



Working Group

Meeting Agenda: October 20, 2020

- I. Call to Order**
Chair Auditor Blaha.
- II. Review and Approval of Working Group Meeting Minutes**
Exhibit A. Draft October 6, 2020 Meeting Minutes
- III. Working Group Topic Rankings**
Exhibit B.
- IV. Supplemental Benefits for Firefighters who Receive Multiple Distributions**
Exhibit C.
- V. Definition of "Municipal Clerk"**
Exhibit D.
- VI. Defined Contribution Plan Forfeiture Change**
Exhibit E.
- VII. Discussion on Ability to Work as a Full-Time and Paid-on-Call Firefighter with the Same Fire Department**
Exhibit F.
- VIII. Other Business**
 - Additional topic for consideration (divorce payments)
- IX. Next Meeting**
Tuesday, November 10, 2020
11 a.m. to 12:30 p.m.
Virtually via Zoom
- X. Adjournment**

Individuals with disabilities who need a reasonable accommodation to participate in this event, please contact Rose Hennessy Allen at (651) 296-5985 or (800) 627-3529 (TTY) by October 19, 2020.



Exhibit A

10-06-20 Approved Minutes

Members Present

Julie Blaha, State Auditor

Eric Bullen, Minnesota State Fire Chiefs Association Representative (defined benefit lump sum plans)

Steve Donney, City of Harmony Mayor

Bruce Hemstad, Bemidji Fire Relief Association Secretary (defined benefit lump sum plans)

Sue Iverson, City of Red Wing Finance & Accounting Manager

Brett Johnson, Elko New Market Fire Relief Association Treasurer (defined benefit lump sum plans)

Aaron Johnston, Coon Rapids Fire Relief Association Treasurer (defined contribution plans)

Michael Kruse, Falcon Heights Fire Relief Association Treasurer (defined contribution plans)

Andy Paszak, Proctor Fire Relief Association President (defined benefit lump sum plans)

Darrell Pettis, St. Peter Fire Relief Association Treasurer (defined benefit lump sum plans)

Kevin Wall, Lower Saint Croix Valley Fire Relief Association President (defined benefit lump sum plans)

Thomas Wilson, Eden Prairie Fire Relief Association Secretary (defined benefit monthly/lump sum plans)

Members Excused

Ron Johnson, Minnesota State Fire Department Association Representative (defined contribution plans)

Office of the State Auditor and Legislative Support Present

Ramona Advani, Deputy State Auditor and General Counsel

Chad Burkitt, Legislative Commission on Pension and Retirement Analyst

Rose Hennessy Allen, Office of the State Auditor Pension Director

Susan Lenczewski, Legislative Commission on Pension and Retirement Executive Director

Others Present

Maia Dabney-Miller, Office of the State Auditor Pension Analyst

Emily Knutson, Van Iwaarden Associates Representative

Molly Resch, Office of the State Auditor Pension Analyst

Kristie Strum, Department of Revenue Senior State Program Administrator

Megan Thrasher, Office of the State Auditor External Affairs Coordinator

I. Call to Order

Auditor Blaha called the meeting to order. She explained that the meeting was being streamed to the Office of the State Auditor (OSA)'s Facebook page and the recording would eventually be posted to the OSA's YouTube channel. The meeting agenda was adopted unanimously.

II. Introductions

The Working Group members and others participating in the Zoom meeting introduced themselves. Auditor Blaha introduced the three new members and welcomed them to the Working Group.

III. Review and Approval of Working Group Meeting Minutes

The members reviewed the January 23, 2020, meeting minutes that had been provided in advance. The minutes were adopted unanimously.

IV. Working Group Process Discussion

- Working Group Meeting Schedule
Auditor Blaha shared the meeting schedule and asked that Hennessy Allen be notified of any scheduling conflicts. The meeting schedule was adopted unanimously, with the agreement that flexibility be provided to schedule additional meetings in January, if necessary.
- Working Group Purpose Statement
The members reviewed the draft Purpose Statement. Hemstad made a motion to adopt the Purpose Statement. The motion was adopted unanimously.
- Working Group Process Statement
Members reviewed the draft Process Statement. Auditor Blaha noted that unanimous consent is required for a proposal to move forward, although proposals that do not have unanimous agreement may be revisited and reconsidered. Hemstad made a motion to adopt the Process Statement. The motion was adopted unanimously.
- Working Group Membership List
Auditor Blaha shared that the membership list will be posted on the OSA website, and asked that Hennessy Allen be notified of any changes. Members 1 through 13 on the list are voting members. The OSA and Legislative Support staff are resources to the Working Group and do not vote.

