

Pension Division Newsletter

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Working Group Update

There are two years worth of pending Volunteer Fire Relief Association Working Group proposals waiting to be processed by the Legislature, which will potentially occur during the 2018 legislative session. This is due to the Omnibus Retirement Bills being vetoed two years in a row. Our Working Group proposals are placed in the Omnibus Retirement Bills by the Pension Commission. Working Group members decided to wait to convene until the fall of 2018 so that the current proposals can be processed before we begin work on new proposals.

We will keep you updated on the progress of the pending Working Group proposals during the upcoming legislative session. Copies of the 2016 and 2017 Working Group bills can be accessed on the Office of the State Auditor (OSA)’s website at:

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

Fire State Aid Deadline

The first certification deadline for 2017 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 2016 reporting information must have been submitted to the OSA, our review of the information must have been completed, and any issues identified by the OSA must have been resolved by September 15.

Relief associations ineligible to receive 2017 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 2017 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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What's Ahead:

September 15:

First certification deadline for 2017 fire state aid. To be certified as eligible, all 2016 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.

November 1:

Second certification deadline for 2017 fire state aid.

November 30:

Final deadline for submitting 2016 reporting-year forms to the OSA to avoid forfeiture of fire state aid.

Protecting Private Member Data

Some reporting forms that a relief association completes contain private member information. For example, the annual Schedule Form completed by defined-benefit lump-sum relief associations contains member birth dates, years of service, leaves of absence, and vesting information. Private data must be protected in accordance with Minnesota's Data Practices Act.

A relief association, therefore, should not post a copy of the Schedule Form or other reporting forms containing private member data in the fire hall or other public place without first redacting (removing or covering up) all private data.

The Data Practices Office within the Minnesota Department of Administration provides information about data practices on its website, at: <https://mn.gov/admin/data-practices/>.

Approval of Expenditures

One of the fiduciary activities specifically assigned to relief association trustees is the expenditure of plan assets. The relief association is a separate entity from the affiliated fire department, and the relief association board of trustees is charged with maintaining relief association accounts. Relief associations should make sure that meetings are scheduled regularly so that expenditures can be approved and disbursed on a timely basis.

Fire department officers have no authority to approve expenditures from relief association accounts unless they are relief association officers, and then only in their capacity as members of the relief association board of trustees.

Relief associations should keep minutes of their meetings that include the individual vote of each trustee on the board on any action taken, including each appropriation of money. Minutes are important because they help the relief association's board of trustees respond to questions and concerns about actions it has taken. For example, questions about whether a particular payment was authorized should be resolved if the minutes include a listing of all expenditures allowed or approved by the board of trustees for payment.

Statements of
Position:

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General Fund after
Joining the
Statewide Plan](#)

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[Investment Policies](#)

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Reminder about Requesting a Cost Analysis to Join the Statewide Plan

The OSA has received questions about the process for a relief association to join the Statewide Plan administered by the Public Employees Retirement Association (PERA). The first step in the process to join the Statewide Plan is for the secretary of a relief association to ask the association’s board of trustees to approve a request for a cost analysis from PERA. In addition, the chief administrative officer of the municipality or the independent nonprofit firefighting corporation that sponsors the fire department must seek approval from the city council or town board, or the board of the independent nonprofit firefighting corporation, to request a cost analysis.

After the relief association board of trustees and the governing body have approved the request and PERA has performed a cost analysis, the decision to join the Statewide Plan is made by the city council, town board, or independent board. The relief association’s board of trustees has no formal role in deciding whether to join the Statewide Plan. It’s role is simply advisory.

Additional information about the Statewide Plan and the enrollment process can be found on PERA’s website at:

http://www.mnpera.org/index.asp?Type=B_BASIC&SEC={5C2FBC82-DDED-4330-A13B-66C11E2E9200}.

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