



March 2011

Pension Division Newsletter

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2010 Reporting-Year Forms

The 2010 reporting-year forms for volunteer fire relief associations are available for completion on the Office of the State Auditor's website. The forms are due by March 31, 2011, for volunteer fire relief associations with assets and liabilities of less than \$200,000. Reporting forms for relief associations with assets or liabilities of \$200,000 or more are due by June 30, 2011. Relief associations with the June 30 reporting deadline are required to submit audited financial statements in addition to the reporting forms. Please also remember that once a relief association's assets or liabilities exceed the \$200,000 statutory threshold, the relief association maintains the June 30 reporting deadline and audit requirement, even if the association's assets and liabilities subsequently drop below the threshold.

The 2010 reporting-year forms can be accessed through the State Auditor's Form Entry System at <https://www.auditor.state.mn.us/safes/>.

Information about the reporting forms and helpful hints for completing them can be viewed at http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf_infoandhelpfulhints.pdf.

2009 Financial and Investment Report

The State Auditor released the Financial and Investment Report of Volunteer Fire Relief Associations for the year ended December 31, 2009. The report summarizes and evaluates the finances, basic benefit structure, and investment performance of Minnesota's volunteer fire relief associations. The report also includes investment information on three salaried police relief associations and one salaried fire relief association. To view the complete report, which includes tables and graphs, go to:

http://www.auditor.state.mn.us/Reports/pen/2009/vfra/vfra_09_report.pdf.

State Aid Certification Update

The Office of the State Auditor is pleased to announce that 66 volunteer fire relief associations and other pension entities were certified as eligible for receipt of their 2010 fire state aid for the third round of aid disbursements. State aid was disbursed on or about March 15 for those relief associations certified as eligible for the third round of state aid payments. All but one volunteer fire relief association has now been certified for its 2010 state aid. The final certification

deadline for 2010 aid is June 1, 2011. The first certification deadline for 2011 fire state aid is September 15, 2011.

A listing of the 2010 fire state aid amounts is available on our website at:
<http://www.auditor.state.mn.us/forms/pen/pensionFireAid10.pdf>

Broker Certification Reminder

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 created by the Office of the State Auditor. 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 Broker Certification Form must be completed before a public pension plan (including relief associations) 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, 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 at:
http://www.auditor.state.mn.us/forms/pen/ReportingForms/pensionrf_brokercert_volunteer.pdf.

Broker Certification Forms for other types of local public pension plans are available at:
<http://www.auditor.state.mn.us/default.aspx?page=20030101.031>.

Consultant Insurance Requirement

As a reminder, state law places conditions on consultants who provide legal or financial advice to volunteer fire relief associations. If a relief association hires or contracts with a consultant, the association must obtain from the consultant a copy of the consultant’s certificate of insurance.

A consultant is defined as any person who is employed under contract to provide legal or financial advice and who is or who represents to the relief association that the person is: an actuary; a licensed public accountant or certified public accountant; an attorney; an investment advisor or manager, or an investment counselor; an investment advisor or manager selection consultant; a pension benefit design advisor or consultant; or any other financial consultant.

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