
Retirement	\$ 999,895,710	\$ 130,604,408
Vesting	<u>132,666,994</u>	<u>10,152,540</u>
	\$ 1,132,562,704	\$ 140,756,948
Disability benefits	53,464,474	35,529,037
Refundment liability due to death or withdrawal	46,397,223	3,312,204
Survivors' benefits	19,432,031	5,048,602
For deferred annuitants	15,065,520	2,131,240
For former members without vested rights	6,799,519	545,101
For annuitants		
Retirement	515,797,802	51,344,495
Disability annuities	22,352,787	3,146,731
Surviving spouses' annuities	62,572,830	8,149,935
Surviving children's annuities	<u>1,114,970</u>	<u>315,936</u>
Total Required Reserves	<u>\$1,875,559,860</u>	<u>\$250,280,229</u>

ACTUARIAL SECTION

Summary of Accrued and
Unfunded Accrued Liabilities

Public Employees Retirement Fund

VALUATION DATE	AGGREGATE ACCRUED LIABILITIES	VALUATION ASSETS	ASSETS AS A % OF ACCRUED LIABILITIES	UNFUNDED ACCRUED LIABILITIES (UAL)	ANNUAL ACTIVE MEMBER PAYROLL	UAL AS A % OF ANNUAL ACTIVE MEMBER PAYROLL
6-30-74	\$ 684,662,736	\$ 406,488,349	59%	\$278,174,387	\$ 506,950,682	55%
6-30-75	725,173,867	449,178,269	62	275,995,598	582,912,058	47
6-30-76	816,093,861	511,152,418	63	304,941,443	657,609,766	46
6-30-77	930,363,154	613,887,437	66	316,475,717	707,400,545	45
6-30-78	1,023,270,439	702,543,189	69	320,727,250	763,483,570	42
6-30-79	1,137,905,498	812,971,819	71	324,933,679	817,578,613	40
6-30-80	1,262,499,353	923,152,292	73	339,347,061	930,299,069	36
6-30-81	1,435,640,625	1,101,847,894	77	333,792,731	1,037,047,955	32
6-30-82	1,646,987,789	1,278,462,836	78	368,524,953	1,079,973,418	34
6-30-83	1,875,559,860	1,474,041,241	79	401,518,619	1,135,754,941	35

Public Employees Police and Fire Fund

VALUATION DATE	AGGREGATE ACCRUED LIABILITIES	VALUATION ASSETS	ASSETS AS A % OF ACCRUED LIABILITIES	UNFUNDED ACCRUED LIABILITIES (UAL)	ANNUAL ACTIVE MEMBER PAYROLL	UAL AS A % OF ANNUAL ACTIVE MEMBER PAYROLL
6-30-74	\$ 59,553,376	\$ 47,546,849	80%	\$ 12,006,527	\$ 35,270,010	34%
6-30-75	67,641,232	56,100,213	83	11,541,019	40,849,878	28
6-30-76	87,155,968	67,027,999	77	20,127,969	46,848,679	43
6-30-77	102,297,741	81,962,092	80	20,335,649	52,889,851	38
6-30-78	119,141,132	98,015,315	82	21,125,817	59,933,726	35
6-30-79	139,339,808	120,427,888	86	18,911,920	68,125,873	28
6-30-80	161,723,394	143,124,478	88	18,598,916	75,851,475	25
6-30-81	187,934,297	174,896,238	93	13,038,059	85,810,155	15
6-30-82	222,472,470	209,225,419	94	13,247,051	97,295,847	14
6-30-83	250,280,229	249,539,820	99	740,409	105,153,394	1

ACTUARIAL SECTION

Solvency Test

Public Employees Retirement Fund

VALUATION DATE	AGGREGATE ACCRUED LIABILITIES FOR			VALUATION ASSETS	PORTION OF ACCRUED LIABILITIES COVERED BY VALUATION ASSETS		
	(1) ACTIVE MEMBER CONTRIBUTIONS	(2) RETIRANTS AND BENEFICIARIES	(3) ACTIVE MEMBERS (EMPLOYER FINANCED) PORTION		(1)	(2)	(3)
6-30-74	\$122,217,293	\$174,683,884	\$387,761,599	\$ 406,488,349	100%	100%	28.3%
6-30-75	140,812,318	180,736,853	403,624,696	449,178,269	100	100	31.6
6-30-76	162,472,171	196,054,871	457,566,819	511,152,418	100	100	33.4
6-30-77	184,769,384	253,907,624	491,686,146	613,887,437	100	100	35.6
6-30-78	208,427,480	292,112,546	522,730,413	702,543,189	100	100	38.6
6-30-79	226,947,848	345,872,689	565,084,961	812,971,819	100	100	42.5
6-30-80	258,890,661	367,546,715	636,061,977	923,152,292	100	100	46.6
6-30-81	288,843,040	433,833,496	712,964,089	1,101,847,894	100	100	53.2
6-30-82	319,169,116	513,219,039	814,599,634	1,278,462,836	100	100	54.8
6-30-83	360,204,148	623,703,428	891,652,284	1,474,041,241	100	100	55.0

Public Employees Police and Fire Fund

VALUATION DATE	AGGREGATE ACCRUED LIABILITIES FOR			VALUATION ASSETS	PORTION OF ACCRUED LIABILITIES COVERED BY VALUATION ASSETS		
	(1) ACTIVE MEMBER CONTRIBUTIONS	(2) RETIRANTS AND BENEFICIARIES	(3) ACTIVE MEMBERS (EMPLOYER FINANCED) PORTION		(1)	(2)	(3)
6-30-74	\$11,376,858	\$12,150,265	\$36,026,253	\$47,546,849	100%	100%	66.7%
6-30-75	13,843,626	13,645,992	40,151,614	56,100,213	100	100	71.3
6-30-76	16,907,641	15,176,161	55,721,166	67,027,999	100	100	62.7
6-30-77	20,178,644	22,011,953	60,107,144	81,962,092	100	100	66.2
6-30-78	24,101,847	27,220,656	67,818,629	98,015,315	100	100	68.8
6-30-79	28,292,740	34,616,570	76,430,498	120,427,888	100	100	75.3
6-30-80	33,387,970	38,873,454	89,461,970	143,124,478	100	100	79.2
6-30-81	38,999,677	44,501,989	104,432,631	174,896,238	100	100	87.5
6-30-82	45,912,887	59,878,585	120,930,978	209,225,419	100	100	85.5
6-30-83	52,847,292	65,633,438	131,799,499	249,539,820	100	100	99.4

ACTUARIAL SECTION

Schedule of Active Member
Valuation Data

Public Employees Retirement Fund

ACTIVE MEMBERS

VALUATION DATE	NUMBER	ANNUAL PAYROLL	ANNUAL AVERAGE PAY	% INCREASE IN AVERAGE PAY
6-30-74	74,863	\$ 506,950,682	\$ 6,596	—%
6-30-75	81,140	582,912,058	7,184	8.9
6-30-76	83,798	657,609,766	7,848	9.2
6-30-77	82,026	707,400,545	8,624	9.9
6-30-78	81,328	763,483,570	9,388	8.9
6-30-79	81,665	817,578,613	10,011	6.6
6-30-80	85,860	930,299,069	10,835	8.2
6-30-81	87,857	1,037,047,955	11,804	8.9
6-30-82	85,438	1,079,973,418	12,640	7.1
6-30-83	83,351	1,135,754,941	13,626	7.8

