

**Statewide Volunteer Firefighter Plan
Advisory Board Meeting Notes
July 27, 2023**

Members Present

- Ann Finn, Cities Representative
- Cal Larson, Cities Representative
- Steve Fenske, Townships Representative
- Jay Wood, Volunteer Firefighters Representative
- Anthony Scavo, Volunteer Firefighters Representative
- Justin Nielsen, Volunteer Firefighters Representative
- Rose Hennessy-Allen, State Auditor's Office

Member Excused

- Marc Volk, Volunteer Firefighters Representative
- Jeff Sanborn, Fire Chief Representative
- John King, Volunteer Firefighters Representative

Staff Present

- Doug Anderson, PERA Staff
- David Andrews, PERA Staff
- Tracy Gebhard, PERA Staff
- Gemma Miltich, PERA Staff
- Gladys Rodriguez, PERA Staff
- Amy Strenge, PERA Staff

Others Present

- Susan Lenczewski, Legislative Commission on Pension Retirement
- Ann Lenczewski, Lockridge Grindal Nauen P.L.L.P
- Angie Huss, Lockridge Grindal Nauen P.L.L.P

1. Meeting called to Order and Introductions

Amy Strenge called the meeting to order at 1:00 p.m. Members participated in person and interactive technology as permitted in Minnesota Statutes Section 13D.015. Introductions were made.

2. Approval of Meeting Notes from January 26, 2023

Larson noted that the minutes reflected that he was absent but he was in attendance. *Larson moved to approve the January 26, 2023, SVF Advisory Board meeting notes as amended. The motion was seconded by Finn and passed unanimously by roll call vote.*

3. 2023 Legislative Session Results

Strenge provided an update on HF 2950, which addressed language to allow for previous service to count for vesting purposes. It also modifies and adds definitions for vesting service credit for members and volunteer firefighters, it repeals the definition of service credit, and the requirements for relief associations following the affiliated fire departments enrollment in the SVF plan were eliminated.

HF 3100 establishes a SVF Plan incentive program to benefit fire departments joining the statewide plan on or after July 1, 2023, and the first payments must be made no later than December 31, 2024. \$5,000,000 in FY 24 will be transferred from the general fund to the statewide volunteer firefighter incentive account. Staff is responsible for drafting an outline of the incentive program to be delivered to the members of the commission by January 5, 2024.

4. State Auditor's Office VFRA Update

Hennessy Allen provided an update on the Fire Relief Associations legislative proposals. One of the proposals that passed raises the monetary threshold at which a relief association must have an

annual audit from the current \$500,000 to \$750,000 in either pension assets or liabilities, to be consistent with audit thresholds for other nonprofit corporations.

These other proposals are pending and might be introduced next session.

- Further define when municipal ratification of a relief association benefit level or bylaw change is required in order for the change to become effective.
- Add definitions of the different types of firefighters (e.g., volunteer, paid on-call, part-time, full-time) for purposes of relief association benefits.
- Update references to volunteer firefighter and volunteer fire relief association in the relief association statutes and review whether changes should be suggested in other sections.
- Clarify eligibility requirements for supplemental survivor benefits when a relief association dissolves.
- Clarify who must certify a relief association's receipt and review of the annual Investment Report Card provided by the Office of the State Auditor.

5. PERA Administrative Update

Gebhard shared that Sharyn North has retired. Gemma Miltich will be administering the SVF Plan and is the point of contact. Staff has also created two specific email addresses so that all SVF Plan participants or interested parties can contact PERA. Staff will send an email with the new contact information.

Anderson shared that PERA contracted with a firm to complete funding reports for ten SVF Plans for the past 11 years. A redacted copy of the report was provided to the Advisory Board. Staff will look at the report to evaluate the work and how it fits in the total operations of the plan, including the staff administrative fee.

Strenge noted that requirements to have legislation that establishes defined contribution plans will be discussed.

6. SVF Incentive Program

Anderson noted that the bill language provides an opportunity to brainstorm and develop an outline for the incentive program. The Advisory Board will be meeting every month to provide input and help draft an outline. The incentive program outline and defined contribution proposed legislation is due to the LCPR by January 5, 2024. In the meantime, the appropriation has been placed in a funding account until Anderson directs MMB to disburse the funds.

Comments and feedback were provided on outreach related to the incentive program.

7. Next Meeting Date- DTBD

Staff will reach out with potential meeting dates to continue discussing and brainstorming on the incentive program.

8. Adjournment

Meeting adjourned at 2:19 p.m.