

**BLOOMINGTON FIRE DEPARTMENT
RELIEF ASSOCIATION**

BLOOMINGTON, MINNESOTA

ANNUAL REPORT

For the Year Ended December 31, 2014

Table of Contents

President's Letter	3
Summary of Current Plan Provisions	4
Financials	5
Appendix A – State Auditor's Report	
• Organization	
• Independent Auditor's Report	
• Management's Discussion and Analysis	
• Basic Financial Statements	
○ Statement of Fiduciary Net Position	
○ Statement of Changes in Fiduciary Net Position	
○ Notes to the Financial Statements	
• Required Supplementary Information	
○ Schedule of Changes in Net Pension Asset and Related Ratio	
○ Schedule of Employer Contributions	
○ Schedule of Investment Returns	
○ Notes to the Required Supplementary Information	
• Schedule of Findings and Recommendations	
• Communication of Significant Deficiencies and/or Material Weaknesses in Internal Control over Financial Reporting and Other Matters	
• Independent Auditor's Report on Minnesota Legal Compliance	

President's Letter

March 2015

Dear BFDRA Members,

The past year was another good year for the BFDRA. Our funding ratio increased from 111% to 113.7%. We remained diversified in our investments and ended the year with an overall return of 7%.

In 2014 we welcomed new board member Dwayne Lowman, who is a City Council member. This year, long time trustee Steve Oberaigner has decided not to seek re-election to the board. We are grateful for the contributions Steve made during his fourteen years on the board, and we wish him well in the future.

In 2015, we will continue to manage investment risk and return. We appreciate your support as we continue to serve the membership and administer benefits.

Sincerely,

A handwritten signature in black ink that reads "John Bayard". The signature is written in a cursive style with a large, looped initial "J".

John Bayard
President, BFDRA

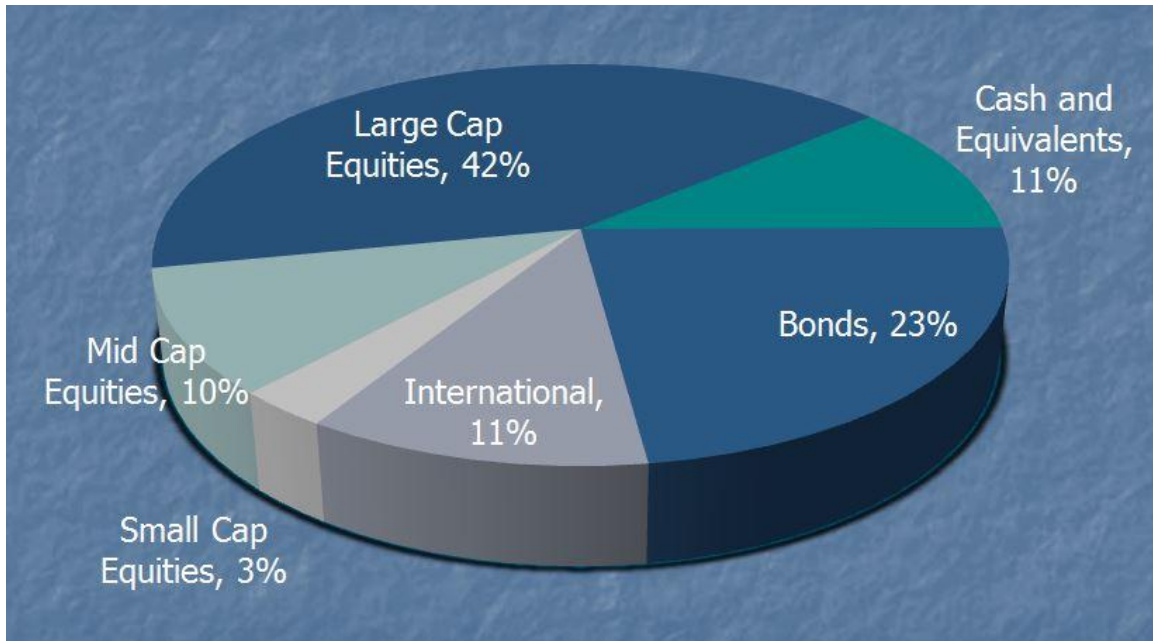
Bloomington Fire Department Relief Association

SUMMARY OF CURRENT PLAN PROVISIONS

1. Basic Benefit	One-third of the final average salary of a City of Bloomington police officer of the highest grade, not including officer rank. The final average earning is the average of the monthly pay for such a police officer over the past three years. All benefits under the plan are adjusted annually to reflect changes in police officer salaries.
2. Normal Retirement Benefit	Basic benefit is payable at retirement after attainment of the age of 50 and completion of 20 years of service.
3. Deferred Vested Benefit	After completion of 20 years of service, the basic benefit is payable after attainment of age 50.
4. Disability Benefit	The basic benefit is payable while the member remains disabled. Non-Duty related disability payments are pro-rated based on credited full year(s) of service. Disability is defined as inability to perform the duties of a firefighter.
5. Surviving Spouse Benefit:	On the death of any active or inactive member, 75% of the basic benefit is payable to the surviving spouse for the spouse's remaining lifetime, or until remarriage. For non-duty related deaths, this benefit is pro-rated based on full years of credited service.
6. Children's Benefit	On the death of an active member, 25% of the basic benefit is payable to all surviving children, divided equally, until attainment of age 18. Maximum family benefit is 100% of the basic benefit.
7. Lump Sum Death Benefit	On the death of any active or inactive member, \$500 is payable from the Special Fund, and \$2000 is payable from the General Fund.
8. Membership Dues	Each active member contributes \$144. per year.

Financials

Asset allocations as of 12/31/2014:



Total returns for each investment of the Special Fund:

Account	Percent of Total Invested	End Balance 12/31/2014	YTD Return
Union Bank Account	1.8%	\$2,737,740	0%
ACIO Account	3.0%	\$4,577,536	2.31%
DSIP Account	2.36%	\$3,599,297	12.48%
MPMG Account	1.87%	\$2,850,648	3.28%
GTR Account	2.63%	\$4,012,898	.77%
MLCD Account	2.01%	\$3,063,750	2.14%
SBI Bond Market Fund	19.43%	\$29,621,194	6.14%
SBI Common Index Fund	34.66%	\$52,857,727	12.56%
SBI International Fund	9.60%	\$14,638,174	-4.03%
SBI Growth Fund	15.08%	\$22,995,477	12.15%
SBI Money Market Fund	7.56%	\$11,532,190	.13%
Total	100%	\$152,486,631	7.01%