Public Employees Police and Fire Fund

ACTIVE MEMBERS

VALUATION DATE	NUMBER	ANNUAL PAYROLL	ANNUAL AVERAGE PAY	% INCREASE IN AVERAGE PAY
6-30-74	3,393	\$ 35,270,010	\$10,395	—%
6-30-75	3,690	40,849,878	11,070	6.5
6-30-76	3,800	46,848,679	12,329	11.4
6-30-77	3,732	52,889,851	14,172	14.9
6-30-78	3,971	59,933,726	15,093	6.5
6-30-79	4,092	68,125,873	16,649	10.3
6-30-80	4,185	75,851,475	18,125	8.9
6-30-81	4,356	85,810,155	19,699	8.7
6-30-82	4,508	97,295,847	21,583	9.6
6-30-83	4,596	105,153,394	22,879	6.0

ACTUARIAL SECTION

Schedule of
Retirants and Beneficiaries

Public Employees Retirement Fund

YEAR ENDED	ADDED TO ROLLS NO.	REMOVED FROM ROLLS NO.	ROLLS END OF YEAR		% INCREASE IN ANNUAL ALLOWANCES	AVERAGE ANNUAL ALLOWANCES
			NO.	ANNUAL ALLOWANCES		
6-30-74	999	583	11,321	\$19,617,342	—%	\$1,733
6-30-75	1,389	672	12,038	22,039,631	12.3	1,831
6-30-76	1,421	824	12,635	24,370,696	10.6	1,929
6-30-77	1,775	1,167	13,243	28,895,452	18.6	2,182
6-30-78	1,607	767	14,083	33,180,101	14.8	2,356
6-30-79	1,415	749	14,749	36,163,202	9.0	2,452
6-30-80	1,670	803	15,616	39,887,823	10.3	2,554
6-30-81	1,808	809	16,615	45,556,533	14.2	2,742
6-30-82	1,746	832	17,529	52,708,964	15.7	3,007
6-30-83	2,170	823	18,876	64,156,295	21.7	3,399

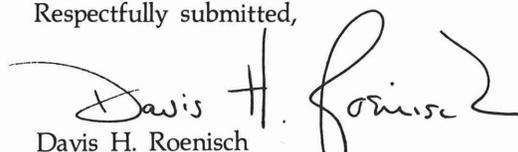
Public Employees Police and Fire Fund

YEAR ENDED	ADDED TO ROLLS NO.	REMOVED FROM ROLLS NO.	ROLLS END OF YEAR		% INCREASE IN ANNUAL ALLOWANCES	AVERAGE ANNUAL ALLOWANCES
			NO.	ANNUAL ALLOWANCES		
6-30-74	75	19	514	\$1,191,088	—%	\$2,317
6-30-75	93	23	584	1,386,781	16.4	2,375
6-30-76	62	31	615	1,555,374	12.2	2,529
6-30-77	119	77	657	1,933,612	24.3	2,943
6-30-78	100	33	726	2,421,612	25.2	3,336
6-30-79	133	46	813	2,931,102	21.0	3,605
6-30-80	101	71	843	3,378,785	15.3	4,008
6-30-81	120	74	889	3,874,616	14.7	4,358
6-30-82	94	76	907	4,691,766	21.1	5,173
6-30-83	84	41	950	5,576,067	18.8	5,870

Certification

The above exhibit has been prepared in accordance with the provisions of Section 356.20. The required reserves for formula benefits have been computed in accordance with the Entry Age Normal Cost Method.

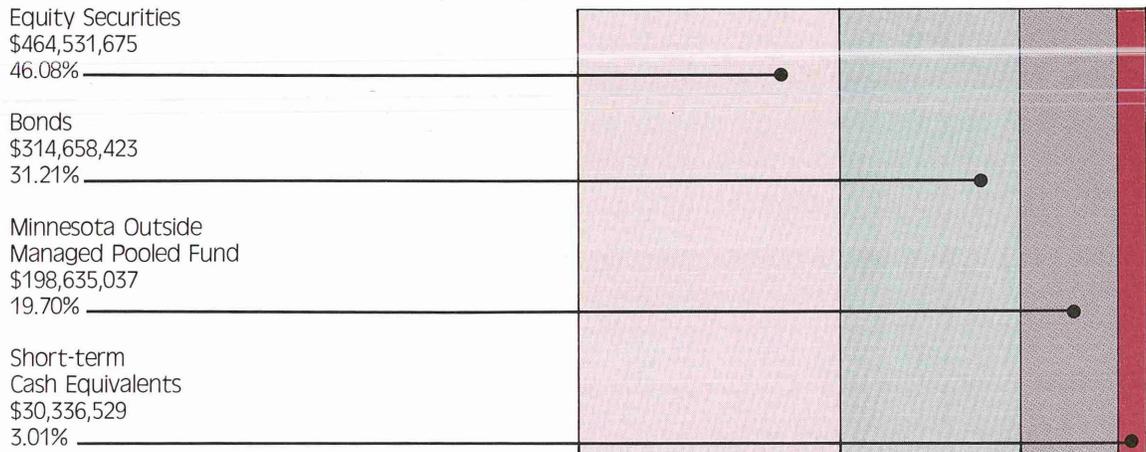
Respectfully submitted,


Davis H. Roensch

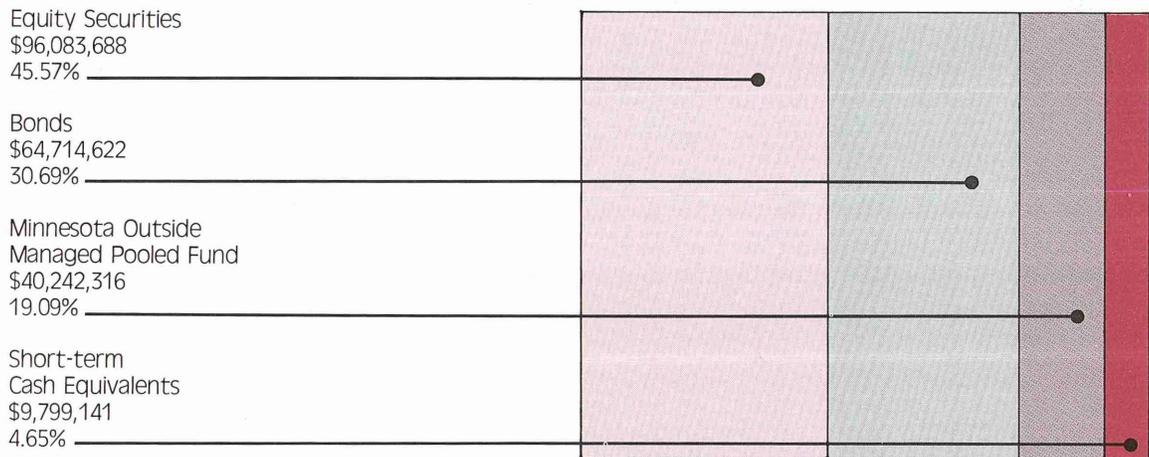
Charts

Investment Portfolio at Market Value

Public Employees Retirement Fund



Public Employees Police and Fire Fund



Annualized Time Weighted Total Rate of Return

FISCAL YEAR ENDED JUNE 30, 1983

	1983	1982	1981	1980	1979	5 Years
Public Employees Retirement Fund	41.4	1.2	7.2	8.3	9.9	12.8
Public Employees Police and Fire Fund	40.8	1.7	7.3	8.4	9.9	12.9

