



OFFICE OF THE STATE AUDITOR

E-Update

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State Auditor
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1. Pension Update - Forfeiture Deadline Soon Approaching

There are still about 25 relief associations that have yet to submit some or all of their 2006 reporting year forms. All reporting information must be submitted by November 30 to avoid forfeiture of state fire aid. If forms are not fully received by November 30, the relief association's 2007 state fire aid will be forfeited, and the association will not be eligible for future state fire aid until the 2006 forms are received. The Office of the State Auditor does not have authority to grant filing extensions past the November 30 deadline. If you have questions regarding reporting requirements or need access to the online reporting forms, please contact Gail Richie with the Pension Division at (651) 282-6110 or Gail.Richie@state.mn.us.

2. Pension Update - Working Group Report

The Office of the State Auditor's Volunteer Fire Relief Association Working Group held its third meeting of the year on Tuesday, November 13. The Group discussed issues regarding ancillary benefits and deferred interest. Discussion continued from the previous meeting on whether authority should be granted to pay reduced ancillary benefits for members that are not fully vested and whether the definition of a surviving spouse should be changed. The Group will continue the discussion at its next meeting while reviewing draft legislation on the benefit reduction topic. The Working Group decided not to make any recommendations to extend one of the

deferred interest options, the OSA Return option, that is set to expire at the end of 2008.

The group also is considering making changes to deferred interest allocation requirements, which will be discussed further at the next meeting.

Meeting agendas, minutes, and other materials will be posted in the Fire Relief Association Working Group section of our website at www.auditor.state.mn.us . The next Working Group meeting is Thursday, November 29, from 11:00 am to 1:00 pm at our Saint Paul office. Topics on the agenda for the next meeting include ancillary benefits, deferred interest and investment issues. If you have questions regarding the Working Group please contact Rose Hennessy Allen at (651) 296-5985 or Rose.Hennessy-Allen@state.mn.us .

3. GID Update - CTAS News and Notes Fall Edition

The fall edition of the GID Division's *CTAS News and Notes* newsletter, which contains information and tips about the Small City and Town Accounting System, is now available on the Office of the State Auditor website at

http://www.auditor.state.mn.us/other/ctas/newsletters/ctasnewsletter_0703.pdf .

4. Avoiding Pitfalls - Municipal Representation on Fire Relief Association Boards

When a volunteer fire relief association is affiliated with a municipality, the municipality must have representatives serving as trustees on the fire relief's board. See Minn. Stat. § 424A.04. While these municipal trustees can't be officers of the relief association, they have the same rights and duties as any other trustee, including the right to vote.

Many fire relief associations will soon be holding their annual meetings. The municipal trustees need to be given notice of the meeting, and allowed to participate fully in the meeting.

If you have questions regarding the composition of a fire relief association's board of trustees, please feel free to contact the Office of the State Auditor's

Pension Director Rose Hennessy Allen, at 651-296-5985 or Rose.Hennessy-Allen@state.mn.us.