V. Update on 2020 Relief Association Legislation

Hennessy Allen provided a summary of the relief association provisions in the 2020 Pension and Retirement Bill. All but one of the Working Group proposals were passed into law. The proposal that did not pass, which provides clarity on the payment of supplemental benefits to firefighters who receive more than one lump-sum distribution, is a topic suggestion in Agenda item VI. Burkitt noted that the fire state aid allocation proposal in the 2020 Bill does not apply to fire departments with volunteer firefighters in the Statewide Volunteer Firefighter Plan administered by the Public Employees Retirement Association. There may be a proposal during the 2021 Legislative Session to provide similar authority to these fire departments.

VI. Discussion of Working Group Topic Suggestions

Auditor Blaha explained that the topic suggestion list contains topics the OSA received from relief association trustees and members, and from other stakeholders. Some technical fixes identified by OSA staff are also included on the list. Columns added to the list this year show the source and type of each suggestion, to give an indication of whether a topic is a quick technical fix or a broad policy change. After the meeting, Working Group members will be asked to complete a survey to rank their topic priorities.

Hennessy Allen provided information about each of the topic suggestions. Hemstad suggested adding a return to service topic related to the ability of defined benefit plan nonvested members to retain their original years of service should they subsequently resume active service. The suggestion is that perhaps after a nonvested member has been absent from



firefighting service for a specific length of time, original service credit amounts should be forfeited if the member resumes active service.

Lenczewski shared three topics for consideration that she has received from stakeholders. She said it is possible the topics could be raised during session, and it would be helpful to have input from the Working Group. The topics are: 1) to prohibit an individual from accruing active service credit as a volunteer firefighter and as a career firefighter with the same fire department; 2) to require that relief associations invest their special fund money through the Minnesota State Board of Investment, and; 3) to change the supplemental state aid calculation so that it is based on something other than the proportion of fire state aid that each entity receives. The Working Group members agreed that these additional topics should be added to the list of topics for consideration.

VII. Other Business

- Supplemental benefits for firefighters who receive more than one lump-sum distribution (if approved in Agenda item VI)
- Definition of "Municipal Clerk" (if approved in Agenda item VI)
- Defined contribution plan forfeiture change (if approved in Agenda item VI)

The Working Group did not have time to discuss the three "Other Business" topics. Johnston made a motion for these three topics to be consider at the beginning of the next Working Group meeting. The motion was adopted unanimously.

VIII. Next Meeting

Tuesday, October 20, 2020
11 a.m. to 12:30 p.m.
Virtually via Zoom

IX. Adjournment

The meeting was adjourned at 12:35.

Volunteer Fire Relief Association Working Group

2020/2021 Potential Topic Requests

Topic	Description	Source Type		Score	Ranking
Audit (424A.014, subds. 1 and 2)	1. Update the audit provision to make it clear that the \$500,000 threshold is based on special fund assets, only, and that the audit becomes required in the year after a relief association exceeds the threshold.	OSA	Limited Tech. Change	11	4
	2. Consider increasing the threshold at which an audit is required. The current threshold is \$500,000 in either assets or liabilities.	VFRAs	Broad Policy Change	8.22	11
Administrative Expenses (424A.05, subd. 3b(a)(5))	3. Limit authorized special fund filing and application fees to fees that directly support the special fund.	VFRAs	Limited Policy Change	9.67	6
Career Firefighters (424A.015, subd. 1)	4. Consider allowing firefighters who are hired on a fulltime basis and retire from the relief association to be paid their relief association service pension before reaching age 50.	VFRAs	Limited Policy Change	9.44	7
Concurrent Service Credit (424A.01, subd. 4a)	5. Consider whether the prohibition on the receipt of concurrent service credit should be broadened so that it applies to service credit in MSRS, too.	OSA	Limited Policy Change	8.56	10
	6. Consider whether firefighters who are employed as full-time or career firefighters should be prohibited from separately accruing service credit as volunteer or paid-on-call firefighters with the same fire department.	LCPR	Broad Policy Change	15.11	1
Combined Service Pensions (424A.015, subd. 7)	7. Consider making combined service pensions mandatory and available to all firefighters with service in more than one fire department.	VFRAs	Broad Policy Change	8.78	9
	8. Consider changing the combined service pension provision so that the pension amount accrued in the first relief association is locked in, and that vesting continues accruing in the subsequent relief association. (Similar to how combined service works in the PERA Statewide Plan.)	VFRAs	Broad Policy Change	11.22	3
Defined Contribution Plans (424A.016, subd. 2)	9. Allow nonvested accounts to be forfeited before the required five-year waiting period if the former member passes away.	OSA	In Progress		
Definitions (424A.001)	10 Add the definition of "municipal clerk" from the fire state aid statutes (Section . 477B.01) to the relief association statutes.	OSA	In Progress		
	11 Update the definition of "volunteer firefighter" and add definitions of "paid-on-call," "part-time," and "full-time/career" firefighter and the definition of "combination fire department" that the Working Group agreed upon last year.	VFRAs	In Progress		
Dues (424A.06, subd. 2)	12. Consider whether unpaid membership dues should be deducted from a relief association's service pension.	VFRAs	Broad Policy Change	6	16