STATISTICAL SECTION

Revenue by Source
LAST TEN YEARS

Public Employees Retirement Fund

FISCAL YEAR	MEMBER CONTRIBUTION	EMPLOYER CONTRIBUTION	INVESTMENT INCOME*	OTHER	TOTAL
1974	\$ 24,807,250	\$ 33,433,889	\$ 19,840,689	\$ 2,072,751	\$ 80,154,579
1975	28,294,175	37,917,494	22,303,987	(17,798,397)**	70,717,259
1976	31,666,986	42,516,415	27,812,770	(8,469,156)**	93,527,015
1977	34,401,229	46,399,274	41,717,853	17,351,032**	139,869,388
1978	37,758,756	49,976,384	43,040,144	117,963	130,893,247
1979	39,776,778	53,638,655	50,325,609	18,808,283**	162,549,325
1980	44,050,933	59,580,988	69,171,882	3,019,326	175,823,129
1981	48,714,124	65,984,588	109,797,583	286,987	224,783,282
1982	52,277,226	70,913,313	117,582,773	2,712,379	243,485,691
1983	66,180,991	74,004,816	149,412,786	2,690,965	292,289,558

Public Employees Police and Fire Fund

FISCAL YEAR	MEMBER CONTRIBUTION	EMPLOYER CONTRIBUTION	INVESTMENT INCOME*	OTHER	TOTAL
1974	\$ 2,678,794	\$ 4,014,226	\$ 2,280,324	\$ 927,542	\$ 9,900,886
1975	3,176,814	4,745,986	2,911,443	(559,927)**	10,274,316
1976	3,723,620	5,568,005	3,542,309	33,015**	12,866,949
1977	4,186,038	6,269,852	5,168,804	1,698,291**	17,322,985
1978	4,970,771	7,130,024	5,844,490	1,004,715	18,950,000
1979	6,234,689	8,433,975	7,491,360	3,875,281**	26,035,305
1980	6,304,756	9,459,826	11,317,334	633,878	27,715,794
1981	7,109,496	10,659,980	17,344,782	637,865	35,752,123
1982	7,973,442	11,946,248	19,038,430	749,538	39,707,658
1983	9,702,059	12,953,387	25,391,187	540,123	48,586,756

*Includes Distributed Income of the Minnesota Post-Retirement Investment Fund.

**Includes Gain or Loss From Statutory Valuation of the Minnesota Post-Retirement Investment Fund.

STATISTICAL SECTION

**Revenue Ratios by
Source of Revenue**
EXCLUDING OTHER INCOME

Public Employees Retirement Fund

<u>FISCAL YEAR</u>	<u>MEMBER CONTRIBUTION</u>	<u>EMPLOYER CONTRIBUTION</u>	<u>INVESTMENT INCOME</u>	<u>TOTAL REVENUES</u>
1974	31.8%	42.8%	25.4%	100.0%
1975	32.0	42.8	25.2	100.0
1976	31.0	41.7	27.3	100.0
1977	28.1	37.9	34.0	100.0
1978	28.9	38.2	32.9	100.0
1979	27.7	37.3	35.0	100.0
1980	25.5	34.5	40.0	100.0
1981	21.7	29.4	48.9	100.0
1982	21.7	29.5	48.8	100.0
1983	22.8	25.6	51.6	100.0

Public Employees Police and Fire Fund

<u>FISCAL YEAR</u>	<u>MEMBER CONTRIBUTION</u>	<u>EMPLOYER CONTRIBUTION</u>	<u>INVESTMENT INCOME</u>	<u>TOTAL REVENUES</u>
1974	29.9%	44.7%	25.4%	100.0%
1975	29.3	43.8	26.9	100.0
1976	29.0	43.4	27.6	100.0
1977	26.8	40.1	33.1	100.0
1978	27.7	39.7	32.6	100.0
1979	28.1	38.1	33.8	100.0
1980	23.3	34.9	41.8	100.0
1981	20.2	30.4	49.4	100.0
1982	20.5	30.7	48.8	100.0
1983	20.2	27.0	52.8	100.0

STATISTICAL SECTION

Expense by Type

LAST TEN YEARS

Public Employees Retirement Fund

FISCAL YEAR	BENEFIT	ADMINISTRATION	OTHER	TOTAL
1974	\$ 22,015,575	\$ 808,386	\$ 101,968	\$ 22,925,929
1975	27,127,719	867,914	31,706	28,027,339
1976	30,567,900	972,832	12,134	31,552,866
1977	36,049,205	1,049,808	35,356	37,134,369
1978	41,054,641	1,122,752	60,101	42,237,494
1979	45,752,228	1,255,900	5,112,567	52,120,695
1980	52,299,773	1,462,549	23,273	53,785,595
1981	56,012,596	1,776,229	155,916	57,944,741
1982	64,612,920	2,357,453	146,125	67,116,498
1983	73,059,024	2,506,488	20,899,892	96,465,404

Public Employees Police and Fire Fund

FISCAL YEAR	BENEFIT	ADMINISTRATION	OTHER	TOTAL
1974	\$ 1,262,639	\$ 35,467	\$ 15,109	\$ 1,313,215
1975	1,672,431	38,655	9,867	1,720,953
1976	1,883,189	43,013	12,960	1,939,162
1977	2,334,890	46,945	7,057	2,388,892
1978	2,831,743	53,782	11,252	2,896,777
1979	3,469,056	77,071	76,605	3,622,732
1980	4,310,672	76,401	—	4,387,073
1981	4,504,585	92,872	15,037	4,612,494
1982	5,227,892	130,346	33,616	5,391,854
1983	6,182,890	141,397	1,934,691	8,258,978

STATISTICAL SECTION

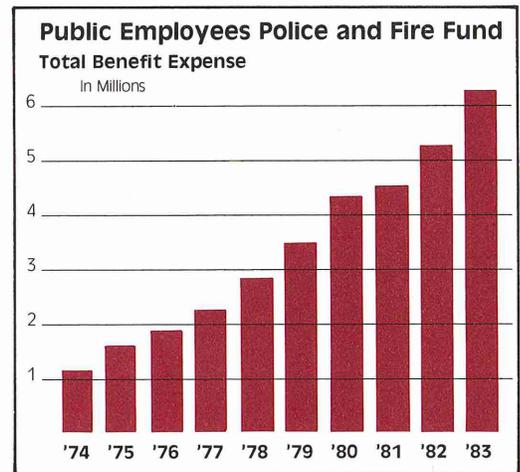
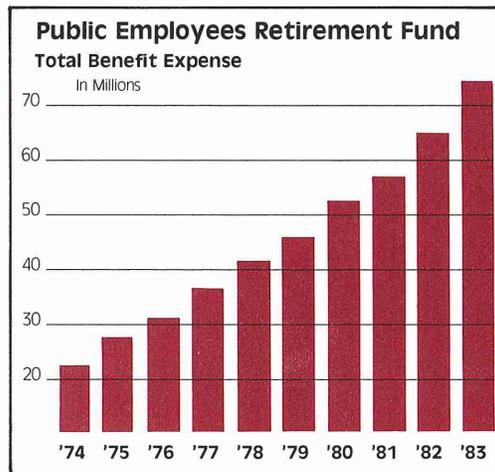
Benefit Expense by Type
LAST TEN YEARS

