



# Pension Division Newsletter

February 2023

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## 2022 Reporting-Year Forms

The OSA announced earlier this month that the 2022 FIRE Form and 2023 Schedule Form are available for completion. The reporting forms are accessed through the [State Auditor's Form Entry System \(SAFES\)](#).

Note that the 2023 Schedule Form contains a new Benefit Level Projections Tool that a relief association may use as a resource to estimate the impact that benefit level changes or investment rate of return changes could have on the relief association's funded status and financial requirements. This new tab is optional and provided solely as a resource, and is not required to be completed before submitting the form.

Following [2022 law changes](#) that eliminated the requirement that each relief association with a defined benefit plan annually calculate its own maximum allowable benefit level, relief associations and municipalities have greater flexibility in setting benefit amounts.

It is, and will continue to be, important for relief associations and municipal trustees to obtain information they need to make an informed decision when considering a benefit level change. The new Benefit Level Projections Tool is intended to be one such source of information, but should not be relied upon in lieu of individualized services provided by a relief association's auditor, actuary, or financial advisor.

Instructions for completing the [2022 FIRE Form](#) and [2023 Schedule Form](#) are posted on the Office of the State Auditor (OSA)'s website.

An informational document also is available on the [OSA website](#) that provides detailed instructions for accessing, submitting and electronically signing the reporting forms.

Also on our website is the [Key Reporting Requirements](#) calendar, which identifies required relief association reporting forms and their due dates.

Finally, if your relief association has not already done so, please complete the [2023 User Authorization Form](#) to provide the relief association's auditor with access to this year's reporting forms.

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**What’s Ahead:**

**March 15:**  
Fire Equipment Certification Form (FA-1) is due to the Department of Revenue.

**March 31:**  
Reporting forms for relief associations with assets and liabilities of less than \$500,000 are due to the OSA.

**March 31:**  
Investment Business Recipient Disclosure Form is due to the Legislative Commission on Pensions and Retirement.

**June 30:**  
Reporting forms for relief associations with assets or liabilities of at least \$500,000 are due to the OSA.

## Fire State Aid Reporting

Form FA-1 must be submitted to the Minnesota Department of Revenue (DOR) by **March 15, 2023**, to avoid a reduction in fire state aid. The form is signed by the municipal clerk and fire chief, and can be found on the [DOR website](#). Contact information for DOR staff and a list of forms received by the DOR are also posted on that site.

## Broker Certification Form

Fire relief associations using the services of a broker must complete a uniform Broker Certification Form that is provided by the OSA. The Broker Certification Form must be completed before a relief association may enter into a business arrangement with a broker, and must be completed annually thereafter. A copy of each completed form should be submitted to the OSA with the relief association’s annual reporting forms.

If any portion of the relief association’s assets are held by a security broker or its agent, the security broker or its agent must acknowledge in writing annually that sufficient insurance has been obtained from the Securities Investor Protection Corporation (SIPC), supplemented by additional insurance, if necessary, to cover the full amount of the relief association’s assets held by the security broker or its agent.

*Note that the Minnesota State Board of Investment (SBI) is not considered a broker for purposes of this reporting requirement. A relief association that invests with the SBI is therefore not required to have the SBI complete a Broker Certification Form.*

The Broker Certification Form (BC-1) for fire relief associations is available on the [Pension Forms](#) page of the OSA website, under “Current Forms.”

## Investment Performance Information

Minnesota law requires the OSA to annually provide information to fire relief associations on the investment performance of the Minnesota SBI, and on the voluntary Statewide Volunteer Firefighter Plan administered by the Public Employees Retirement Association (PERA).

Investment performance for the 2022 calendar year is provided in the 2023 Investment Performance Information document that can be found on the [OSA website](#).

## Management of Records

**Statements of Position:**

All government entities, including relief associations, create and possess records (electronic and paper). Records collected, created, received, maintained, or disseminated by a relief association regardless of their physical form are “government data.” As governmental entities that receive and manage public money, relief associations are subject to Minnesota Statutes, section 138.17, which states that records cannot be destroyed except at the direction of the state’s Records Disposition Panel.

Management of Records

A relief association has options for the retention of its records. A relief association's board of trustees may choose to adopt the General Records Retention Schedule for Volunteer Fire Relief Associations in its entirety and notify the Minnesota Historical Society of its adoption. Relief associations choosing this option may destroy certain types of records after they have been maintained for a specified length of time as detailed in the schedule.

Investment Authority

Alternatively, a relief association may choose to modify the General Records Retention Schedule or to create its own schedule. Relief associations choosing these options must submit the proposed schedule to the State Records Disposition Panel for approval before the customized schedule can be used and any records destroyed.

Investment Policies

If a relief association does not choose and implement one of these options, the relief association must permanently retain all of its records.

Paying a Lump-Sum Service Pensions

The OSA’s Statement of Position on management of records for relief associations includes a link to the General Records Retention Schedule, and information about how to use the schedule and notify the Minnesota Historical Society that the schedule has been adopted.

## Pension Division Staff

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