



S.F. 2741
(Johnson)

H.F. 3155
(Kahn)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): Volunteer firefighter relief associations
Relevant Provisions of Law: Minnesota Statutes, Section 424A.05, Subdivision 5
General Nature of Proposal: Replaces MARAC with MSFCA in the special fund authorized disbursements provision.
Date of Summary: March 21, 2014

Specific Proposed Changes

- Amends the volunteer fire relief association special fund authorized disbursement provision by replacing the former Minnesota Area Relief Association Coalition (MARAC) with the Minnesota State Fire Chiefs Association (MSFCA).

Policy Issues Raised by the Proposed Legislation

1. Appropriateness of allowing special fund assets, supported by state and local tax dollars, to be used to support an organization which is partly a lobbying organization.
2. Whether MSFCA is sufficiently similar to other organizations on that permitted expenditure list, and whether the broad membership of local relief associations, rather than a limited subgroup, is likely to benefit from this provision.
3. Shift of financial burden. Depending upon who is now covering MSFCA dues, covering them from the special fund might be using state tax dollars to cover expenses now covered by fire chiefs and other officers, or replacing local fire department expense accounts dollars.
4. Concern that the bill may lead to more requests for dues payment authorizations.

Potential Amendments

S2741-1A removes the inclusion of the Minnesota State Fire Chiefs Association from the bill.

S2741-2A, a broader alternative to the -1A amendment, removes from the volunteer fire special fund authorized expenditure provision all organizations which have a mission, in part, of lobbying the Legislature.

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TO: Members of the Legislative Commission on Pensions and Retirement
FROM: Ed Burek, Deputy Director **EB**
RE: S.F. 2741 (Johnson); H.F. 3155 (Kahn): VFRA's; Replacing Minnesota Area Relief Association Coalition with Minnesota State Fire Chiefs Association in Special Fund Authorized Disbursements Provision
DATE: March 20, 2014

Summary of S.F. 2741 (Johnson); H.F. 3155 (Kahn)

S.F. 2741 (Johnson); H.F. 3155 (Kahn) amends Minnesota Statutes, Section 424A.05, Subdivision 5, the volunteer fire relief association special fund authorized disbursement provision, by replacing the Minnesota Area Relief Association Coalition (MARAC) with the Minnesota State Fire Chiefs Association (MSFCA).

Background Information on Relevant Topics

- **Attachment A:** Information on authorized volunteer fire relief association special fund disbursements.
- **Attachment B:** Information on the Minnesota State Fire Chiefs Association.

Discussion and Analysis

S.F. 2741 (Johnson); H.F. 3155 (Kahn) revises the authorized special fund disbursement provision by replacing Minnesota Area Relief Association Coalition (MARAC) with the Minnesota State Fire Chiefs Association (MSFCA).

The assets of a volunteer fire relief association's special fund come from state aid, municipal or other local support, and investment earnings on the fund. The authorized disbursements from the fund consist of benefit payments (for retirement, disability, or survivors), legitimate fund administrative expenses, and "payments of fees, dues and assessments to the Minnesota State Fire Department Association and to the Minnesota Area Relief Association Coalition in order to entitle relief association members to membership in and the benefits of these associations or organizations."

According to Nyle Zikmund, Fire Chief, Spring Lake Park, Blaine, Mounds View, MARAC began phasing out of existence four or five years ago, transferring its functions to the Minnesota State Fire Department Association (MSFCA), an organization which has been in existence since 1953. MARAC formally disbanded about one year ago. Given that MARAC no longer exists, it is clearly appropriate to remove that name from the statute. A general issue is whether it is appropriate to replace it with MSFCA. MARAC, while it existed, provided a range of services to members including general and specialized training, but also included legislative lobbying on issues important to the group's membership. MSFCA provides at least some similar services.

The proposed legislation raises a number of pension and related public policy issues for consideration and possible discussion by the Commission, as follows:

1. Appropriateness of Allowing Expenditure of Tax Money for Lobbying Organizations. The policy issue is the appropriateness of permitting volunteer firefighter relief associations special fund assets, derived from fire state aid, a dedicated insurance premium tax, or municipal contributions, generally property taxes, to be expended on organizations that in part exist to lobby for a particular interest. Volunteer firefighter relief associations have both a special fund, supported by tax revenues, and a general fund, supported by other revenue sources. If lobbying organizations are important for volunteer firefighter relief associations, the dues can be supported from the volunteer firefighter relief association general funds, whether the organization is currently authorized as a recipient or is proposed for inclusion.
2. Appropriateness of Including MSFCA Dues as an Authorized Special Fund Expenditure. The policy issue is the appropriateness of specifically including MSFCA dues as authorized volunteer firefighter relief association expenditures. The Commission may wish to take testimony on the Minnesota State

