



November 2009

Pension Division Newsletter

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Working Group Update & Feedback Request

The 2009-2010 Working Group held its fifth meeting of the season on Tuesday, November 10. The Group continued its discussion on a proposal to change the order of payment for survivor benefits. Several changes to the proposal were suggested and the Group agreed to revisit the topic at the December meeting after obtaining more information from relief association trustees.

The Working Group would appreciate your feedback on the proposals!

Currently, if a relief association chooses to offer survivor benefits, the benefits must be paid to the surviving spouse and surviving child or children, or if no surviving spouse or children, to designated beneficiaries, and if none, to the estate of the deceased active or deferred firefighter. The Working Group is considering two possible changes to the order of survivor benefit payments:

1. Benefits would be paid to the designated beneficiary, and if none is designated, to the estate of the deceased active or deferred firefighter; or
2. Benefits would be paid to the designated beneficiary, and if none is designated, to the surviving spouse, or if none, to the surviving child or children, and if none, to the estate of the deceased active or deferred firefighter.

The Working Group also discussed requiring the member's spouse to sign a waiver if the member designates someone other than the spouse as the beneficiary. The waiver could be required under statute or, alternatively, could be required by a relief association's bylaws.

Please share your thoughts regarding these proposals by contacting Rose Hennessy Allen at (651) 296-5985 or at Rose.Hennessy-Allen@state.mn.us.

At the November meeting, the Working Group also decided to create a general record retention schedule for volunteer fire relief associations that will be presented to the Records Disposition Panel for approval. The record retention schedule will provide guidance for relief associations on the maintenance of records and would provide authority for certain types of records to be destroyed after designated periods of time. Currently, without special approval by the Records Disposition Panel, the law does not allow for any destruction of relief association records.

The final Working Group meeting of the year is scheduled for Tuesday, December 8. Working Group agendas and meeting materials are available on the Office of the State Auditor's website at <http://www.auditor.state.mn.us/default.aspx?page=reliefworkinggroup>.

State Aid Certification Update

The Office of the State Auditor is pleased to announce that 142 volunteer fire relief associations met all reporting requirements to be certified as eligible for receipt of their 2009 state fire aid for the second round of aid disbursements. State aid was disbursed on or about November 15 for those relief associations certified as eligible for the second round of state aid payments. A list of the 2009 state fire aid amounts is available on our website at: <http://www.auditor.state.mn.us/default.aspx?page=20090924.000>.

In total, 689 volunteer fire relief associations and other local public pension plans have been certified as eligible for their 2009 state aid. Only 77 volunteer fire relief associations have yet to meet their reporting requirements to be certified. The next certification deadline for 2009 state aid eligibility is March 1, 2010.

State law requires forfeiture of 2009 state fire aid if a relief association does not submit all required 2008 reporting information by November 30, 2009. About 25 relief associations have not yet submitted some or all of their 2008 reporting year forms. Notices have been sent via e-mail and U.S. mail to relief associations that have not submitted all required reporting information. If your relief association was notified that it has not submitted all required reporting information, please ensure that the missing forms are submitted by November 30. If you have questions regarding your reporting requirements, please contact Gail Richie at (651) 282-6110 or at Gail.Richie@state.mn.us.

Selected Relevant Statutes Summary

An updated Selected Relevant Statutes Summary is now available on the Office of the State Auditor's website. The summary can be used in conjunction with the statutes booklet prepared annually by the Pension Division. The booklet contains many of the state laws applicable to volunteer fire relief associations and the summary provides a short, easy-to-read companion. The booklet and summary can be accessed on our website at: <http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

New Broker Certification Form

A new version of the Broker Certification (BC-1) Form is now available on the Office of the State Auditor's website. The new PDF form allows information to be typed into the required fields. Relief associations that use the services of a "broker" are required to complete a uniform BC-1 Form. For purposes of this reporting requirement, a "broker" means a broker, broker-dealer, investment advisor, investment manager, or third-party agent who transfers, purchases, sells, or obtains investment securities for, or on behalf of, a covered pension plan. The BC-1 Form must be completed before a relief association may enter into a business arrangement with a broker, and must be completed annually thereafter. The new BC-1 Form is available on our website at:

http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf_brokercert_volunteer.pdf.

2009 Schedule Form Reminder

Lump sum plans were required to certify their 2009 Schedule Form to the affiliated municipality or independent nonprofit firefighting corporation by August 1. Although the 2009 Schedule Form is not required to be submitted to our office until next year, most relief associations submit the form to our office at the same time it is given to the city, town, or independent corporation. The Pension Division will be performing preliminary reviews of the 2009 Schedule information this fall and winter. In addition, in order for your relief association's member information to be pre-populated on the 2010 form, we must have received and reviewed your 2009 Schedule Form. If you have not submitted your 2009 Schedule Form yet, **please submit it at your earliest convenience** so that we can conduct a preliminary review of the information and ensure that the membership data is pre-populated on your 2010 form.

If you have questions please contact us:

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