Public Employees Retirement Fund

FISCAL YEAR	RETIREMENT	SURVIVOR	DISABILITY	REFUND	TOTAL
1974	\$ 14,112,792	\$ 3,018,150	\$ 477,003	\$ 4,407,630	\$ 22,015,575
1975	17,144,091	3,540,726	843,395	5,599,507	27,127,719
1976	19,319,359	4,634,131	1,034,407	5,580,003	30,567,900
1977	22,459,271	4,958,728	1,405,928	7,225,278	36,049,205
1978	26,829,188	4,410,475	1,846,544	7,968,434	41,054,641
1979	28,741,645	4,745,083	2,024,043	10,241,457	45,752,228
1980	33,457,964	5,617,932	2,261,938	10,961,939	52,299,773
1981	37,584,023	5,850,801	2,486,135	10,091,637	56,012,596
1982	43,865,092	6,212,786	2,666,107	11,868,935	64,612,920
1983	52,962,829	6,668,682	2,956,089	10,471,424	73,059,024

Public Employees Police and Fire Fund

FISCAL YEAR	RETIREMENT	SURVIVOR	DISABILITY	REFUND	TOTAL
1974	\$ 805,114	\$ 188,005	\$ 18,836	\$ 250,684	\$ 1,262,639
1975	1,001,459	238,096	36,230	396,646	1,672,431
1976	1,185,139	284,926	43,743	369,381	1,883,189
1977	1,435,339	318,893	79,082	501,576	2,334,890
1978	1,819,833	331,763	121,540	558,607	2,831,743
1979	2,231,296	378,596	140,260	718,904	3,469,056
1980	2,709,707	451,393	127,206	1,022,366	4,310,672
1981	3,073,171	486,437	157,292	787,685	4,504,585
1982	3,655,955	567,594	276,319	728,024	5,227,892
1983	4,377,043	680,350	300,404	825,093	6,182,890



STATISTICAL SECTION

Additions to Net Assets Available
LAST TEN YEARS

Public Employees Retirement Fund

FISCAL YEAR	REVENUES	EXPENSES	ANNUAL ADDITIONS	NET ASSETS AVAILABLE
1974	\$ 80,154,579	\$ 22,925,929	\$ 57,228,650	\$ 406,488,348
1975	70,717,259	28,027,339	42,689,920	449,178,268
1976	93,527,015	31,552,866	61,974,149	511,152,417
1977	139,869,388	37,134,369	102,735,019	613,887,436
1978	130,893,247	42,237,494	88,655,753	702,543,189
1979	162,549,325	52,120,695	110,428,630	812,971,819
1980	175,823,129	53,785,595	122,037,534	935,009,353
1981	224,783,282	57,944,741	166,838,541	1,101,847,894
1982	243,485,691	67,116,498	176,369,193	1,278,217,087
1983	292,289,558	96,465,404	195,824,154	1,474,041,241

Public Employees Police and Fire Fund

FISCAL YEAR	REVENUES	EXPENSES	ANNUAL ADDITIONS	NET ASSETS AVAILABLE
1974	\$ 9,900,886	\$ 1,313,215	\$ 8,587,671	\$ 47,546,849
1975	10,274,316	1,720,953	8,553,363	56,100,212
1976	12,866,949	1,939,162	10,927,787	67,027,999
1977	17,322,985	2,388,892	14,934,093	81,962,092
1978	18,950,000	2,896,777	16,053,223	98,015,315
1979	26,035,305	3,622,732	22,412,573	120,427,888
1980	27,715,794	4,387,073	23,328,721	143,756,609
1981	35,752,123	4,612,494	31,139,629	174,896,238
1982	39,707,658	5,391,854	34,315,804	209,212,042
1983	48,586,756	8,258,978	40,327,778	249,539,820

STATISTICAL SECTION

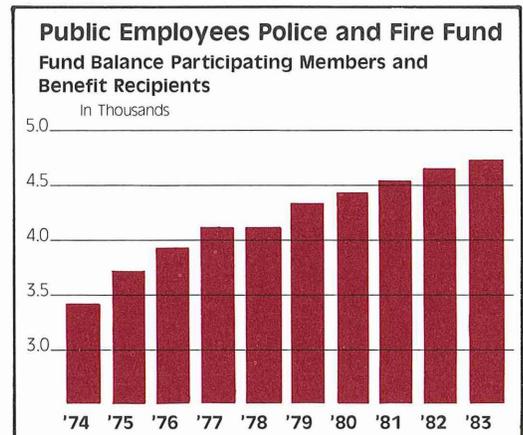
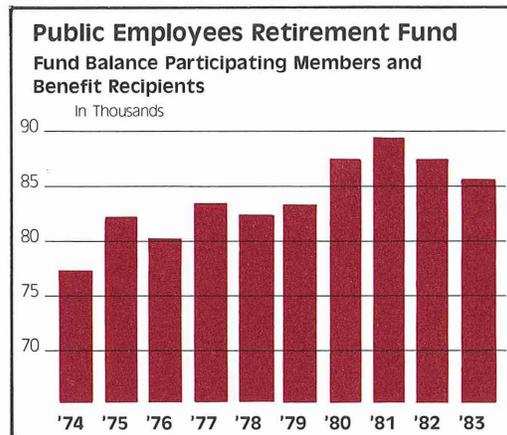
Schedule of Participating Members And Benefit Recipients LAST TEN YEARS

Public Employees Retirement Fund

Fiscal Year	Beginning Balance	Additions			Separations		Fund Balance
		New	Reinstated	Refunded	Benefit	Terminated	
1974	73,782	16,069	2,789	13,288	1,105	542	77,705
1975	77,705	15,848	3,040	13,258	1,282	2	82,051
1976	82,051	15,017	3,076	14,034	1,318	4,464	80,328
1977	80,328	15,935	3,439	14,828	1,331	421	83,122
1978	83,122	15,510	3,913	17,473	1,355	1,157	82,560
1979	82,560	13,606	4,423	14,560	1,426	1,544	83,059
1980	83,059	16,685	4,292	14,695	1,634	308	87,399
1981	87,399	13,557	4,358	13,754	1,825	170	89,565
1982	89,565	9,264	3,519	8,753	1,917	4,350	87,328
1983	87,328	7,316	2,799	6,553	1,897	3,668	85,325*

Public Employees Police and Fire Fund

Fiscal Year	Beginning Balance	Additions			Separations		Fund Balance
		New	Reinstated	Refunded	Benefit	Terminated	
1974	3,118	554	86	302	38	8	3,410
1975	3,410	580	129	338	69	—	3,712
1976	3,712	583	103	345	70	—	3,983
1977	3,983	497	70	325	63	10	4,152
1978	4,152	519	88	285	90	213	4,171
1979	4,171	546	134	317	113	119	4,302
1980	4,302	428	193	422	100	—	4,401
1981	4,401	395	200	308	116	3	4,569
1982	4,569	297	156	116	111	109	4,686
1983	4,686	317	116	114	78	152	4,775**



*Includes 1,974 Deferred Members
**Includes 179 Deferred Members

STATISTICAL SECTION

Schedule of Retired Members
by Amount and Type of Benefit

Public Employees Retirement Fund

Amount of Monthly Benefit	Type I				Type II				Total
	Annuitant	Optional Annuitant	Disabilitant	Survivor	Annuitant	Optional Annuitant	Disabilitant	Survivor	
\$ 1 - 200	2,274	63	22	2,494	4,702	212	242	64	10,073
201 - 400	1,432	25	10	43	2,585	118	138	241	4,592
401 - 600	262	5	2	—	1,478	56	101	220	2,124
601 - 800	26	1	—	—	774	17	76	12	906
801 - 1,000	2	—	—	—	517	9	32	1	561
1,001 - 1,200	3	—	—	—	278	7	22	—	310
1,201 - 1,400	—	—	—	—	150	2	8	—	160
1,401 - 1,600	—	—	—	—	64	—	3	—	67
1,601 - 1,800	—	—	—	—	40	1	2	—	43
1,801 - 2,000	—	—	—	—	17	—	—	—	17
Over 2,000	—	—	—	—	23	—	—	—	23
	<u>3,999</u>	<u>94</u>	<u>34</u>	<u>2,537</u>	<u>10,628</u>	<u>422</u>	<u>624</u>	<u>538</u>	<u>18,876</u>