Investments (356A.06)	13. Consider requiring that relief associations invest through the State Board of Investment.	LCPR	Broad Policy Change	14.67	2
Return to Service (424A.01, subd. 6)	14. Discuss allowing members who return to service to keep any interest that had been accrued during their period of deferral.	VFRAs	Broad Policy Change	7.11	15
	15. Discuss defining a specific length of time that nonvested members of defined benefit plans can be gone after separating from active service after which the original years of service are forfeited, should the member subsequently resume active service.	VFRAs	Broad Policy Change	10.11	5
Service Credit (424A.015, subd. 6)	16. Consider allowing relief associations to set a lower benefit level amount for EMS-only members if the minimum service requirements for these individuals are less than for firefighters.	VFRAs	Broad Policy Change	7.44	14
	17. Consider ways in which a relief association could allow for a bonus payment from the special fund for firefighters with at least 20 years of service, for example, as a way to retain firefighters. Ideas include authorizing a higher per-year-of-service benefit level for these years.	VFRAs	Broad Policy Change	8.89	8
	18. Consider allowing relief associations to provide different benefit levels per year of service depending on the percent of calls or other requirements that a firefighter completes.	VFRAs	Broad Policy Change	8.78	9
Signatures (424A.014, subd. 2)	19. Consider changing the signature requirements for the FIRE Form so that a CPA's certification is needed only if an audit is not performed, rather than if the relief association's assets and liabilities are less than \$500,000.	OSA	Limited Tech. Change	8	12
Supplemental Benefits (424A.10)	20. Discuss supplemental benefit eligibility for firefighters who are paid more than one lump-sum distribution.	DOR	In Progress		
Supplemental State Aid (423A.022)	21. Consider whether the calculation for supplemental state aid should be changed so that it is determined based on the number of active firefighters, or some measure other than the proportion of fire state aid that an entity receives.	LCPR	Broad Policy Change	10.11	5
Vesting (424A.016, subd. 3 and 424A.02, subd. 2)	22. Consider allowing vesting percentages to be prorated monthly for fractional years of service.	VFRAs	Limited Policy Change	7.89	13



Exhibit C

Supplemental Benefits

Topic:

When a relief association pays a lump-sum distribution, the relief association is also required to pay a supplemental benefit. The supplemental benefit is intended to help offset taxes that must be paid on the service pension or benefit distribution. For service pensions and disability benefits, the amount of the supplemental benefit is equal to 10 percent of the lump-sum distribution, up to a maximum of \$1,000. For survivor benefits, the amount of the supplemental benefit is equal to 20 percent of the survivor benefit distribution, up to a maximum of \$2,000. Relief associations are eligible to apply for reimbursement from the State of Minnesota for supplemental benefits paid to qualified recipients.

The Department of Revenue has identified several retired firefighters who have or will be receiving more than one lump-sum distribution. These firefighters fall into two categories:

- 1) firefighters who receive multiple distributions from the same entity; and
- 2) firefighters who receive one distribution from multiple entities.

The entities may be relief associations or fire departments that participate in the Public Employees Retirement Association (PERA) Statewide Volunteer Firefighter Plan.

The Working Group approved the below changes and included them in the 2020 Working Group bill. The supplemental benefit changes were removed when the bill was heard by the Legislative Commission on Pensions and Retirement due to cost concerns by some legislators, so the changes were not passed. Clarification is still needed on this topic, as the Department of Revenue has pending supplemental benefit reimbursement requests.

