



Pension Division Newsletter

May 2024

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Legislative Update

The [2024 Pension and Retirement Policy and Supplemental Budget Bill](#), which includes proposals from the State Auditor's Fire Relief Association Working Group, was signed into law by Governor Walz on May 15. The Working Group proposals include the following changes:

- Specifying the period of time over which investment returns must be allocated to deferred member accounts for relief associations with a defined contribution plan;
- Defining the benefit calculation and reporting requirements that apply when a relief association is involuntarily dissolved;
- Adding definitions to the relief association statutes of "volunteer," "paid on-call," "part-time," and "full-time/career" firefighter;
- Updating firefighter and relief association references to reflect the new definitions; and
- Clarifying when municipal ratification of a benefit level or bylaw change is required.

The 2024-2025 Fire Relief Association Working Group will start meeting this summer. Please send any topics for consideration to rose.hennessy-allen@osa.state.mn.us.

Investment Basics Series

The Office of the State Auditor (OSA) has updated its Investment Basics series that provides information for relief association trustees on a variety of investment topics. Review the updated information using the links below:

- [Investment Basics](#)
- [Terms](#)
- [Investment Fees](#)
- [Bonds](#)
- [Broker Certification Form](#)
- [Certificates](#)
- [Mutual Funds and ETFs](#)
- [Stocks](#)
- [Investment Policies](#)
- [Investment Report Card](#)
- [Below-Investment-Grade Bonds](#)
- [SBI Investments and Reading your SBI Statement](#)

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What’s Ahead:

June 30:

Reporting forms for relief associations with assets or liabilities of at least \$750,000 are due to the OSA.

August 1:

The 2024 Schedule Form must be certified to the municipality or independent nonprofit firefighting corporation.

September 15:

First certification deadline for 2024 fire state aid. To be certified as eligible, all 2023 information must be submitted to the OSA, the OSA review must be completed, and any issues resolved.

Resources for Auditors

Reporting forms for relief associations with assets or liabilities of at least \$750,000 are required to be submitted to the OSA by June 30. Relief associations with assets or liabilities above this statutory threshold must also submit an annual audit to the OSA.

The statutory threshold is determined using end of year asset and liability amounts, and is based on Special Fund amounts only. After a relief association exceeds the threshold in either assets or liabilities, according to the previous year’s financial report, an audit is required beginning the following year.

The [2023 Minnesota Legal Compliance Audit Guide for Relief Associations](#) prescribes the minimum procedures and audit scope for legal compliance audits.

The reporting forms can be accessed through the [State Auditor’s Form Entry System \(SAFES\)](#) website. Helpful hints are found in the [Reporting Checklist for Volunteer Fire Relief Associations](#).

Please submit the [2024 User Authorization Form](#) to provide the relief association’s accountant or auditor with access to the relief association’s reporting information.

Relief associations with assets and liabilities that are both less than \$750,000 are permitted to submit certified, rather than audited, financial statements by March 31. The certification must be signed by a certified public accountant in accordance with [agreed-upon procedures and forms](#).

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