Public Employees Police and Fire Fund

Amount of Monthly Benefit	Type I				Type II				Total
	Annuitant	Optional Annuitant	Disabilitant	Survivor	Annuitant	Optional Annuitant	Disabilitant	Survivor	
\$ 1 - 200	59	7	—	101	53	9	1	1	231
201 - 400	69	5	1	13	86	14	10	25	223
401 - 600	32	—	—	1	112	3	11	32	191
601 - 800	4	—	—	—	101	—	12	9	126
801 - 1,000	1	—	—	—	88	—	9	2	100
1,001 - 1,200	—	—	—	—	39	—	—	1	40
1,201 - 1,400	—	—	—	—	26	1	—	1	28
1,401 - 1,600	—	—	—	—	8	—	—	—	8
1,601 - 1,800	—	—	—	—	1	—	—	—	1
1,801 - 2,000	—	—	—	—	2	—	—	—	2
Over 2,000	—	—	—	—	—	—	—	—	—
	<u>165</u>	<u>12</u>	<u>1</u>	<u>115</u>	<u>516</u>	<u>27</u>	<u>43</u>	<u>71</u>	<u>950</u>

Type I = Benefit Calculated on Career Average Salary
Type II = Benefit Calculated on Highest Five Years' Average Salary

STATISTICAL SECTION

Participating Employers

Cities and Townships

Ada
Adams
Adrian
Aitkin
Akeley
Albany
Albert Lea
Albertville
Albion
Alden
Alexandria
Alpha
Altura
Alvarado
Amboy
Andover
Annandale
Anoka
Antrim
Appleton
Apple Valley
Arden Hills
Argyle
Arlington
Ashby
Ashland
Askov
Atwater
Audubon
Aurora
Austin
Avoca
Avon
Babbitt
Backus
Badger
Bagley
Balaton
Balkan
Barnesville
Barnum
Barrett
Bashaw
Bassbrook
Battle Lake
Baudette
Baxter
Bayport
Beardsley
Beaver Bay
Beaver Creek
Becker
Belgrade
Belle Creek
Belle Plaine
Bellingham
Belview
Bemidji
Benson
Benton
Bertha
Big Falls
Big Lake
Bigelow
Bigfork
Birchwood
Bird Island
Biscay

Biwabik
Blackduck
Blaine
Blooming Prairie
Bloomington
Blue Earth
Bovey
Boyd
Braham
Brainerd
Branch
Brandon
Breckenridge
Breezy Point
Breitung
Brewster
Bricklyn
Bristol
Brook Park
Brooklyn Center
Brooklyn Park
Brooten
Browerville
Browns Valley
Brownsdale
Brownston
Buffalo
Buffalo Lake
Buhl
Burnsville
Butterfield
Byron
Caledonia
Callaway
Calumet
Cambridge
Camden
Campbell
Canby
Cannon Falls
Canton
Carlos
Carlton
Carver
Cass Lake
Cedar Mills
Center City
Centerville
Ceylon
Champlin
Chandler
Chanhassen
Chaska
Chatfield
Chisago City
Chisago Lake
Chisholm
Chokio
Circle Pines
Clara City
Claremont
Clarissa
Clarkfield
Clarks Grove
Clear Lake
Clearbrook
Clearwater
Clements

Cleveland
Clinton
Clontarf
Cloquet
Cokato
Cold Spring
Coleraine
Cologne
Columbia Heights
Columbus
Comfrey
Concord
Conger
Cook
Coon Rapids
Corcoran
Corinna
Cosmos
Cottage Grove
Cottonwood
Courtland
Cromwell
Crockston
Crosby
Crosslake
Crow River
Crystal
Crystal Bay
Currie
Cyrus
Dahlgren
Dalton
Danube
Danvers
Darwin
Dassel
Dawson
Dayton
Deephaven
Deer Creek
Deer River
Deerwood
DeGraff
Delano
Delavan
Dellwood
Dent
Detroit Lakes
Dewald
Dexter
Dilworth
Dodge Center
Donnelly
Dovray
Duluth
Dumont
Dundas
Dundee
Dunn
Dunnell
Eagan
Eagle Bend
Eagle Lake
East Bethel
East Grand Forks
Easton
Echo
Eden Prairie
Eden Valley
Edgerton
Edina
Elbow Lake
Elgin
Elizabeth
Elk River
Elko

Ellendale
Ellsworth
Elmdale
Elmore
Ely
Elysian
Embarrass
Emily
Emmons
Empire
Erhard
Erskine
Evansville
Eveleth
Excelsior
Eyota
Fairfax
Fairmont
Falcon Heights
Fall Lake
Faribault
Farmington
Fayal
Felton
Fergus Falls
Fertile
Fifty Lakes
Finlayson
Fish Lake
Fisher
Flensburg
Floodwood
Foley
Forest Lake
Foreston
Fosston
Fountain
Franconia
Frankfort
Franklin
Frazee
Freeborn
Freeport
French Lake
Fridley
Frost
Fulda
Garvin
Gary
Gaylord
Ghent
Gibbon
Gilbert
Gilman
Glencoe
Glenville
Glenwood
Glyndon
Golden Valley
Gonvick
Good Thunder
Goodhue
Goodridge
Goodview
Graceville
Grand Marais
Grand Meadow
Grand Rapids
Granada
Granite Falls
Grasston
Great Scott
Green Isle
Greenbush
Greenfield
Greenway

Grey Eagle
Grove City
Grygla
Hackensack
Hadley
Hallock
Halstad
Ham Lake
Hamburg
Hancock
Hanley Falls
Hanover
Hanska
Harmony
Harris
Hartland
Hassan
Hastings
Hawley
Hayfield
Hazelton
Hector
Henderson
Hendricks
Hendrum
Henning
Herman
Hermantown
Heron Lake
Hewitt
Hibbing
Hill City
Hills
Hilltop
Hinckley
Hitterdal
Hoffman
Hokah
Holding
Holdingford
Holland
Holloway
Hollywood
Home
Hopkins
Houston
Howard Lake
Hoyt Lakes
Hugo
Hutchinson
Ideal
Independence
International Falls
Inver Grove Heights
Iona
Iron Range
Irondale
Ironton
Isanti
Isle
Ivanhoe
Jackson
Janesville
Jasper
Jeffers
Jenkins
Johnsonville
Jordan
Kandiyohi
Karistad
Kasota
Kasson
Keewatin
Kelliher
Kellogg
Kennedy
Kensington
Kenyon
Kerkhoven
Kettle River
Kiester
Kimball
Kinney
Krain
La Crescent
Lafayette
La Grande
Lake Benton
Lake Bronson
Lake City

Lake Crystal
Lake Edward
Lake Elmo
Lake Hanska
Lake Lillian
Lake Park
Lake Shore
Lake View
Lake Wilson
Lakeland
Laketown
Lakeville
Lakin
Lamberton
Lancaster
Landfall
Lanesboro
LaPrairie
Lauderdale
Le Center
Le Roy
Le Sueur
Lengby
Leon
Lester Prairie
Lewiston
Lewisville
Lexington
Linden
Lindstrom
Lino Lakes
Linwood
Lismore
Litchfield
Little Canada
Little Falls
Littlefork
Livonia
Long Lake
Long Prairie
Longville
Lonsdale
Lucan
Luverne
Lyle
Lynd
Mabel
Madelia
Madison
Madison Lake
Magnolia
Mahonomen
Mahtomedi
Mankato
Mantorville
Maple Grove
Maple Lake
Maple Plain
Mapleton
Mapleview
Maplewood
Marble
Marietta
Marine on St. Croix
Marshall
Martin
Marysville
May
Mayer
Maynard
Mazepa
McKinley
McGrath
McGregor
McIntosh
Medford
Medina
Melrose
Menahga
Mendota Heights
Mentor
Middle River
Middleville
Milaca
Milan
Millerville
Millville
Milroy
Milton

