



October 2010

## Pension Division Newsletter

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

The 2010/2011 Volunteer Fire Relief Association Working Group held its first meeting on October 14. Working Group members reviewed a draft record retention schedule and discussed some technical issues and topic suggestions that were submitted by relief association trustees from across Minnesota.

The next Working Group meeting has been changed from the previously-announced date. It will now be held on Tuesday, November 16, from 11:00 a.m. to 1:00 p.m. at our office in Saint Paul. Meeting materials are available on our website at:

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

### ***Selected Relevant Statutes Booklet***

An updated version of the Volunteer Firefighter Relief Association Selected Relevant Statutes booklet is now available. The booklet contains many of the state laws applicable to volunteer fire relief associations, including law changes enacted during the 2010 legislative session. Relief association trustees are encouraged to download the booklet for reference when updating bylaws, making investment decisions, and calculating benefit payments. The booklet can be found at:

[http://www.auditor.state.mn.us/other/educationalmaterials/vfraStatutesBooklet\\_081223.pdf](http://www.auditor.state.mn.us/other/educationalmaterials/vfraStatutesBooklet_081223.pdf).

### ***November Forfeiture Deadline Approaching***

State law requires automatic forfeiture of state fire aid for relief associations that do not submit all required 2009 reporting information by November 30, 2010. There are about 75 relief associations that have yet to submit some or all of their 2009 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 as soon as possible. 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).

### ***2010 Schedule Form Reminder***

Lump sum plans were required to certify their 2010 Schedule Form to the affiliated municipality or independent nonprofit firefighting corporation by August 1. Although the 2010 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 2010 Schedule Form information this fall and winter. If you have not submitted the Form yet, please provide a copy at your earliest convenience so that a preliminary review of the data can be conducted.

### ***Compliance Helpful Hints***

This segment of our Newsletter is intended to highlight common compliance mistakes and provide education so that your relief association can be proactive in preventing similar mistakes from occurring. Reminders regarding two common compliance mistakes are provided below.

- **Multiple Signatures on Checks** – In last month’s Newsletter we said that requiring multiple signatures on checks is part of a relief association’s internal controls, and that banks need to be made aware that the association’s checks should not be negotiated without all of the required signatures. Trustees from a few relief associations notified us that their banks are unable to ensure that multiple signatures are on checks before they are negotiated. In these situations, it is especially important that the relief association board of trustees review the check copies when they are received from the bank to make sure that the appropriate officers signed the checks.
- **Minimum Retirement Age** – To be eligible for a service pension distribution, members must have separated from active service with the fire department, have reached age 50, have met minimum service and membership requirements, and have complied with any additional conditions that are prescribed by the relief association’s bylaws. Relief associations may establish a higher retirement age but not an age lower than age 50. Members are not authorized to be paid a service pension before reaching the relief association’s minimum retirement age, regardless of whether the member intends to roll over the pension to an IRA or receive the payment directly.

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*If you have questions please contact us:*

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