

Pension Division Newsletter

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State Auditor’s Working Group

The Office of the State Auditor (OSA) will again convene the Volunteer Fire Relief Association Working Group this fall. The Working Group meets to identify and work through current and pressing relief association issues.

The first meeting of the Working Group is set for October 1 from 11:00 a.m. to 1:00 p.m. in the first floor board room at the Retirement Systems Building in Saint Paul, at 60 Empire Drive, Saint Paul, MN 55103.

Additional Working Group meetings have been scheduled for October 22, November 8, November 26, and December 17. Meetings are open to the public. Agendas and materials will be available on the Working Group page of the [OSA website](#).

Fire State Aid Deadline

The first certification deadline for 2019 fire state aid and supplemental state aid is **September 15**. If your relief association has submitted its reporting forms but has been notified by our Pension Division team that additional information is needed, please provide the requested information as soon as possible. To be certified as eligible for receipt of your fire state aid in the first round of payments, all required 2018 reporting information must be submitted to the OSA, our review of the information must be completed, and any issues identified by the OSA must be resolved by September 15.

Relief associations ineligible to receive 2019 state aid in the first round of state aid payments may be eligible to receive their state aid in the second round of payments if the OSA review has been completed and any identified issues are resolved by November 1.

The 2019 fire state aid amounts will be available in mid-September. Lists of the state aid amounts will be posted on the OSA and Minnesota Department of Revenue websites. A link to the state aid list will be provided in next month’s Pension Division Newsletter.



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Board of Trustees

What's Ahead:

August 1:

The 2019 Schedule Form must be certified to the municipality or independent nonprofit firefighting corporation.

September 15:

First certification deadline for 2019 fire state aid. To be certified as eligible, all 2018 information must be submitted to the OSA, the OSA review must be completed, and any issues resolved.

October 1:

Fire state aid is paid for those relief associations certified as eligible on the first certification deadline.

October 1:

Working Group meeting from 11:00 a.m. to 1:00 p.m. at the Retirement Systems Building.

A volunteer fire relief association must be managed by a board of trustees. The OSA sometimes finds that activities required by law to be performed by the board of trustees during a meeting of the board are instead performed incorrectly by the affiliated fire department or municipality.

The board's responsibilities include: determining plan benefits and eligibility for membership or benefits; determining the amount or duration of benefits; determining funding requirements and contribution amounts; maintaining necessary administrative records; reviewing expenditures; and investing pension plan assets.

The board consists of nine members: six trustees elected from the relief association's membership, and three trustees from the municipality or municipalities. How municipal representatives are designated and who designates them depends on the legal structure of the fire department with which the relief association is associated.

The municipal trustees for a relief association associated with a municipal fire department are the fire chief, one elected municipal official, and one elected or appointed municipal official. The municipal governing body designates the elected municipal official and the elected or appointed municipal official who serve as trustees, and their terms are for one year. A municipal trustee has all the rights and duties of any other trustee, except the right to be an officer of the relief association board of trustees. This means, for example, that the fire chief cannot serve as a relief association's treasurer.

A board must have at least three officers elected by the full board or by the membership, as specified in the bylaws. The officers are elected from among the elected trustees. A trustee may hold only one elected office at a time on the board. Elected trustees and officers may be elected for terms not to exceed three years, as specified in the bylaws. If the terms exceed one year, the elections should be staggered on as equal a basis as is practicable.

All trustees, including the three municipal trustees, are fiduciaries. Each trustee must act in good faith and exercise the degree of judgment and care that a person of prudence, discretion and intelligence would exercise in the management of that person's own affairs.

Fiduciary Education for Trustees

Statements of Position:

Each trustee of a volunteer fire relief association is a fiduciary to the association. Fiduciaries carry particular legal duties to those they serve. A fiduciary must make a reasonable effort to obtain the knowledge and skills sufficient to perform fiduciary duties adequately.

[Return to Service](#)

A relief association’s board of trustees is required to develop and periodically revise a program for the continuing education of its board members. The program must be designed to provide trustees with the knowledge and skills needed to enable them to perform their fiduciary activities.

[Supplemental Benefits](#)

Relief associations have options for providing no- and low-cost training to its trustees. These options include, but are not limited to:

[Fundraisers and Donations](#)

- Asking the association’s broker or investment advisor to attend a board meeting to provide an update on the investment markets, discuss new investment products or trends, review the association’s portfolio and investment performance, and to discuss any recent statutory changes;
- Asking the association’s accountant or auditor to attend a board meeting to provide an update on the association’s finances and funding, to discuss any audit concerns or management notes, and to discuss any upcoming changes in accounting standards; and
- Considering training opportunities provided by the Fire Service Organizations and through the State Fire Schools.

[Checking Accounts](#)

Pension Division Staff

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