Miltona
Minneapolis
Minneota
Minnesota Lake
Minnetonka
Minnetonka Beach
Minnetrissa
Montevideo
Montgomery
Monticello
Montrose
Moorhead
Moose Lake
Mora
Morgan
Morris
Morristown
Morse
Morton
Motley
Mound
Mounds View
Mountain Iron
Mountain Lake
Murdock
Nashwauk
Nessel
Nevis
New Brighton
New Germany
New Hope
New London
New Munich
New Prague
New Richland
New Scandia
New Ulm
New York Mills
Newburg
Newfolden
Newport
Nicollet
Nisswa
Nordland
North Branch
North Hero
North Mankato
North Oaks
North St. Paul
Northfield
Northome
Northrop
Norway
Norwood
Oak Grove
Oak Lawn
Oak Park Heights
Oakdale
Odessa
Ogema
Ogilvie
Okabena
Oklee
Olivia
Onamia
Orono
Oronoco
Orr
Ortonville
Osakis
Oslo
Osseo
Otsego
Ostrander
Owatonna
Palisade
Park Rapids
Parkers Prairie
Paynesville
Pelican
Pelican Rapids
Pegquot Lakes
Perham
Pierz
Pine City
Pine Island
Pine River
Pipestone
Plainview
Plato

Plummer
Plymouth
Preble
Preston
Princeton
Prinsburg
Prior Lake
Proctor
Quincy
Ramsey
Randall
Randolph
Ranier
Raymond
Red Lake Falls
Red Wing
Redwood Falls
Remer
Renville
Rice Lake
Richfield
Richmond
Robbinsdale
Rochester
Rock Creek
Rockford
Rogers
Rollingstone
Roosevelt
Rose Creek
Roseau
Rosemount
Roseville
Rothsay
Round Lake
Royalton
Rush City
Rushford
Rushmore
Russell
Ruthton
Rutland
Sacred Heart
St. Anthony
St. Bonifacius
St. Charles
St. Clair
St. Cloud
St. Francis
St. Hilaire
St. James
St. Joseph
St. Leo
St. Louis Park
St. Michael
St. Paul
St. Paul Park
St. Peter
Sanborn
Sandstone
Sargeant
Sartell
Sauk Centre
Sauk Rapids
Savage
Scandia Valley
Scanlon
Sebeka
Shakopee
Shamrock
Sherburn
Shoreview
Shorewood
Silver Bay
Silver Creek
Silver Lake
Slayton
Sleepy Eye
South International Falls
South St. Paul
South Bend
South Branch
South Haven
Southside
Spencer
Spicer
Spring Grove
Spring Lake Park
Spring Park
Spring Valley

Springfield
Stacy
Stanford
Staples
Star Lake
Starbuck
Stephen
Stewart
Stewartville
Stillwater
Stockholm
Randall
Storden
Sverdrup
Swanville
Sylvan
Taconite
Taylors Falls
Thief River Falls
Thomson
Tintah
Tonka Bay
Tower
Tracy
Trimont
Truman
Twin Lakes
Twin Valley
Two Harbors
Tyler
Ulen
Underwood
Upsala
Vadnais Heights
Vasa
Vergas
Vermillion
Verndale
Vernon
Vernon Center
Vesta
Victor
Victoria
Virginia
Wabasha
Wabasso
Waconia
Wadena
Wahkon
Waite Park
Waldorf
Walker

Counties

Aitkin
Anoka
Becker
Beltrami
Benton
Big Stone
Blue Earth
Brown
Carlton
Carver
Cass
Chippewa
Chisago
Clay
Clearwater
Cook
Cottonwood
Crow Wing
Dakota
Dodge
Douglas
Faribault
Fillmore
Freeborn
Goodhue
Grant
Hennepin
Houston
Hubbard
Isanti
Itasca
Jackson
Kanabec
Kandiyohi
Kittson
Koochiching
Lac qui Parle

Walnut Grove
Waltham
Wanamingo
Wanda
Warren
Warroad
Warsaw
Waseca
Watertown
Waterville
Watkins
Watson
Waubun
Waverly
Wayzata
Welcome
Wells
Wendell
West Concord
West St. Paul
Westbrook
Wheaton
White
White Bear
White Bear Lake
Willernie
Williams
Willmar
Wilmont
Windom
Winger
Winnebago
Winona
Winsted
Winthrop
Winton
Wolf Lake
Wolverton
Wood Lake
Woodbury
Woodland
Worthington
Wrenshall
Wyanett
Wykoff
Wyoming
York
Young America
Yucatan
Zimmerman
Zumbrota

Lake
Lake of the Woods
Le Sueur
Lincoln
Lyon
Mahnomen
Marshall
Martin
McLeod
Meeker
Mille Lacs
Morrison
Mower
Murray
Nicollet
Nobles
Norman
Olmsted
Ottertail
Pennington
Pine
Pipestone
Polk
Pope
Ramsey
Red Lake
Redwood
Renville
Rice
Rock
Roseau
St. Louis
Scott
Sherburne
Sibley
Stearns
Steele

Stevens
Swift
Todd
Traverse
Wabasha
Wadena
Waseca

Washington
Watsonwan
Wilkin
Winona
Wright
Yellow Medicine

School Districts

Ada #521
Adrian #511
Aitkin #1
Akeley #301
Albany #745
Albert Lea #241
Alden #242
Alexandria #206
Alvarado #436
Amboy-Good
Thunder #79
Annandale #876
Anoka-Hennepin #11
Anoka-Isanti #15
Appleton #784
Argyle #437
Arlington-Green Isle #731
Ashby #261
Askov #566
Atwater #341
Audubon #21
Aurora-Hoyt Lakes #691
Austin #492
Babbitt #692
Backus #114
Badger #676
Bagley #162
Balaton #411
Barnesville #146
Barnum #91
Barrett #262
Battle Lake #542
Beardsley #57
Becker #726
Belgrade #736
Belle Plaine #716
Bellingham #371
Belview #631
Bemidji #31
Benson #777
Bertha-Hewitt #786
Big Lake #727
Bird Island #646
Biwabik #693
Blackduck #32
Blooming Prairie #756
Bloomington #271
Blue Earth #240
Borup #522
Braham #314
Brainerd #181
Brandon #207
Breckenridge #846
Brewster #513
Bricelyn #217
Brooklyn Center #286
Brooten #737
Browerville #787
Browns Valley #801
Brownton #421
Buffalo #877
Buffalo Lake #647
Buhl #694
Burnsville #191
Butterfield #836
Byron #531
Caledonia #299
Cambria #911
Cambell-Tintah #852
Canby #891
Cannon Falls #252
Carlton #93
Cass Lake #115
Ceylon #451
Chaska #112
Chatfield #227
Chisholm #695
Chokio #771
Circle Pines #12
Clara City #126
Claremont #201
Clarissa #789
Clarkfield #892
Clearbrook #161
Cleveland #391
Climax #592
Clinton #58
Cloquet #94
Cold Spring #750
Coleraine #316
Columbia Heights #13
Comfrey #81
Cosmos #461
Cottonwood #412
Cromwell #95
Crookston #593
Crosby-Ironton #182
Cyrus #611
Dakota County Vo Tech
Danube #648
Dassel-Cokato #466
Dawson #378
Deer Creek #543
Deer River #317
Delano #879
Delavan #218
Detroit Lakes #22
Dilworth #147
Dodge Center #202
Duluth #709
Eagle Bend #790
East Chain #453
East Grand Forks #595
Echo #893
Eden Prairie #272
Eden Valley-Watkins #463
Edgerton #581
Edina #273
Elbow Lake-Wendell #263
Elgin #806
Elk River #728
Ellendale #762
Ellsworth #514
Elmore #219
Ely #696
Emmons #243
Erskine #597
Esko #99
Evansville #208
Eveleth #697
Eyota-Dover #533
Fairfax #649
Fairmont #454
Faribault #656
Farmington #192
Fergus Falls #544
Fergus Falls #935
Fertile #599
Finlayson #570
Fisher #600
Floodwood #698
Foley #51

