



November 2010

## Pension Division Newsletter

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### *Draft Record Retention Schedule: Your Feedback Is Requested*

Relief associations are defined by Minnesota statute to be “governmental entities,” and their records are considered “government records.” Government records can only be destroyed as allowed in an approved record retention schedule or upon the approval of the State of Minnesota’s Records Disposition Panel. *This means that relief associations currently do not have authority to destroy any records unless they have obtained approval from the Records Disposition Panel or have created their own record retention schedule that has been approved by the Panel.*

Relief association trustees have expressed a desire to destroy certain types of records after a set length of time and have asked for guidance on the retention of records. To accommodate these requests, the Volunteer Fire Relief Association Working Group formed a sub-group to draft a general record retention schedule that relief associations could adopt. If the Records Disposition Panel approves the general record retention schedule, relief associations could adopt the schedule and retain records according to it. Alternatively, a relief association could choose to create its own record retention schedule and, if the special record retention schedule is approved by the Records Disposition Panel, the association could retain records based on its own individual schedule.

The Working Group members would like to solicit comments and feedback before the general record retention schedule is submitted to the Records Disposition Panel for review. A copy of the draft record retention schedule is available for review on our website at:

<http://www.auditor.state.mn.us/other/reliefWorkingGroup/ReliefDraftRecordRetentionSchedule.pdf>.

Please take some time to review the draft general record retention schedule and consider any types of records that your relief association may have that aren’t currently included in the draft schedule. Please direct any questions or comments to Rose Hennessy Allen at (651) 296-5985 or at [Rose.Hennessy-Allen@state.mn.us](mailto:Rose.Hennessy-Allen@state.mn.us). Please provide comments by **December 31** so that they may be taken into consideration by the Working Group when it meets in January.

As a reminder, relief association records *must be permanently retained* until a record retention schedule allows for them to be destroyed or unless your association has obtained prior approval

for destruction from the Records Disposition Panel. If the Panel approves the general record retention schedule created by the Working Group, we will notify relief associations through our Pension Newsletter and provide a copy of the schedule on our website for adoption by relief associations. We also will conduct an online training session to answer questions that you may have regarding the retention of relief association records.

A Statement of Position is available that provides information about the current requirements for relief association records management. The Statement can be viewed at:  
[http://www.auditor.state.mn.us/other/Statements/recordsmanagementforreliefassns\\_0903\\_statement.pdf](http://www.auditor.state.mn.us/other/Statements/recordsmanagementforreliefassns_0903_statement.pdf).

### ***Working Group Update***

The Volunteer Fire Relief Association Working Group met on November 16. Working Group members agreed on some technical changes to volunteer fire relief association laws and tentatively agreed on some changes to the return-to-service law. The members also began discussing updates to the list of allowable administrative expenses that may be paid from a relief association's special fund. Relief association trustees had asked the Working Group to consider pursuing changes to allow filing and application fees that are payable to a federal or state governmental entity, like IRS Form 990 filing fees, to be paid from the special fund. The Working Group also discussed whether board trustees should be allowed to receive salary payments from the special fund. Currently, only a relief association's president, treasurer, and secretary may receive special fund salary payments.

The Working Group will continue discussions on the administrative expense and return-to-service topics at a future meeting. A list of additional topics that the Working Group will be considering this season is available on our website at:  
<http://www.auditor.state.mn.us/other/reliefWorkingGroup/reliefWorkingGroup20102011topiclist.pdf>.

The next Working Group meeting will be on December 7, from 11:00 a.m. to 1:00 p.m. at our office in Saint Paul. The meetings are open to the public, and anyone is welcome to attend. Working Group meeting materials are available at:  
<http://www.auditor.state.mn.us/default.aspx?page=reliefworkinggroup>.

### ***Investment Study Group Update***

The Public Pension Investment Study Group met on November 10 and November 23. The Study Group completed its review of proposed changes to the expanded and limited lists of authorized investment securities that are used by local public pension plans, and also completed its review of proposed changes for the list of investments used by the Minnesota State Board of Investment. The Study Group will write a report to accompany its legislative suggestions, as required by the 2010 Omnibus Retirement Bill. A copy of the report and bill will be posted on our website once they are available.

Investment Study Group meeting materials are available on our website at:  
<http://www.auditor.state.mn.us/default.aspx?page=20100826.001>.

### ***State Aid Certification Update***

The Office of the State Auditor is pleased to announce that 96 volunteer fire relief associations met all reporting requirements to be certified as eligible for receipt of their 2010 fire state 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 2010 state fire aid amounts is available on our website at:

<http://www.auditor.state.mn.us/forms/pen/pensionFireAid10.pdf>.

In total, 698 volunteer fire relief associations and other local public pension plans have been certified as eligible for their 2010 state aid. Only 70 volunteer fire relief associations have yet to meet their reporting requirements to be certified. The next certification deadline for 2010 state aid eligibility is March 1, 2011.

Of the 70 relief associations that have yet to be certified as eligible for their 2010 state aid, about ten associations have not yet submitted some or all of their 2009 reporting year forms. State law requires forfeiture of 2010 fire state aid if a relief association does not submit all required 2009 reporting information by November 30, 2010. Numerous 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](mailto:Gail.Richie@state.mn.us).

#### ***Deposit of State Aid***

Fire state aid was disbursed for most relief associations in Minnesota during the first week of October or the third week of November. As a reminder, the municipal treasurer is required under state law to transmit fire state aid to the treasurer of the affiliated relief association within 30 days after receipt, if there is a relief association organized and the association has filed a financial report with the municipality. The financial report referred to in this statutory provision may be satisfied by the Reporting Form that must be signed annually by the municipal clerk and be submitted to the Office of the State Auditor. The relief association treasurer should ensure that the fire state aid is promptly deposited into the association's special fund.

A listing of the 2010 fire state aid amounts is available on our website at:

<http://www.auditor.state.mn.us/default.aspx?page=20100929.000>.

#### ***Open Meeting Law Reminder***

Many relief associations are beginning preparations for their annual meetings. Please remember that relief associations are subject to Open Meeting Law requirements. This means that relief association meetings must be open to the public unless the meeting is closed for a purpose expressly authorized under state law. The Open Meeting Law also contains notice requirements and requirements for providing meeting materials to the board members and for making the materials available in the meeting room for public inspection. Relief associations must keep meeting minutes that record the votes on actions taken during open meetings and the minutes must be open to the public during normal business hours where records of the association are kept.

The Information Policy Analysis Division (IPAD) of the Department of Administration has the authority to review Open Meeting Law questions and to issue advisory opinions about these issues. Information regarding Open Meeting Law requirements, including a PowerPoint presentation, is available on the IPAD website at <http://www.ipad.state.mn.us/omlinfo.html>.

Please also remember that municipal ex officio trustees have all the same rights and duties as any other trustee except the right to be an officer of the board. Ex officio trustees therefore have the right to vote and should be provided notice of meetings and meeting materials.

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*If you have questions please contact us:*

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