



Pension Division Newsletter

December 2022

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Working Group Update

The Volunteer Fire Relief Association Working Group convened by the Office of the State Auditor (OSA) met on December 7 and December 14. The Working Group members approved draft language for inclusion in its slate of 2023 legislation that would increase the threshold at which an annual audit is required. Currently, an annual audit is required after a relief association exceeds \$500,000 in either special fund assets or liabilities. The Working Group proposal would increase the audit threshold to \$750,000.

Draft language making a technical clarification to the annual investment report certification was also approved for inclusion in the Working Group Bill.

The Working Group discussed whether relief associations should have authority to set different benefit levels for members who provide different types of services with the affiliated fire department, for example emergency medical services. This topic will be revisited next year for further discussion and consideration.

Working Group members discussed the timing of when, and how frequently, relief associations with a defined contribution plan should prepare allocation tables to value member accounts, and reviewed draft definitions of firefighter types. The firefighter definitions will be considered further during the January meeting.

Meeting agendas and information are available on the Working Group page of the [OSA website](#). Meetings are live-streamed on the OSA's [YouTube channel](#), and recordings are available on the [OSA website](#) following each meeting.

State Aid and Forfeiture Deadline

The OSA is pleased to announce that all relief associations submitted their 2021 reporting-year forms to the OSA by the November 30 deadline. This is the first time since the 2007 reporting cycle that all relief associations have filed their required reports with the OSA before the deadline. State law requires automatic forfeiture of fire state aid for relief associations that do not file all reporting information by November 30.

We would like to thank the relief association trustees, municipal officials, auditors, and members of the OSA Pension Division team, who worked right up to the deadline to ensure that reporting forms were submitted. A listing from the Department of Revenue of the 2022 fire state aid and supplemental state aid amounts can be found on the [OSA website](#).

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What’s Ahead:

January 15:

Certified Listing of Individuals Who Filed a Statement of Economic Interest due to the Campaign Finance and Public Disclosure Board.

January 19:

Working Group meeting
2:00 p.m. to 3:30 p.m.

February 15:

Final deadline for submitting 2022 Supplemental Benefit Reimbursement Forms to the Department of Revenue.

March 15:

Fire Equipment Certification Form (FA-1) is due to the Department of Revenue.

Statement of Economic Interest

Every year, each volunteer fire relief association board member and chief administrative officer is required to complete a *Statement of Economic Interest*. The Statement must be filed with the chief administrative officer of the relief association and be made available for public inspection.

The chief administrative officer of a relief association must also submit a *Certified Listing of Individuals Who Filed a Statement of Economic Interest* form to the Campaign Finance and Public Disclosure Board (CFPDB) by **January 15**. This form must list all individuals who have filed *Statements of Economic Interest* with the relief association for the preceding 12 months, along with the address of the office at which the statements are available for public inspection.

For your convenience, the required CFPDB’s *Statement of Economic Interest* and *Certified Listing of Individuals Who Filed a Statement of Economic Interest* forms are available in the Pension Forms section of our website under the [“Current Forms”](#) heading.

Key Reporting Requirements Calendar and Helpful Contact Information

An updated Key Reporting Requirements calendar is now available on the OSA’s website. This PDF document lists each reporting form that relief associations must submit to the OSA and additional required State reporting. Links to the forms and their applicable due dates are also provided. The calendar can be found in the Pension Forms section of our website under the “Resources for Completing Forms” heading, or you can access it directly by clicking [here](#).

Many relief associations will be holding their annual meeting and elections soon. The OSA makes available a one-page document that provides links to resources available on our website. These resources are intended to help individuals who are elected to a relief association’s board of trustees be successful in their new positions. The information document can be found in the Pension Documents section of our website under the “Other Resources” heading, or you can access it directly by clicking [here](#).

The OSA also provides contact information, including phone numbers, e-mail addresses, and websites for many of the government offices and agencies with which volunteer fire relief associations interact. The information can be found on the OSA website [here](#).

Statements of Position:

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

[Investment Authority](#)

[Investment Policies](#)

[Special and General Funds, and Charitable Gambling Funds](#)

Investing Through the SBI vs. Joining the Statewide Plan

Sometimes there is confusion about the difference between investing through the State Board of Investment (SBI) and joining the Statewide Volunteer Firefighter (SVF) Plan that is administered by the Public Employees Retirement Association (PERA). Investing through the SBI is a choice on how relief association assets will be invested, while joining the SVF Plan is a choice on how the firefighters’ pension plan will be administered.

Investing Through the SBI

Relief associations have authority to invest through the SBI Supplemental Investment Fund, which is a multi-purpose investment program that offers a range of investment options. There are six accounts from among which a relief association may choose to invest. Relief associations may choose to invest some or all of their special fund through the SBI. (Relief associations should maintain at least a minimal amount of cash equivalents in a local financial institution to cover short-term expenses.) Many relief associations that invest through the SBI do so for a portion of their special fund portfolio, and work with an investment broker and local financial institution for the remainder of their portfolio. Information about investing through the SBI is available on the [SBI website](#).

Joining the Statewide Plan

Relief associations may choose to administer their own pension plans for their volunteer firefighters or may choose to turn over administration of the pension plans to PERA by joining the SVF Plan. While assets for relief associations that join the SVF Plan are automatically invested by the SBI, under this scenario a relief association’s entire special fund is transferred to the SBI and the association ceases to exist as a pension plan. PERA handles the management of the pension plan and pays benefits. Benefit eligibility requirements are set in statute instead of in local bylaws, and fire state aid is paid directly to PERA. Information about the SVF Plan is available on [PERA’s website](#).

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