



# Investment Performance Information

February 2023

The Office of the State Auditor (OSA) is required to annually provide the information below to volunteer fire relief associations on the recent and historic investment performance results of the accounts within the Minnesota State Board of Investment (SBI)'s Supplemental Investment Fund in which relief associations are eligible to invest. The OSA must also provide relief associations with information about how to utilize the SBI's Supplemental Investment Fund as an investment option, and information on the Statewide Volunteer Firefighter Retirement Plan (Plan) that is administered by the Public Employees Retirement Association (PERA). We hope you find this information helpful.

## Additional Information

[Procedures for Investing with the SBI](#)

[SIF Prospectus](#)

[SBI Annual Report](#)

[SBI Contact Information](#)

## SBI Supplemental Investment Fund

The SBI was established by Article XI of the Minnesota Constitution to invest state funds. The SBI is responsible for the investment management of various retirement funds, trust funds, and cash accounts. Its membership, as specified in the Constitution, is comprised of the Governor (who serves as chair of the Board), the State Auditor, the Secretary of State, and the State Attorney General. All investments undertaken by the SBI are governed by the prudent person rule and other standards codified in Minnesota Statutes, Chapter 11A and Chapter 356A.

The Supplemental Investment Fund (SIF) is one of the funds under management by the SBI. Assets for relief associations electing to invest through the SBI are held in the SIF. The SIF consists of seven funds which have different investment objectives designed to meet a wide range of needs and objectives. Relief associations may use all of the funds in the SIF except for the Stable Value Fund. Assets for the statewide Plan administered by PERA are invested within a separate account in the SIF.

The accounts in the SIF available to relief associations are the:

- Balanced Fund (balanced asset mix);
- U.S. Actively Managed Fund (actively-managed domestic stocks);
- U.S. Equity Index Fund (passively-managed domestic stocks);
- International Equity Fund (international stocks);
- Bond Fund (actively-managed bonds); and the
- Money Market (short-term securities).

Recent and historical rates of return for these SIF accounts are as follows, as of December 31, 2022:

Account	1-Year	5-Year	10-Year	15-Year	20-Year
Balanced Fund	(16.45)%	5.94 %	8.15 %	6.81 %	7.64 %
U.S. Actively Managed Fund	(20.68)%	9.41 %	12.49 %	8.80 %	9.88 %
U.S. Equity Index Fund	(19.16)%	8.95 %	12.22 %	8.77 %	9.97 %
International Equity Fund	(13.68)%	1.84 %	4.66 %	2.19 %	7.17 %
Bond Fund	(14.07)%	0.45 %	1.53 %	3.14 %	3.58 %
Money Market	1.86 %	1.43 %	0.92 %	0.88 %	1.46 %

**Additional PERA Plan Information****SBI Supplemental Investment Fund—  
Continued**

To begin investing in the SIF, a relief association must complete two forms and return them to the SBI. The “Relief Association Contact Form” provides the SBI with contact information so that monthly reports and other correspondence can be sent to the relief association. The “Relief Association Wire Instructions Form” provides the SBI with the name of the financial institution and wire instructions that will be used for all withdrawals. Both forms can be found on the “Volunteer Fire Relief Associations” page of the [SBI website](#).

**Plan Enrollment Process**

After a relief association begins investing with the SBI, the relief association may contribute, withdraw, or transfer funds on any business day of the month. These transactions can be done online, or by completing the “Relief Association Transaction Form” found on the SBI website at the link provided above. Detailed procedures for opening an account with the SBI, contributing funds, and withdrawing funds can also be found on the SBI website at the link above.

**Plan Description****PERA Statewide Volunteer Firefighter Retirement Plan****Plan Investment Information**

The Plan was created by the Legislature in 2009 and is a voluntary plan administered by the PERA. When a volunteer fire relief association joins the Plan, PERA takes over the administration of the pension fund. Under the Plan, a relief association’s entire special fund is transferred to the SBI and the relief association ceases to exist as a public pension fund.

**Plan Benefit Calculations**

Over 200 fire departments belong to the Plan. Each entity in the Plan has its own separate account, but assets are pooled for investment purposes. The Plan investments are managed by the SBI and have a long-term expected return of six percent.

**Request for Cost Analysis**

The decision to join the Plan is made jointly by the municipality or independent nonprofit firefighting corporation operating the fire department and by the relief association (if one exists). The process for joining begins with a request from the relief association (if one exists) and the municipality or independent nonprofit firefighting corporation to PERA for a cost analysis of the prospective retirement coverage. If a decision is made to join the Plan and the process for joining is completed, coverage by the Plan begins effective the following January 1.

A description of the Plan enrollment process and additional information about the Plan is provided on [PERA’s website](#).