



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Reminder: Broker Certification Form for Public Pension Plans
2. Released: TIF Newsletter
3. Avoiding Pitfalls: Fire State Aid in "Combination" Communities

1. Reminder: Broker Certification Form for Public Pension Plans

Volunteer fire relief associations and other local public pension plans using the services of a broker must complete a uniform Broker Certification Form that is provided by the Office of the State Auditor. The Broker Certification Form must be completed before a public pension plan 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 Office of the State Auditor with the pension plan's annual reporting forms.

If any portion of the pension plan'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 pension plan's assets held by the security broker or its agent.

The Broker Certification Form for volunteer fire relief associations is available on the Pension Forms page of our website, under "Current Forms." The Pension Forms page can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

2. Released: TIF Newsletter

The **TIF Newsletter** has been released. The Newsletter contains information on the timely filing of TIF plans and modifications and a reminder of the upcoming TIF Enforcement Deduction Form deadline. The Newsletter also contains information on County Auditors' authority to correct errors in the certification or decertification of a TIF District or errors in the calculation of tax increment.

To view the complete Newsletter, go to:

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

3. Avoiding Pitfalls: Fire State Aid in "Combination" Communities

Fire departments in some communities consist of both volunteer firefighters and paid full-time firefighters. These fire departments are frequently referred to as "combination" departments. Questions regarding the division of fire state aid sometimes arise in these communities.

If a volunteer fire relief association exists to provide service pensions to the volunteer firefighters of a combination department, all fire state aid received by the affiliated municipality must be transferred to the relief association. If the volunteer firefighters are covered by the statewide volunteer firefighter retirement plan, all fire state aid is transferred to the Public Employees Retirement Association for deposit in the entity's account.

Fire state aid may only be used for other purposes in instances where the municipality or independent nonprofit firefighting corporation is not covered by the voluntary statewide retirement plan, where there is no relief association organized, or where the association has dissolved or has been removed as trustees of state aid. Under these circumstances, the treasurer of the municipality must deposit the fire state aid in the municipal treasury and the money may be disbursed only for the purposes authorized under [Minn. Stat. § 424A.08](#) or for the payment of the employer contribution requirement with respect to firefighters covered by the Public Employees Police and Fire Retirement Plan.

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