STATISTICAL SECTION

Employers
CONTINUED

Forest Lake #831
Fosston #601
Franklin #650
Frazee #23
Freeborn #244
Fridley #14
Fulda #505
Garden City #78
Gary #523
Gaylord #732
Gibbon #733
Gilbert #699
Glencoe #422
Glenville #245
Glenwood #612
Glyndon-Felton #145
Gonvick #158
Goodhue #253
Goodridge #611
Graceville #60
Granada-Huntley #460
Grand Marais #166
Grand Meadow #495
Grand Rapids #318
Granite Falls #894
Greenbush #678
Grey Eagle #791
Grove City #464
Grygla #447
Hallock #351
Halstad #524
Hancock #768
Harmony #228
Hastings #200
Hawley #150
Hayfield #203
Hector #651
Henderson #734
Hendricks #402
Hendrum #525
Henning #545
Herman #264
Hermantown #700
Heron Lake-Okabena #330
Hibbing #701
Hill City #2
Hills-Beaver Creek #671
Hinckley #573
Hoffman #265
Holdingford #738
Hopkins #270
Houston #294
Howard Lake #880
Humboldt #352
Hutchinson #423
International Falls #361
Inver Grove Heights #199
Isle #473
Ivanhoe #403
Jackson #324
Janesville #830
Jasper #582
Jeffers-Storden #178
Jordan #717
Karlstad #353
Kasson #204
Kelliher #36
Kennedy #354
Kensington #209

Kenyon #254
Kerkhoven-Murdock-
Sunburg #775
Kiester #222
Kimball #739
La Crescent #300
Lake County #381
Lake Benton #404
Lake City #813
Lake Crystal #70
Lake Park #24
Lake Wilson-Chandler #918
Lake of the Woods #390
Lakefield #325
Lakeville #194
Lamberton #633
Lancaster #356
Lanesboro #229
Laporte #306
LeCenter #392
LeRoy-Ostrander #499
LeSueur #393
Lester Prairie #424
Lewiston #857
Lindstrom-Chisago Lakes #141
Litchfield #465
Little Falls #482
Littlefork-Big Falls #362
Long Prairie #792
Lyle #497
Lynd #415
Mabel-Canton #238
Madelia #837
Madison #377
Magnolia #669
Mahnomen #432
Mahtomedi #832
Mankato #77
Maple Lake #881
Mapleton #72
Marietta #376
Marshall #413
Maynard #127
Mazeppa #809
McGregor #4
McIntosh #603
Medford #763
Melrose #740
Menahga #821
Mentor #604
Middle River #440
Milaca #912
Milan #128
Milroy #635
Minneapolis #15
Minneota #414
Minnesota Lake #223
Minnesota River Valley #993
Minnetonka #276
Montevideo #129
Montgomery #394
Monticello #882
Moorhead #152
Moose Lake #97
Mora #332
Morgan #636
Morris #769
Morristown #657
Morton #652

Motley #483
Mound #277
Mounds View #621
Mountain Iron #703
Mountain Lake #173
Nashwauk-Keewatin #319
Nett Lake #707
Nevis #308
New London-Spicer #345
New Prague #721
New Richland #827
New Ulm-Hanska #88
New York Mills #553
Newfolden #441
Nicollet #507
North Branch #138
North St. Paul-Maplewood #622
Northfield #659
Norwood-Young America #108
Ogilvie #333
Oklee #627
Olivia #653
Onamia #480
Orono #278
Ortonville #62
Osakis #213
Oslo #442
Osseo #279
Owatonna #761
Park Rapids #309
Parkers Prairie #547
Paynesville #741
Pelican Rapids #548
Pequot Lakes #186
Perham #549
Peterson #232
Pierz #484
Pillager #116
Pine City #578
Pine City Vo Tech
Pine Island #255
Pine River #117
Pipestone #583
Plainview #810
Plummer #628
Preston #233
Princeton #477
Prior Lake #719
Proctor #704
Randolph #195
Raymond #346
Red Lake #38
Red Lake Falls #630
Red Wing #256
Redwood Falls #637
Remer #118
Renville #654
Richfield #280
Robbinsdale #281
Rochester #535
Rock County #670
Rockford #883
Roseau #682
Rosemount #196
Roseville #623
Rothsay #850
Round Lake #516
Royalton #485
Rush City #139
Rushford #234
Russell #418
Ruthton #584
Sacred Heart #655
St. Anthony #282
St. Charles #858
St. Clair #75
St. Cloud #742
St. James #840

St. Louis County #710
St. Louis Park #283
St. Michael-Albertville #885
St. Paul #625
St. Peter #508
Sanborn #638
Sandstone #576
Sartell #748
Sauk Centre #743
Sauk Rapids #47
Sebeka #820
Shakopee #720
Sherburn #456
Silver Lake #425
Sioux Valley #328
Slayton #504
Sleepy Eye #84
South Koochiching County-
Rainy River
Southland #500
South St. Paul #6
South Washington County #833
Spring Grove #297
Spring Lake Park #16
Spring Valley #237
Springfield #85
Staples #793
Starbuck #614
Stephen #443
Stewart #426
Stewartville #534
Stillwater #834
Strandquist #444
Suburban Hennepin Vo Tech
Swanville #486
Taylors Falls #140
Thief River Falls #564
Tower-Soudan #708
Tracy #417
Trimont #457
Truman #458
Twin Valley #526
Tyler #409
Ulen-Hitterdal #914
Underwood #550
Upsala #487
Verdi #408
Verndale #818
Villard #615
Virginia #706
Wabasha-Kellogg #811
Wabasso #640
Waconia #110
Wadena #819
Wadena Vo Tech
Waldorf-Pemberton #913
Walker #119
Walnut Grove #641
Wanamingo #258
Warren #446
Warroad #690
Waseca #829
Watertown-Mayer #111
Waterville-Elysian #395
Waubun-Ogema-White Earth #435
Wayzata #284
Welcome #459
Wellcome Memorial-Garden
City #78
Wells #224
West Concord #205
West St. Paul #197
Westbrook #175
Wheaton #803
White Bear Lake #624
White Bear Lake Vo Tech #916
Willmar #347
Willow River #577
Windom #177
Winnebago #225
Winona #861
Winsted #427
Winthrop #735
Wood Lake #896
Worthington #518
Wrenshall #100
Wykoff #236
Zumbrota #260

