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Article for *Minnesota Fire Chief*

Relief Association Working Group Enjoys Legislative Success *Changes Will Benefit Associations Across State*

By Rebecca Otto, State Auditor

Representatives of relief associations and municipalities are continuing to make important contributions to the way pension programs are being administered.

Last fall, the Office of the State Auditor reconvened the Volunteer Fire Association Working Group to craft a bill for the Legislature which, if enacted, would make the pension process easier and more effective. The Working Group's proposal, which was outlined in the January/February 2008 issue of *Minnesota Fire Chief*, included eight recommendations, covering Deferred Interest Options, Funeral Benefit Authority, Title to Assets, and more.

Legislative Achievements

The twelve-person Working Group included the State Auditor, Legislative Pension Commission staff, municipal representatives, and relief association trustees representing each plan type and the fire service organizations. Their efforts proved to be a great success: all eight legislative proposals, with few changes, were included in the final bill passed by the Legislature and signed into law by the Governor. A complete overview of the bill and the final provisions that were enacted can be found in the May newsletter of the Pension Division of the Office of the State Auditor, which is available on our website at auditor.state.mn.us.

Moving Forward

This winter the Working Group voted to form a sub-group consisting of defined contribution plan members and trustees. While the full Working Group covers a wide array of issues, the sub-group was formed to focus on issues that are unique to defined contribution plans. This includes working on reorganizing Chapter 424A, the section of state law that pertains to volunteer firefighter pensions and benefits, into separate provisions for defined contribution and defined benefit plans.

Each defined contribution plan was asked to suggest interested candidates to serve on the sub-group. The group has trustees from plans that vary in fund size, and the metro area, and Greater Minnesota are represented. The sub-group has begun meeting and will continue to meet through the summer. The goal is to craft legislation on issues important to defined contribution plans and present them to the full Working Group when they begin meeting again in the fall.

Everyone who's involved in the relief association community is invited to contribute to this process. Meeting materials are posted on the Office of the State Auditor's website and you're encouraged to forward your topic suggestions to us. In addition, positions on the Working Group will be opening up. Notice of open positions will be in our electronic August Pension Division Newsletter. If you are not currently subscribed, or you have topic suggestions for the Working Group, you can email Gail Richie at gail.richie@state.mn.us. The full Working Group will reconvene this fall and continue to work on volunteer fire relief association issues.