



November 2011

## Pension Division Newsletter

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### *Reporting Reminder and Certification Update*

All 2010 reporting-year forms for volunteer fire relief associations must be received by November 30, 2011, to avoid **automatic forfeiture** of your relief association's 2011 state fire aid. November 30, 2011, is the final deadline to submit 2010 reporting information to be eligible for 2011 state fire aid.

If you have questions regarding relief association reporting requirements, please contact the Pension Division as soon as possible at (651) 282-6110 or at [pension@osa.state.mn.us](mailto:pension@osa.state.mn.us).

Relief associations that submit complete 2010 reporting information by November 30 may be eligible to receive their 2011 state fire aid during March or June 2012, when the final two rounds of 2011 state fire aid payments are made.

The Office of the State Auditor (OSA) is pleased to announce that, for the second round of aid disbursements, 56 volunteer fire relief associations met all reporting requirements to be certified as eligible for receipt of their 2011 state fire aid. State fire aid was disbursed on or about November 15 for those relief associations certified as eligible for the second round of state fire aid payments.

In total, 692 volunteer fire relief associations and other local public pension plans have now been certified as eligible for their 2011 state aid. A list of the 2011 state fire aid amounts is available on the Office of the State Auditor's website at:

<http://www.auditor.state.mn.us/default.aspx?page=20110927.002>.

### *Working Group Update*

The 2011/2012 Volunteer Fire Relief Association Working Group held its first meeting on November 16. The Working Group members discussed topic suggestions and reviewed draft language for several technical legislative changes.

The next Working Group meeting will be Tuesday, December 13, from 11:00 a.m. to 1:00 p.m., at our office in Saint Paul. Working Group meetings are open to the public and those interested are encouraged to attend.

Meeting agendas and materials are available on our website at:  
<http://www.auditor.state.mn.us/default.aspx?page=reliefworkinggroup>.

### ***SAFES Enhancement for Audit Submissions***

An enhancement made to the State Auditor's Form Entry System (SAFES) now allows relief association audit reports to be submitted electronically. To submit an audit report electronically through SAFES, the report must be saved as a PDF document. When the audit is ready to be submitted, log into SAFES and choose the "Submit Forms/Documents" tab. Follow the directions to upload the audit report. You will receive a confirmation number once the audit has been successfully uploaded. If you receive an error message during the upload process, close the web browser, re-open, and try to upload the document again. Keep in mind that it may take a few minutes to upload the audit report, depending upon the speed of the internet connection. Audited financial statements and management letters should be uploaded together as one PDF document.

### ***Minnesota State Deferred Compensation Plan***

In last month's Pension Division Newsletter, we provided a reminder that retiring members may elect to roll over their service pension to an individual retirement account (IRA). In addition, volunteer firefighters are eligible to participate in the Minnesota State Deferred Compensation Plan. This plan offers a tax-deferred savings plan that can help supplement other retirement benefits. Volunteer firefighters may also choose to roll over their relief association service pension to their deferred compensation account. Volunteer firefighters who would like to enroll in the deferred compensation plan must do so before terminating public employment. Additional information about the plan is available on the Minnesota State Deferred Compensation Plan website at <http://www.mndcplan.com/>.

### ***Selected Relevant Statutes Booklet and Summary***

Updated versions of the Selected Relevant Statutes Booklet and Summary are now available on the OSA's website. The booklet is prepared by the Pension Division and contains many of the state laws applicable to volunteer fire relief associations, including law changes enacted during the 2011 legislative session. The summary provides a short, easy-to-read companion. Relief association trustees are encouraged to download both documents for reference when updating bylaws, making investment decisions, and calculating benefit payments. The booklet and summary can be accessed under the "Documents" heading on our website at:  
<http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

### ***Multiple Signatures on Checks***

Requiring multiple signatures on checks is part of a relief association's internal controls. When more than one person signs a check, each person is verifying that the relief association board of trustees has approved the check for payment.

Checks should never be pre-signed. Signing checks prior to approval by the relief association board of trustees defeats this safeguard.

In addition, signature cards on file with the bank should be updated regularly so only those individuals currently authorized to sign checks are named. Banks need to be made aware that the relief association's checks should not be negotiated without all of the required signatures. If a bank is unable to ensure that multiple signatures are on checks before they are negotiated, it is especially important that the relief association board of trustees review the check copies when they are received from the bank to make sure the appropriate officers signed the checks.

Additional information on the importance of internal controls is provided in the OSA's Statement of Position on this topic. You can view the complete Statement on our website at <http://www.auditor.state.mn.us/default.aspx?page=20110607.013>.

### ***Open Meeting Law Reminder***

Many relief associations are beginning preparations for their annual board meetings. Please remember that relief associations are subject to Open Meeting Law requirements. This means that relief association board meetings must be open to the public unless the meeting is closed for a purpose expressly authorized under state law. The Open Meeting Law also contains notice requirements and requirements for making materials provided to the board members available in the meeting room for public inspection. Relief associations must keep meeting minutes that record the votes on actions taken during meetings and the minutes must be available to the public during normal business hours where records of the association are kept.

The Information Policy Analysis Division (IPAD) of the Department of Administration has the authority to review Open Meeting Law questions and to issue advisory opinions about these issues. Information regarding Open Meeting Law requirements, including a PowerPoint presentation, is available on the IPAD website at <http://www.ipad.state.mn.us/docs/publicmeetmain.html>.

Please also remember that municipal ex officio trustees have all the same rights and duties as any other trustee, except the right to be an officer of the board. Ex officio trustees therefore have the right to vote and should be provided notice of board meetings and provided with meeting materials.

### ***2011 Schedule Form Reminder***

The Pension Division is performing preliminary reviews of 2011 Schedule (SC-11) forms submitted by lump-sum relief associations. The SC-11 was required to be certified to the municipality or independent nonprofit firefighting corporation by August 1, 2011, but the form is not required to be submitted to the Office of the State Auditor until March or June 2012, with the relief association's other 2011 reporting information. However, for member data to be pre-populated on your 2012 Schedule form, the SC-11 must be received and reviewed by the OSA before January 2012. If you haven't submitted your SC-11 form yet, please do so at your earliest convenience so that we can pre-populate your 2012 form.

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*If you have questions please contact us:*

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