



Pension Division Newsletter

September 2021

Inside this issue:

<i>2022 User Authorization Form</i>	2
<i>New SBI Website</i>	2
<i>Deposit of State Aid</i>	2
<i>Rights of Deferred Members</i>	3
<i>Pension Division Staff</i>	3

2021 Fire and Supplemental State Aid

The Office of the State Auditor (OSA) is pleased to announce that nearly 60 percent of volunteer fire relief associations and other pension plans met all reporting requirements to be certified as eligible for the Department of Revenue to determine their qualification for 2021 fire and supplemental state aid in the first round of state aid disbursements. Both state aid distributions will occur on or about October 1 for those plans certified by the OSA and deemed by the Department of Revenue as qualified to receive state aid.

A list of the 2021 fire and supplemental state aid amounts will be posted on the [OSA's website](#) at the end of September. A notice will be sent by e-mail when the state aid list is posted.

If your relief association has not yet submitted its 2020 reporting-year forms to the OSA, please do so as soon as possible. The second certification deadline for 2021 fire and supplemental state aid is November 1.

To be certified as eligible for receipt of state aid in the second round of payments, a relief association must have submitted all required 2020 reporting information to the OSA with enough time for the OSA to complete its review and for all issues identified by the OSA to have been satisfactorily resolved by the relief association before November 1.

Minnesota law requires forfeiture of fire state aid for relief associations that do not submit all required reporting information to the OSA by November 30, 2021. If 2020 reporting forms are not received by November 30, 2021, a relief association's 2021 state aid will be forfeited. The OSA does not have authority to grant filing extensions past the November 30 deadline.

State Auditor's Working Group

The first meeting of the Volunteer Fire Relief Association Working Group convened by the OSA is set for October 12 from 11:00 a.m. to 12:30 p.m.

Materials will be posted on the [Working Group](#) page of the OSA website in advance of each meeting, along with information about whether the meetings will be held entirely virtually or a hybrid option will be available. All meetings will be live-streamed and a recording will be posted afterward, for those interested.

Additional Working Group meetings have been scheduled for November 3, November 16, November 30, and December 14.

Office of the State Auditor
Pension Division
525 Park Street, Suite 500
Saint Paul, MN 55103
(651) 282-6110
Fax: (651) 282-5298
pension@osa.state.mn.us

What's Ahead:

October 1:

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

October 12:

Working Group meeting
11:00 a.m. to 12:30 p.m.

November 1:

Second certification deadline for 2021 fire state aid.

November 3:

Working Group meeting
11:00 a.m. to 12:30 p.m.

November 30:

Final deadline for submitting 2020 reporting-year forms to avoid forfeiture of fire state aid.

2022 User Authorization Form

Access to reporting forms for accountants, auditors, and other consultants who work with relief associations will expire at the end of the calendar year. Access occurs primarily through the State Auditor's Form Entry System (SAFES), but also extends to other offline relief association documents.

Relief associations will need to renew access for their accountants, auditors, and consultants by completing the 2022 User Authorization Form that is now available for download on the [OSA website](#).

New SBI Website

The Minnesota State Board of Investment (SBI) has a [new website!](#)

On the new home page, scroll down to find a link to the "[Fire Relief Associations](#)" page. This page provides links to access the forms and documents applicable to relief associations.

You also can log into your relief association's investment account on this page, find contact information for SBI staff, and find links to information on investment vehicles and performance.

Deposit of State Aid

As state aid distributions will be made soon to many cities and towns, for payment to their affiliated relief associations, we want to remind you of the statutory requirement for timely deposit of the aid amounts.

The municipal treasurer is required by statute to transmit fire state aid and supplemental state aid to the treasurer of the affiliated relief association within 30 days after receipt if there is a relief association organized and the association has filed a financial report with the municipality.

If the relief association has not filed a financial report with the municipality, the municipal treasurer shall delay transmission of the fire state aid to the relief association until the complete financial report is filed.

The FIRE Form that must be signed annually by the municipal clerk and be submitted to the OSA may be used as the financial report referred to in this statutory provision. Upon receipt, the relief association treasurer should be sure that the fire state aid is promptly deposited into the relief association's special fund.

Rights of Deferred Members

Statements of Position:

Our office occasionally receives questions about whether a deferred member of a relief association can serve as a trustee on the relief association’s board of trustees. In response to these questions, we wanted to provide information on rights that deferred members of a relief association have, and options available for a relief association’s board of trustees to define those rights.

[Firefighter Service Credit Determinations](#)

As a nonprofit corporation, a relief association may establish in its bylaws, or articles of incorporation, classes of members. Bylaws should, for example, define active members and deferred members as different classes of members within the relief association.

[Governance for Relief Associations](#)

Generally, a deferred member is a member of the relief association who has separated from active fire department service, is partially or fully vested, but has not yet commenced receipt of a service pension or benefit.

All members of a relief association are entitled to vote and have equal rights and preferences except to the extent that the bylaws or articles of incorporation have fixed or limited the rights and preferences of members or of different classes of members.

[Maintaining a General Fund after Joining the Statewide Plan](#)

It, therefore, may be possible for a relief association to specify in its bylaws or articles of incorporation that deferred members do not have the right to vote, or do not have the right to serve as a trustee on the board.

Without language in the bylaws or articles of incorporation limiting member rights, a deferred member would have the right to vote and would be able to be elected as a trustee to the relief association board.

Note that relief associations have authority to exclude from membership persons who would constitute an unwarranted health risk, and are prohibited from including minors as members of the relief association.

Pension Division Staff

If you have questions, please contact us:

Michael Johnson, Pension Analyst
(651) 282-5430

Molly Resch, Pension Analyst
(651) 297-2765

Maia Dabney-Miller, Pension Analyst
(651) 284-3423

michael.johnson@osa.state.mn.us

molly.resch@osa.state.mn.us

maia.dabney-miller@osa.state.mn.us

Robin Paulsen, Administrative Specialist
(651) 296-6267

Rose Hennessy Allen, Pension Director
(651) 296-5985

robin.paulsen@osa.state.mn.us

rose.hennessy-allen@osa.state.mn.us