Does the Working Group want to move forward with the statute changes below, which authorize a supplemental benefit payment with each lump-sum distribution, and each supplemental benefit is equal to 10 percent of the distribution up to a maximum of \$1,000 (or \$2,000 if the final distribution is a survivor benefit)?



Proposed Changes:

424A.10 STATE SUPPLEMENTAL BENEFIT; VOLUNTEER FIREFIGHTERS.

Subdivision 1. **Definitions.** For purposes of this section:

(1) "qualified recipient" means a volunteer firefighter who receives a lump-sum distribution of pension or retirement benefits from a volunteer firefighters relief association or from the voluntary statewide lump-sum volunteer firefighter retirement plan;

(2) "survivor of a deceased active or deferred volunteer firefighter" means the surviving spouse of a deceased active or deferred volunteer firefighter or, if none, the surviving child or children of a deceased active or deferred volunteer firefighter, or, if none, the designated beneficiary of the deceased active or deferred volunteer firefighter, or, if no beneficiary has been designated, the estate of the deceased active or deferred volunteer firefighter;

(3) "active volunteer firefighter" means a person who:

(i) regularly renders fire suppression service, the performance or supervision of authorized fire prevention duties, or the performance or supervision of authorized emergency medical response activities for a fire department;

(ii) has met the statutory and other requirements for relief association membership; and

(iii) is deemed by the relief association under law and its bylaws to be a fully qualified member of the relief association or from the voluntary statewide lump-sum volunteer firefighter retirement plan for at least one month;

(4) "deferred volunteer firefighter" means a former active volunteer firefighter who:

(i) terminated active firefighting service, the performance or supervision of authorized fire prevention duties, or the performance or supervision of authorized emergency medical response activities; and

(ii) has sufficient service credit from the applicable relief association or from the voluntary statewide lump-sum volunteer firefighter retirement plan to be entitled to a service pension under the bylaws of the relief association, but has not applied for or has not received the service pension; and

(5) "volunteer firefighter" includes an individual whose services were utilized to perform or supervise fire prevention duties if authorized under section 424A.01, subdivision 5, and individuals whose services were used to perform emergency medical response duties or supervise emergency medical response activities if authorized under section 424A.01, subdivision 5a.

Subd. 2. **Payment of supplemental benefit.** (a) Upon the payment by a volunteer firefighters relief association or by the voluntary statewide lump-sum volunteer firefighter retirement plan of a lump-sum distribution to a qualified recipient, the association must pay a supplemental benefit to the qualified recipient. Notwithstanding any law to the contrary, the relief association must pay the supplemental benefit out of its special fund and the voluntary statewide lump-sum volunteer firefighter retirement plan must pay the supplemental benefit out of the voluntary statewide lump-sum volunteer firefighter retirement plan. This benefit is an amount equal to ten percent of the regular lump-sum distribution that is paid on the basis of the recipient's service as a volunteer firefighter. In no case may the amount of the supplemental benefit exceed \$1,000. A supplemental benefit under this paragraph may not be paid to a survivor of a deceased active or deferred volunteer firefighter in that capacity.

(b) Upon the payment by a relief association or the retirement plan of a lump-sum survivor benefit to a survivor of a deceased active volunteer firefighter or of a deceased deferred volunteer firefighter, the association must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the special fund of the relief association and the retirement plan must pay a supplemental survivor benefit to the survivor of the deceased active or deferred volunteer firefighter from the retirement fund if chapter 353G so provides. The amount of the supplemental survivor benefit is 20 percent of the survivor benefit, but not to exceed \$2,000.



(c) For purposes of this section, the term "regular lump-sum distribution" means the pretax lump-sum distribution excluding any interest that may have been credited during a volunteer firefighter's period of deferral.

(d) An individual may receive a supplemental benefit under paragraph (a) or under paragraph (b), but not under both paragraphs with respect to one lump-sum volunteer firefighter benefit.

(e) If a qualified recipient receives more than one lump-sum distribution, the qualified recipient is eligible to receive a supplemental benefit or supplemental survivor benefit, whichever is applicable, with each lump-sum distribution. Each supplemental benefit shall be calculated pursuant to paragraph (a) or paragraph (b), as applicable, and shall be subject to a separate limit.

(f) Qualified recipients who elect to receive their lump-sum distribution in installments under section 424A.016, subdivision 5, or 424A.02, subdivision 8, are eligible to receive one supplemental benefit calculated on the total lump-sum distribution amount under paragraph (a) or paragraph (b), as applicable.

Subd. 3. **State reimbursement.** (a) Each year, to be eligible for state reimbursement of the amount of supplemental benefits paid under subdivision 2 during the preceding calendar year, the volunteer firefighters relief association or the voluntary statewide lump-sum volunteer firefighter retirement plan shall apply to the commissioner of revenue by February 15. By March 15, the commissioner shall reimburse the relief association for the amount of the supplemental benefits paid by the relief association to qualified recipients and to survivors of deceased active or deferred volunteer firefighters.

(b) The commissioner of revenue shall prescribe the form of and supporting information that must be supplied as part of the application for state reimbursement. The commissioner of revenue shall reimburse the relief association by paying the reimbursement amount to the treasurer of the municipality where the association is located and shall reimburse the retirement plan by paying the reimbursement amount to the executive director of the Public Employees Retirement Association. Within 30 days after receipt, the municipal treasurer shall transmit the state reimbursement to the treasurer of the association if the association has filed a financial report with the municipality. If the relief association has not filed a financial report with the municipality, the municipal treasurer shall delay transmission of the reimbursement payment to the association until the complete financial report is filed. If the association has dissolved or has been removed as a trustee of state aid, the treasurer shall deposit the money in a special account in the municipal treasury, and the money may be disbursed only for the purposes and in the manner provided in section 424A.08. When paid to the association, the reimbursement payment must be deposited in the special fund of the relief association and when paid to the retirement plan, the reimbursement payment must be deposited in the retirement fund of the plan.

(c) A sum sufficient to make the payments is appropriated from the general fund to the commissioner of revenue.

Subd. 4. **In lieu of income tax exclusion.** (a) The supplemental benefit provided by this section is in lieu of the state income tax exclusion for lump-sum distributions of retirement benefits paid to volunteer firefighters.

(b) If the law is modified to exclude or exempt volunteer firefighters' lump-sum distributions from state income taxation, the supplemental benefits under this section are no longer payable, beginning with the first calendar year in which the exclusion or exemption is effective. This subdivision does not apply to exemption of all or part of a lump-sum distribution under section 290.032 or 290.0802.

EFFECTIVE DATE: This section is effective retroactively for supplemental benefits paid in 2018 and thereafter.



Exhibit D

Municipal Clerk Definition

Topic:

During the 2012 Legislative Session, the Working Group proposed changes to the definition of "municipal clerk." The changes were passed into law, and provided municipalities with flexibility when signing the relief association's annual financial and investment reporting form (currently known as the FIRE Form). The FIRE Form is required to be signed by the municipal clerk or clerk treasurer. The 2012 law change allowed the municipal governing body to designate the position to perform this signing function. This allowed the municipal official most familiar with the relief association's operations to sign the form in instances when that person was not the clerk or clerk treasurer. For example, many municipalities designate the finance director as the person to review and sign relief association reporting forms.

In 2012, the relief association financial reporting requirements were defined in Chapter 69, which also was home to the fire and police state aid provisions. The fire and police state aid provisions were moved to their own chapters of state law during the 2019 Legislative Session, Chapters 477B and 477C, respectively, and the relief association financial reporting requirements were moved to Chapter 424A. The definition of "municipal clerk" was moved to Chapter 477B, and there is no definition of this term in Chapter 424A.

A proposed change is provided below that would define the term "municipal clerk" in the relief association statutes and allow municipalities to retain the ability to designate a financial official to sign relief association reporting forms.

Proposed Changes:

424A.001 DEFINITIONS.

Subd. 2a. **Municipal.** "Municipal" means of a city or township.

Subd. 2b. **Municipal Clerk.** "Municipal clerk" means the person elected or appointed to the position of municipal clerk or, if the governing body of the governmental entity designates the position to perform the function, the chief financial official of the governmental entity or the chief administrative official of the governmental entity.

Subd. 3. **Municipality.** "Municipality" means a city or township which has established a fire department with which the relief association is directly associated, a city or township which has entered into a contract with the independent nonprofit firefighting corporation of which the relief association is directly associated, or a city or township that has entered into a contract with a joint powers entity established under section 471.59 of which the relief association is directly associated.



Exhibit E

Defined Contribution Forfeitures

Topic:

Defined contribution plans are required to keep the accounts of members who separate from active service before becoming vested intact for at least five years. If the member does not return to active service within five years following the member's separation, the account is forfeited and the assets are allocated to the active relief association members. There currently are no exceptions to this five-year waiting requirement before nonvested accounts can be forfeited.

The Office of the State Auditor is aware of a situation in which a member who had separated from active service before becoming vested passed away during this five-year waiting period. The relief association is required to keep this former member's account intact, even though there is no possibility of a return to active service and no benefit will be paid.

A proposed change below would allow defined contribution plans to forfeit these nonvested accounts prior to waiting five years following the member's separation if the member passes away and no benefit is payable.

Proposed Changes:

424A.016 DEFINED CONTRIBUTION VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION SPECIFIC REGULATION.

Subd. 4. **Individual accounts.** (a) An individual account must be established for each firefighter who is a member of the relief association.

(b) To each individual active member account must be credited an equal share of:

(1) any amounts of fire state aid and police and firefighter retirement supplemental state aid received by the relief association;

(2) any amounts of municipal contributions to the relief association raised from levies on real estate or from other available municipal revenue sources exclusive of fire state aid; and

(3) any amounts equal to the share of the assets of the special fund to the credit of:

(i) any former member who terminated active service with the fire department to which the relief association is associated before meeting the minimum service requirement provided for in subdivision 2, paragraph (b), and has not returned to active service with the fire department for a period no shorter than five years, **or has passed away and no survivor benefit or death benefit is payable;** or

(ii) any retired member who retired before obtaining a full nonforfeitable interest in the amounts credited to the individual member account under subdivision 2, paragraph (b), and any applicable provision of the bylaws of the relief association. In addition, any investment return on the assets of the special fund must be credited in proportion to the share of the assets of the special fund to the credit of each individual active member account. Administrative expenses of the relief association payable from the special fund may be deducted from individual accounts in a manner specified in the bylaws of the relief association.



(c) If the bylaws so permit and as the bylaws define, the relief association may credit any investment return on the assets of the special fund to the accounts of inactive members.

(d) Amounts to be credited to individual accounts must be allocated uniformly for all years of active service and allocations must be made for all years of service, except for caps on service credit if so provided in the bylaws of the relief association. Amounts forfeited under paragraph (b), clause (3), before a resumption of active service and membership under section 424A.01, subdivision 6, remain forfeited and may not be reinstated upon the resumption of active service and membership. The allocation method may utilize monthly proration for fractional years of service, as the bylaws or articles of incorporation of the relief association so provide. The bylaws or articles of incorporation may define a "month," but the definition must require a calendar month to have at least 16 days of active service. If the bylaws or articles of incorporation do not define a "month," a "month" is a completed calendar month of active service measured from the member's date of entry to the same date in the subsequent month.

(e) At the time of retirement under subdivision 2 and any applicable provision of the bylaws of the relief association, a retiring member is entitled to that portion of the assets of the special fund to the credit of the member in the individual member account which is nonforfeitable under subdivision 3 and any applicable provision of the bylaws of the relief association based on the number of years of service to the credit of the retiring member.

(f) Annually, the secretary of the relief association shall certify the individual account allocations to the state auditor at the same time that the annual financial statement or financial report and audit of the relief association, whichever applies, is due under section 424A.014.



Exhibit F

Working as a Full-Time and Paid-on-Call Firefighter with the Same Department

Topic:

The Working Group has been asked to consider whether a legislative change should be made to prevent an individual from working as both a full-time firefighter and a paid-on-call firefighter with the same fire department.

Statute prohibits firefighters from being credited with service credit in a relief association and in the Public Employees Retirement Association for the same hours of service. (See statute below.) Firefighters are allowed to hold full-time and paid-on-call positions with the same fire department, but must be sure there is no overlap in the accrual of pension credit.

The topic presented to the Working Group for consideration is a limitation specific to full-time employees who are firefighters, although there are full-time employees in non-firefighter positions who also work for the same municipality as paid-on-call firefighters. If the Working Group decides to move forward with a suggested statute change, members may want to consider whether limitations should be applied to full-time firefighters that are not imposed on other full-time municipal employees.

Options for the Working Group include:

1. Suggesting a statute change;
2. Taking no action;
3. Adopting a position statement;
4. Others?

Statute:

424A.01 MEMBERSHIP IN A VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION.

Subd. 4a. **Prohibition on receipt of concurrent service credit.** No firefighter may be credited with service credit in a volunteer firefighters relief association for the same hours of service for which coverage is already provided in a fund operated pursuant to chapter 353.