

# Pension Division Newsletter

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## Attestation Requirements

Last month’s Pension Division Newsletter provided information about the new audit threshold. (The threshold at which a relief association is required to have an audit was increased during the 2013 legislative session from \$200,000 to \$500,000.) The Office of the State Auditor (OSA) received questions from accountants and auditors about attestation requirements for those relief associations with assets and liabilities below the new threshold. Answers to some of the questions are provided below.

**Q:** Our relief association’s assets and liabilities are less than \$500,000. What information are we required to submit to the OSA?

**A:** Relief associations with assets and liabilities of less than \$500,000 must submit annual reporting forms to the OSA, including the annual financial Reporting Form (RF) that serves as an association’s detailed financial statement. The RF must be certified by an accountant.

**Q:** What standards should be followed when performing an examination to certify the financial statement?

**A:** The attestation standards established by the American Institute of Certified Public Accountants for an examination engagement should be followed. The accountant must complete the Certification and Opinion on the last page of the RF or, if the accountant is qualified as a certified public accountant, he or she may provide a separate attestation report.

**Q:** Our relief association is no longer required to have an audit because we fall below the new threshold. Can we choose to have an audit, even though it is not required?

**A:** Yes. Relief associations may choose to have an audit performed, and the OSA recommends doing so as a best practice.

**Q:** What is our reporting deadline if we fall below the threshold?

**A:** The annual reporting forms and accountant’s certification must be submitted to the OSA by March 31. Receipt of state aid may be delayed for relief associations that file after their reporting deadline.



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**What's Ahead:****January 15:**

Certified Listing of Individuals Who Filed a Statement of Economic Interest due to the Campaign Finance and Public Disclosure Board.

**February 17:**

Final deadline for submitting 2013 Supplemental Benefit Reimbursement Forms to the Department of Revenue.

**March 15:**

Fire Equipment Certification Form (FA-1 Form) is due to the Department of Revenue.

**March 31:**

Reporting forms for relief associations with assets and liabilities of less than \$500,000 are due to the Office of the State Auditor.

## Statements of Economic Interest Reminder

Every year, each volunteer fire relief association board member and chief administrative officer is required to complete a *Statement of Economic Interest*. The Statement must be filed with the chief administrative officer of the relief association and be made available for public inspection.

The chief administrative officer of a relief association must also submit a *Certified Listing of Individuals Who Filed a Statement of Economic Interest* form to the Campaign Finance and Public Disclosure Board (CFPDB) by **January 15**. This form must list all individuals who have filed *Statements of Economic Interest* with the relief association for the preceding 12 months, along with the address of the office at which the statements are available for public inspection.

For your convenience, the required CFPDB's *Statement of Economic Interest* and *Certified Listing of Individuals Who Filed a Statement of Economic Interest* forms are available in the Pension Forms section of our website under the "Current Forms" heading, or by going to:

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

## Updated Key Reporting Requirements Calendar

An updated Key Reporting Requirements calendar is now available on the OSA website. This PDF document lists each reporting form that relief associations must submit to the OSA and reporting requirements for some other State agencies. Links to the forms and their applicable due dates are also provided.

The calendar can be found at:

[http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf\\_requirements.pdf](http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf_requirements.pdf).

The 2014 reporting-year forms will be available for completion in January. Notices will be provided by e-mail to relief association trustees, municipal officials, and accountants and auditors when the forms are available on the OSA website.

**Sample Bylaw  
Guides:**

**LUMP-SUM**

[City Fire Department](#)

[Town Fire  
Department](#)

[Joint-Powers Fire  
Department](#)

[Independent  
Corporation](#)

**DEFINED-  
CONTRIBUTION**

[City Fire Department](#)

[Town Fire  
Department](#)

[Joint-Powers Fire  
Department](#)

[Independent  
Corporation](#)

## **Large Plan Investment Report Released**

The OSA has released the Large Public Pension Plan Investment Report. The report reviews the investment performance of Minnesota’s large local public pension plans for the 2012 calendar year. The individual plans included in this report are the Bloomington Fire Department Relief Association, the Duluth Teachers’ Retirement Fund Association, and the St. Paul Teachers’ Retirement Fund Association. Investment information for the State Board of Investment is also provided.

To view the completed report, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20131218.000>.

## **Updated Selected Relevant Statutes Booklet**

An updated version of the Volunteer Fire Relief Association Selected Relevant Statutes Booklet is now available. The booklet contains many of the state laws applicable to relief associations, including law changes enacted during the 2013 legislative session. Relief association trustees are encouraged to download the booklet for reference when updating bylaws, making investment decisions, and calculating benefit payments. The completed booklet can be viewed at:

<http://www.auditor.state.mn.us/default.aspx?page=20080304.004>.

## **State Aid Forfeiture Deadline Update**

The OSA is pleased to announce that all but one volunteer fire relief association submitted its 2012 reporting-year forms prior to the forfeiture deadline on November 30. State law requires automatic forfeiture of fire state aid for relief associations that do not file all reporting information by November 30.

We would like to thank the relief association trustees, municipal officials, auditors, investment brokers, and members of the Pension Division team, who worked right up to the deadline to ensure that reporting forms were submitted.

**Statements of Position:**

**Working Group Update**

The December 5 meeting of the Volunteer Fire Relief Association Working Group was postponed. The Group met on December 18 and continued its discussions of the new audit threshold and of fiduciary duties and responsibilities. The Group discussed updating the definition of the term “municipality” as it is used in the relief association statutes to include independent nonprofit firefighting corporations, joint powers entities, and fire districts.

Retention of Records

The Working Group will meet next on January 22 at 11:00 a.m. at the OSA office in Saint Paul.

Return to Service

Working Group meetings are open to the public. Meeting materials are available at:

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

Investment Authority

**Information for New Trustees**

Records Management

Many relief associations will be holding their annual meeting and elections soon. The OSA makes available a one-page document that provides links to resources available on our website. These resources are intended to help individuals who are elected to a relief association’s board of trustees be successful in their new positions.

Required Municipal Contributions

The informational document can be viewed at:

<http://www.auditor.state.mn.us/Other/pensionDocs/InfoforNewTrustees.pdf>.

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