To: Members of PERA’s Statewide Volunteer Firefighter Retirement Plan

Subject: Administrative Changes

Date: March 2017

PERA has decided to implement several changes in the administration of the Statewide Volunteer Firefighter (SVF) Retirement Plan. The changes, which should have minimal impact on plan members, will help PERA keep up with the increasing number of relief associations joining SVF. SVF has grown from 92 fire departments as of January 1, 2015 to 142 as of January 1, 2017. PERA is implementing the following changes to improve the efficiency and cost-effectiveness of administering SVF and to promote more timely communication with plan members by relying on email communication and by disseminating information to plan members whenever possible through PERA’s website.

* PERA will no longer be sending out year-end financial statements to plan participants.

Historically PERA has sent out an annual financial statement to each plan participant. The statement included additions (fire state aid, supplemental state aid, voluntary and required municipal contributions, net investment income, etc.), deductions (administrative fees, benefit payments etc.), and changes in net assets during the year.

* + All of the investment information included on the annual financial statement is available by logging into the fire department’s on-line account (administered by the Minnesota State Board of Investment). The on-line account provides transaction level detail including contributions, redemptions, administrative expenses, and share prices and market value of the account. If you do not already have access to the on-line account or have questions about the on-line account, contact Dave Andrews at 651-201-2648 or by email at [david.andrews@mnpera.org](mailto:david.andrews@mnpera.org).
  + Fire state aid is administered by the Minnesota Department of Revenue. The Department of Revenue’s website reports the amount of fire state aid and supplemental state aid allocated to each fire department in Minnesota annually; it also reports the status of the fire department’s FA1 form which is the basis for the following year’s fire state aid and indicates who is responsible for completing the form. The Department of Revenue’s fire state aid website is <http://bit.ly/2lETxdz>

* Annually (late March/April time frame) PERA will continue to provide pension information required under Governmental Accounting Standards Board (GASB) financial reporting requirements to municipalities that sponsor fire relief associations and prepare financial statements in accordance with generally accepted accounting principles (total economic resources measurement focus and accrual basis of accounting). The pension information required by GASB St. No. 68, *Accounting and Financial Reporting for Pensions* that PERA provides to affected municipal fire relief association sponsors includes net pension liability, pension deferred inflows and outflows, information for pension footnote disclosures and required supplementary information schedules. This information relies on the most recent good time service credit certification form that needs to be completed by the fire chief for the preceding calendar year. The certification form is due to PERA by March 31 according to *Minnesota Statutes* but the sooner PERA receives the certification, the sooner PERA can complete the GASB 68 actuarial valuations. PERA also provides a template of suggested pension footnotes, investment balances certified by the Minnesota State Board of Investment, and an actuarial certification letter about the process PERA uses to determine the net pension liability for each plan participating in SVF.
* PERA plans to provide as much information on SVF to plan participants, including both sponsoring municipality and fire department personnel, as possible through email communication and PERA’s website. For example, PERA plans to email annual billings, completed requests for benefit level increases, notification of receipt and deposit of annual fire state aid payments to plan participants’ accounts, and GASB 68 information to affected plan participants. Therefore, it is critical for PERA to have accurate and up-to-date contact information including email addresses. If you have not already provided PERA with email addresses for contacts of the sponsoring organization and fire department, or need to update the information based on personnel changes, please contact PERA’s Employer Services Division at 651-296-3636 or toll-free number at 1-888-892-7372 or by email at [Employer.reps@mnpera.org](mailto:Employer.reps@mnpera.org).

An example of information PERA will post on its website about SVF plan participants is a schedule PERA prepared in 2016 that reports by SVF plan participant the date the plan joined SVF, number of members, benefit level, net assets, accrued liability, funding ratio, normal cost, fire state aid, and 2016 required contribution if applicable. The report can be found at: <http://bit.ly/2lMFGkV>