Miscellaneous

Adams Health Care Center
Agassiz Valley Vocational Center
Aitkin County Soil and Water
Alexandria Lake Area Sanitary District
Ambulatory Care Center of Lamberton
Arrowhead Library System
Arrowhead Regional Development
Association of Minnesota Counties
Battle Lake Area Landfill Association
Battle Lake Motor
Becker Water and Soil
Beltrami County Water and Soil
Bemidji Regional Interdistrict Council
Benton County Water and Soil
Benton-Stearns Special Education Co-op
Big Stone Water and Soil
Blue Earth County Water and Soil
Blue Mound Co-op Center #9
Bonanza Valley Co-op Center
Boundary Waters Special Education Co-op
Bovey-Coleraine Joint Tri Plant Commission
Brown County Water and Soil
Brown Nicollet Human Service Board
Burns-Homer-Pleasant Water and Soil
Carlton County Water and Soil
Carver County Water and Soil
Carver-Scott Co-op Center
Cass County Water and Soil
Central Minnesota ERDC
Central Minnesota Libraries Extension
Central Minnesota Regional Development
Chisago Water and Soil
Circle Pines-Lexington Joint Police Commission
Clay County Vocational Center
Clay County Water and Soil
Clearwater County Nursing Service
Clearwater County Water and Soil
Cottonwood County Water and Soil
Cottonwood River Vocational Center
Crow River Regional Library
Crow Wing County Water and Soil
Dakota County Water and Soil
Des Moines Valley Nursing Service
Dodge Center Water and Soil
Douglas County Water and Soil
Dover-Eyota St. Charles Sanitation
East Agassiz Water and Soil
East Central Co-op Center
East Central Regional Development Commission
East Central Regional Library
East Ottertail Water and Soil
East Polk Water and Soil
East Range Vocational Center
Educational Co-op Service
Educational Co-op Service Unit
Faribault County Water and Soil
Faribault Martin Watonwan Human Service Bd.
Freeborn County Water and Soil
Glacial Ridge Co-op Center
Goodhue County Water and Soil
Government Training Service
Governor's Office State Central Payroll
Grant County Water and Soil
Great River Regional Library
Greenway Joint Recreation Association
Headwaters Regional Development Commission
Highland Vocational Co-op Center #1
Hubbard County Water and Soil
Hudson Sanitary Landfill Authority
Inter County Nursing Service
Interdistrict Special Ed. Co-op
Interdistrict Vocational Center
International Union Operating Engineers
Itasca County Water and Soil
Joint Powers Board
Kanabec County Water and Soil
Kandiyohi Water and Soil
Kitchigami Regional Library
Kittson County Water and Soil
Kittson-Marshall Rural Water System
Koochiching County Water and Soil
Lac qui Parle County Water and Soil
Lake Agassiz Regional Library
Lake Agassiz Special Ed. Co-op
Lake Minnetonka Conservation District
Leaf River Valley Vo Tech Center
League of Minnesota Cities
Lincoln County Joint Cities Committee
Lincoln County Water and Soil
Local Government Information Systems
Long Lake Conservation Center
Low Income Energy Assistance
Lyon County Water and Soil
Mahnomens County Water and Soil
Marshall-Beltrami Water and Soil
Marshall County Water and Soil
Marshall-Polk Water System
Martin County Water and Soil
McLeod County Water and Soil
Meeker County Water and Soil
Meeker-Wright County Special Ed. Co-op
Metronet
Metropolitan Airports Commission
Metropolitan Council
Metropolitan Inter County Association
Metropolitan Library Service Agency
Metropolitan Mosquito District
Metropolitan Sports Facility Commission
Metropolitan Transit Commission
Metropolitan Waste Control Commission
Middle River-Snake River Watershed District
Mid-Range Special Ed. Co-op
Midwest Special Ed. Co-op District 5
Mille Lacs Vocational Center
Mille Lacs County Water and Soil
Minneapolis Community Development Agency
Minnesota Municipal Utilities Association
Minnesota School Districts Data Processing Jt. Bd.
Minnesota Valley Co-op
Minnesota Valley Regional Library
Minnesota Valley Vocational Center
Moose Lake-Windemere Sewer District
Morrison County Water and Soil
Motor Patrol
Mower County Water and Soil
Mower Education Service Co-op
Multi County Nursing Service
New Richland Care Center
Nicollet County Water and Soil
Nobles County Water and Soil
North Country Vocational Co-op Center
North Country Library Co-op
Northeast Ed. Co-op Service Unit
North Kittson Rural Water System
North St. Louis Water and Soil
Northwest ECSU
Northwest Hennepin Human Services
Northwest Regional Development Commission
Northwest Regional Interdistrict Council
Northwest Suburban Cable Community Comm.
Oak Terrace Nursing Home
Olmsted County Water and Soil
Pelican Valley Health Center
Pennington County Water and Soil
Pine County Water and Soil
Pine Point Exp. School
Pine River Sanitary District
Pine to Prairie Co-op Center
Pipestone County Water and Soil
Plum Creek Library System
Pope County Water and Soil
Prior Lake-Spring Lake Watershed District
Public Employees Retirement Association
Range Association of Municipalities
Red Lake County Water and Soil
Red Lake Falls Special Ed. Co-op
Red Lake Watershed District
Red River Co-op Center
Redwood County Water and Soil
Redwood-Cottonwood Control Area Recreation
Region Eight N. Welfare Board
Region Five Computer Service
Region Five Development Commission
Region Nine Regional Development Commission
Region One Elementary Secondary Vocational
Region Three Comp. Employees and Train Cons.
Renville County Water and Soil
Rice County Water and Soil
Rice Creek Watershed District
River Bend Special Service Co-op
Rock County Rural Water System
Rock County Water and Soil
Roseau County Energy Assistance Program
Roseau County Water and Soil
Runestone Co-op Center
Runestone Community Center
Rural Fire Association
Scott County Water and Soil
Sherburne Water and Soil
Sibley County Co-op Center
Sibley Water and Soil
Six East Regional Development Commission
South Central Ed. Co-op Service
Southeast Minnesota Ed. Co-op Service Unit
Southern Minnesota Municipal Power Agency
South Lake Minnetonka Public Safety Dept.
South St. Louis County Water and Soil
Southwest and West Central Ed. Service
Southwest Multi-County Interlibrary Ex.
Southwest Regional Development Commission
Spring Grove Ambulance Corp.
State Community Colleges
State Court Administration Judicial Districts
St. Bonifacius-Minnetrista Police Commission
St. Cloud Area Planning Organization
St. Cloud Metro Transit Commission
Stearns County Water and Soil
Steele County Water and Soil
Stevens County Water and Soil
Suburban School Employees #284
Sunnyside Nursing Home
Swift County Water and Soil
Todd County Water and Soil
Township Main Association
Traverse County Water and Soil
Traverse Des Sioux Regional Library
Tri County Co-op Center
United Auto Workers
University of Minnesota Police Officers
Upper Minnesota Valley Reg. Dev. Comm.
Viking Library System
Viking Vocational Center
Wabasha County Water and Soil
Wadena County Water and Soil
Waseca County Water and Soil
Washington County Water and Soil
Watonwan Water and Soil
West Central Area on Aging
West Central ECSU
West Central Migrant Region
West Central Regional Development
Western Plains Library System
West Hennepin County Human Services
West Hennepin Public Safety Department
West Lake Superior Sanitation District
West Ottertail County Water and Soil
West Polk Water and Soil
Wilkin County Water and Soil
Windom Area Hospital Inc.
Winona County Water and Soil
Woodland Co-op Center
Wright County Water and Soil
Wright Vo Tech Center
Yellow Medicine Water and Soil

Notes: