

**Statewide Volunteer Firefighter Plan
Advisory Board Meeting Notes
October 26, 2023**

Members Present

- **Steve** Fenske, Townships Representative
- **Cal** Larson, Cities Representative
- Jeff Sanborn, Fire Chief Representative
- Jay Wood, Volunteer Firefighters Representative
- Anthony Scavo, Volunteer Firefighters Representative
- Marc Volk, Volunteer Firefighters Representative
- Justin Nielsen, Volunteer Firefighters Representative
- Rose Hennessy-Allen, State Auditor's Office

Member Excused

- Ann Finn, Cities Representative
- John King, Volunteer Firefighters Representative

Staff Present

- Doug Anderson, PERA Staff
- Gladys Rodriguez, PERA Staff
- Amy Strenge, PERA Staff
- Heather Schoenberger
- Sarah Broton
- Jaime Voight

Others Present

- Susan Lenczewski, Legislative Commission on Pension Retirement
- Sean Kelly, Legislative Commission on Pension Retirement
- Ann Lenczewski, Lockridge Grindal Nauen P.L.L.P
- Nyle Zikmund, City of Mounds View

1. Meeting called to Order and Introductions

Strenge called the meeting to order at 1:00 pm. Members participated in person and interactive technology as permitted in Minnesota Statutes Section 13D.015. Introductions were made. Roll call was taken to establish quorum. Quorum not reached.

2. Approval of Meeting Notes from September 27, 2023

Notes were not approved due to lack of quorum.

3. Update on SVF Incentive Plan

Anderson presented a draft of the SVF Incentive Plan. He noted that the success will be measured primarily by the number of plans joining in 2024 and 2025. The intention is that all of the incentive money will go into the joining entities plan to be used for benefits only and not to build a surplus. All entities joining by January 1, 2025 will be eligible. The incentive formula will consist of a fixed dollar amount per plan plus a fixed dollar amount per active member and it may also include an additional incentive for plans that reduce their funding ratio below a certain threshold by a benefit increase. There will be no minimum participation period and once the incentive payment is made it can't be withdrawn. Entities joining will not be restricted from leaving the SVF.

The incentive formula will have a dollar amount per plan and a fixed amount per active member. The preliminary recommendations include the following:

Component A- \$10,000 per plan applicable to the first 500 plans entering before 2026 and payable January 2024 (2023 & 2024 entrants) and January 2025 (2025 entrants).

Component B- \$1,000 per active member, includes anyone earning service credit the year prior to entry. The amount would be paid to the plan, not the individual member, and if the total amount of component A + B exceed \$5M, the amount per active member would be prorated down. This amount would be payable August 2026 (after 2025 entrant member counts are known).

Component C- \$5,000 per plan applicable only if A + B is less than \$5M. This would be applicable if a plan has a funding ratio above 150% prior to the benefit level change and less than 150% after the benefit level change. The benefit level change may occur any time prior to 2026.

Component C would be an option for excess in the event that A+B+C is less than \$5M. Excess would be distributed in equal amounts per plan and per active members. \$10,000 would be distributed per plan entering after 2025 until no funds remain.

The board discussed each component and agreed to remove Component C and eliminate the excess distribution in equal amounts per active member from Component D. The board agreed on Component A and B as presented.

4. Next Meeting will be held November 14, 2023.

5. Adjournment

Meeting adjourned at 1:57 pm.