Fire Department Association, its organization, activities, expenditures, and financing and contrast it with the other organizations for which dues are currently authorized expenditures. If MSFCA does not compare well with the currently authorized organizations, the addition may not be appropriate. The MSFCA website indicates that it is a fairly large organization with membership in excess of 2,000, despite restricting its membership to fire chiefs and other officers, and retired officers. The site is not consistent in its statements of annual dues, but the membership forms indicate dues are \$65 for the fire chief and \$40 for other officers and retired officers. The Commission may wish to determine through testimony whether the organization provides services which broadly benefit all volunteer fire fighters or just the limited group who are permitted to be MSFCA members. If MSFCA has a narrow focus, it is unclear whether it should be permitted to be supported from a public pension fund intended to provide benefits to the full relief association membership.

3. Current Sources of MSFCA Dues. If the bill passes and a relief association chooses to use the new authority, then whoever previously was covering the cost of MSFCA dues will directly benefit by no longer having to cover that expenditure. There may be a range of current practice, but Commission members may wish to determine that through testimony. Have active fire chiefs and officers personally covered this expense; or has it been covered by the municipality, perhaps from some fire department expense account; or from the relief association general fund? If fire chiefs and other officers have been covering MSFCA dues, then any payments made from the tax-supported special fund would replace personal expenses being made by these individuals. If the dues have been covered by a personal or fire department expense account, then state tax dollars may be replacing local tax dollars.
4. Precedent for Additional Dues Authorization. The policy issue is the precedent that the proposed legislation would provide for the inclusion of other organizations in the dues payment authorization provision. Unless there are direct volunteer firefighter relief association related benefits from organization dues paying, every dollar of dues payment depletes the ability of the volunteer firefighter relief association to provide service pensions and other benefits to volunteer firefighters. Unless a clear basis for the inclusion of MSFCA in the provision is established on the record to provide guidance to the Commission in the future, the Commission may have difficulties rejecting a similar request from a different group in the future.

Potential Amendments for Commission Consideration

S2741-1A removes the Minnesota State Fire Chiefs Association from inclusion. The amendment may be used if the Commission concludes that the volunteer fire special fund authorized expenditure provision should be revised by removing MARAC, since it is no longer an active organization, and also concludes that MSFCA should not be added to the provision.

SF2741-2A, an alternative to S2741-1A, removes from the volunteer fire special fund authorized expenditure provision all organizations which have a mission, in part, of lobbying the Legislature.

Background Information on Volunteer Firefighter Relief Association Special Fund Disbursements

Minnesota Statutes, Section 424A.05, governs the special funds of volunteer firefighters' relief associations, including the disbursements authorized from volunteer firefighter relief association special funds.

Minnesota Statutes, Section 424A.05, enacted in 1979, replaced Minnesota Statutes 1978, Section 424.31, in part. Minnesota Statutes 1978, Section 424.31, with respect to authorized volunteer firefighter relief association special fund disbursements, limited expenditures from the volunteer firefighter relief association special fund to the following:

- (1) for the relief of sick, injured, and disabled members of the fire department in the city;
- (2) for the payment of pensions to disabled firefighters and the surviving spouses and orphans of firefighters;
- (3) for the payment of pensions to retired firefighters under the laws of the state;
- (4) for the payment of the fees, dues, and assessments in the Minnesota State Fire Department Association, and in the Volunteer Firemen's Benefit Association of Minnesota so as to entitle the members of any qualified fire department to membership in and benefits of such state association;
- (5) for the payment of such death or funeral benefits as may be from time to time stipulated in the bylaws of the relief association; and
- (6) for the payment of necessary expenses of administering the relief association, including the salaries of the president, secretary, and treasurer.

Laws 1979, Chapter 201, Section 15, Subdivision 3, coded as Minnesota Statutes 1979 Supplement, Section 424A.05, Subdivision 3, limited the expenditures payable from a volunteer firefighter relief association special fund to the following:

- (1) for the payment of service pensions to retired members of the relief association if authorized and paid pursuant to law and the bylaws governing the relief association;
- (2) for the payment of temporary or permanent disability retirement benefits to disabled members of the relief association if authorized and paid pursuant to law and specified in amount in the bylaws governing the relief association;
- (3) for the payment of survivor retirement benefits to surviving spouses and surviving children of deceased members of the relief association if authorized by and paid pursuant to law and specified in amount in the bylaws governing the relief association;
- (4) for the payment of any funeral benefits to the surviving spouse, or if no surviving spouse, the estate, of the deceased member of the relief association if authorized by law and specified in amount in the bylaws governing the relief association;
- (5) for the payment of the fees, dues and assessments to the Minnesota State Fire Department Association and to the State Volunteer Firefighters Benefit Association in order to entitle relief association members to membership in and the benefits of these state associations; and
- (6) for the payment of administrative expenses of the relief association as authorized pursuant to Section 69.80.

In 2000 (Laws 2000, Ch. 461, Art. 15, Sec. 11), Minnesota Statutes, Section 424A.05, Subdivision 3, was amended, based primarily on volunteer firefighter relief association changes suggested by the Minnesota Area Relief Association Coalition (MARAC) and recommended by the Fire Subcommittee of the Legislative Commission on Pensions and Retirement, allowing the payment of a survivor benefit to a designated beneficiary if the designated beneficiary is a natural person and if there is no surviving spouse or surviving child, and allowing the payment of MARAC dues.

In 2006 (Laws 2006, Ch. 271, Art. 13, Sec. 4), Minnesota Statutes, Section 424A.05, Subdivision 3, was again amended, based on a recommendation from the Volunteer Fire Relief Association Working Group assembled by the Office of the State Auditor to permit the payment of a death benefit to the estate of a deceased active firefighter if there is no designated beneficiary.

In 2008 (Laws 2008, Ch. 349, Art. 14, Sec. 11), Minnesota Statutes, Section 424A.05, Subdivision 3, was amended upon the recommendation of the State Auditor's Volunteer Firefighter Relief Association Working Group to eliminate authority for the payment of funeral benefits that were authorized by law and provided for in the relief association bylaws.

In 2009 (Laws 2009, Ch. 169, Art. 10, Sec. 41), Minnesota Statutes, Section 424A.05, Subdivision 3, was amended to expand the survivor benefit payment authority to include survivors of deceased deferred firefighters and to permit the purchase of casualty insurance coverage from a licensed insurance carrier instead of the volunteer firefighter relief association.

In 2010 (Laws 2010, Ch. 359, Art. 13, Sec. 11), Minnesota Statutes, Section 424A.05, Subdivision 3, was amended to include as an authorized disbursement annuity purchase, individual retirement account transfers, or Minnesota deferred compensation plan transfers authorized by law and to eliminate the specific payment priority order for the payment of survivor benefits in deference to the priority order specification added to Minnesota Statutes, Sections 424A.016, Subdivision 7, and 424A.02, Subdivision 9.



THE MINNESOTA STATE FIRE CHIEFS ASSOCIATION

Vision, Mission and Values

MSFCA VISION

We envision a fire service focused on the safety of its members and those they serve. We envision a fire service based on innovation, cooperation and mutual respect. We strive to create a fire service that reflects the diversity of the communities we serve and exceeds the expectations of the citizens who depend on us.

MSFCA MISSION

To create a stronger, more effective Minnesota fire service by engaging leaders with the best training, education and professional development opportunities available.

MSFCA VALUES

- Proactive leadership carried out in a cooperative, informed and progressive manner.
- Supportive relationships that foster honesty and trust among current and potential members.
- Positive, productive relationships with allied agencies and associations.
- Exemplary ethical and professional standards in everyday performance.
- Using new technology, safe work practices and proper codes and standards to increase the safety of our members and the citizens they serve.
- Effective public education on what to do before, during and after an emergency in order to protect lives, homes and businesses from fire.
- Positive relationships with executive and legislative branches of government; providing information and recommendations to shape public policy.
- Diversity among our membership and the fire service throughout Minnesota.

MEMBERS

Section 2.1 Type. The membership of the corporation shall consist of six (6) classes of members. The term of membership shall be one calendar year from the application acceptance unless specifically noted otherwise and shall not be transferable.

Section 2.1.1 Active Member. An active member shall meet one of the following qualifications: Any person who is actively employed as a fire chief, and any other command/supervisory/chief officer as designated by the fire chief of a Minnesota municipal or private fire department. The Minnesota State Director of Fire Service Training, the Minnesota State Fire Marshal, Section Manager of the Division of Forestry for the Department of Natural Resources and the State Director of Emergency Management are also eligible for this class. In the event any member shall file with the Executive Director, written objection to any application within thirty days after receipt of such notice, the application shall be submitted to the Board of Directors and shall require the affirmative vote of two-thirds of the members of that entire Board for admission of the applicant.

Section 2.1.2 Associate Member. An associate member shall meet one of the following qualifications: Any person who is a fire department line officer who is not included in Section 2.1.1 and is an active or employed member of a municipal or private fire department; the Minnesota State Fire Marshal's Office, Minnesota State Colleges and Universities, Technical College Fire or EMS Instructor; F.I.R.E./EMS Center; Division of Emergency Management, Division of Forestry for the Department of Natural Resources and consultants, vendors, fire protection engineers, educators, elected officials, institutional or private fire department officials and other agencies. In the event any member shall file with the Executive Director written objection to any application for associate membership, the Executive Director shall make an investigation. If the Executive Director believes the application for associate membership should be denied, Executive Director shall notify the applicant to that effect. If the Executive Director believes that the application cannot be denied, the member who has made the objection shall be advised. Either the applicant or the member may appeal the action of the Executive Director to the Board, and the decision of the Board is final.

Section 2.1.3 An individual, meeting the Lifetime Membership criteria established by the Board of Directors, shall be eligible to be nominated for Lifetime Membership to the Minnesota State Fire Chiefs Association upon retiring from active service.

Section 2.1.4 Sustaining Member. Sustaining membership is limited to corporations, companies, partnerships and any organization in the fire equipment, prevention, suppression, detection, business and any other business organization interested in better fire protection. Individual representatives of sustaining member organizations are eligible to become associate members. The Executive Director is authorized to approve memberships in this category.

Section 2.1.5 Honorary Member. An honorary member may be nominated by any active or associate member because of distinguished public service. No person who is eligible to be a member in the association shall be chosen as an honorary member. Anyone proposed by an active or associate member shall be accepted upon two-thirds vote at any membership meeting. Honorary members are for life and they shall not be required to pay dues to sustain membership.

Section 2.1.6 Retired or Past Member. Any person having met the requirements of Article II, Section 2.1.1 or 2.1.2 for a minimum of five years, shall be eligible to become a retired or past member upon application and certification of eligibility by the Executive Director.

Membership

Committees

Bylaws
 Code
 Conference
 Education
 Electronic Information
 Emergency Management
 Emergency Medical (EMS)
 Executive
 Finance
 Legislative
 Marketing
 Member Services
 Policy & Editing
 Public Education
 Safety & Health

Appointments

Minnesota Fire Service Joint Council
 Public Safety Commissioners Fire Service Advisory Committee
 Governor’s Council on Fire Prevention and Control
 Joint Executive Committee (MSFCA and MSFDA)
 Minnesota Fire Service Foundation
 Advisory Council on Fire Protection Systems
 Department of Natural Resources MNCIS Committee
 Fire Service Advisory Committee
 Senior Advisory Committee (Public Safety)
 Responder Safety at Highway Incidents Task Force
 Minnesota Ambulance Association
 Minnesota Board of Fire Training and Education
 MSA PSAP 911 Board
 Minnesota Great Lakes Region Representative
 Minnesota Fire Service Certification Board
 ARMER Radio Board
 Working Group Task Force
 Volunteer Pension Task Force
 Construction Codes Advisory Council

Board of Directors (Voting Members)

President
 Vice-President
 Regional Directors (15)
 Cities of the First Class (3)
 Great Lakes Division Representative
 State Fire Marshal
 State Director of Fire Service Training
 Past Presidents (Unrestricted)

(Non-voting Members)

Executive Director
 Editor in Chief
 State Director of Emergency Management (HSEM)
 Section Manager of the Division of Forestry
 Parliamentarian
 IAFC, GLD Officer (When from MN)

Executive Director

Conference Director
 (If hired by the Executive Dir.)

Editor in Chief
 (Reports to Vice President)

Magazine Ad Sales
 Northern Region
 Central Region
 Southern Region

**Minnesota State Fire Chiefs Association
Board of Directors Meeting
January 11, 2014 - St. Cloud, MN**

Call to Order: President Bill Mund called the meeting to order at 10:00 am, and asked if there were any additions to the agenda. Request approval of the Fire Officer School for 2015 was added.

Board Members in Attendance: Wayne Kewich, Bruce West, Randy Polzin, Bill Mund, Tim Butler, Marty Dirnberger, Jena Noah, Mark Hovland, John Berg, John Fruetel, Dale Specken, Jay Wood, Steve Jurrens, Tim Pohlman, Steve Flaherty, Bruce Roed, Jeff Anderson, Ulie Seal, Chip Lohmiller, Jared Rozeboom, and Tim Oland.

Board Members Unable to Attend: Gary Conrath, Bill Thonnes, Tom Brace, Kris Eide, John Strongitharm, Greg Martin, George Esbensen, and Paul Miller.

Others in Attendance: Ken Prillaman, Sherry Munyon, and Tim Farmer.

Welcome to Board: President Mund welcomed Chip Lohmiller – Region #5, Jared Rozeboom – Region #13, and Bruce West –State Fire Marshal (new position) to the MSFCA Board.

Minutes of the Previous Meeting: *A motion was made by Marty Dirnberger, and was seconded by Bruce West, to approve the Board of Directors meeting minutes of October 16, 2013 as published. The motion was approved.*

President's Report: Bill Mund noted that he had emailed his report and had nothing to add.

Executive Committee Board Member Appointments 2014-2015: The proposed members of the executive committee are: Jeff Anderson, Randy Polzin, Mark Hovland, Tom Brace, Wayne Kewich, and Bill Mund. *A motion was made by Jay Wood, and was seconded by Tim Butler, to approve the Executive Committee members as listed. The motion was approved.*

Committee Chair and Association Representatives Appointments 2014-2015: A list of the appointments of committee chairs and representatives to other advisory boards and organizations was reviewed. Changes included the code committee which will be chaired by Bob Friske (SBM), and the EMS committee which will be chaired by Matt Simpson (St. Paul) and Vice Chair BJ Jungmann (Burnsville). The Senior Advisory Council is now known as the Homeland Security Advisory Committee and Ulie Seal will continue to represent the MSFCA. *A motion was made by Dale Specken, and was seconded by Steve Flaherty, to approve the committee chairs and association representatives as listed. The motion was approved.*

Editors Report: Jena Noah noted that the first issue of the MN Fire Chief E-Newsletter had been distributed, and the monthly publication will be a great tool for communication with the members. Directors are encouraged to submit short articles (300 words or less) along with photos, meeting dates/locations or other information. Two people interviewed for ad sale positions, and Maddison Zikmund was hired in December, and the other person may be added to the staff in the future. Jena will be working with Ken Prillaman to help layout the Ceremonies and Protocols book. Fire Prevention posters for 2013 will be judged soon and the winners will be announced in the March/April issue of the MN Fire Chief Magazine.

Vice President's Report: Wayne Kewich had nothing to add at this time.

Executive Director's Report: Tom Brace was unable to attend due to a previously scheduled out of state event. His written reports were emailed to Board members prior to the meeting.

Finance Committee: Bill Mund and Wayne Kewich reviewed the 2013 financial statements which were emailed to the board members prior to the meeting. The investment account had a healthy return of 11.7 percent. *A motion was made by Steve Flaherty, and was seconded by Jeff Anderson, to approve the financial reports. The motion was approved.*

Proposed 2014 Budget: The proposed budget was emailed to the board members prior to the meeting and was reviewed. A dues increase (previously approved by an email vote of the board) will bring in additional income. There is a fifteen thousand dollar (\$15,000) deficit in the budget as proposed due to some special, one-time expenses; however, the anticipated income from the investment account will result in an overall deficit of three hundred dollar (\$300). The included one-time expenses include a provision for an overlap in the executive director salary and benefits of up to three months, and a full and complete audit - normally done every three years. Both of these provisions are designed to support the change in executive director position. *A motion was made by Tim Pohlman, and was seconded by Chip Lohmiller, to approve the proposed budget as presented. The motion was approved.*

Website Updates: Wayne Kewich reported that the budget includes website upgrade expenses, and a contract has been signed with YourMembership.com to redesign the website and the association's database. Wayne noted that the Arizona Fire Chiefs Association uses this company and board members could view their website <http://www.azfirechiefs.org/information> to view a sample of their work. When the new website comes on-line (mid to late summer of 2014), people will be able to register for association conferences on-line, and their registration and payments will be automatically entered into the association's database and Quickbooks financial system. The new design will include use of social media (i.e. facebook, twitter, etc.) and will include a new broadcast email capability (currently a

separate system from the website). The budget also includes \$6,500 per year to maintain the system (webmaster, web-hosting expenses, etc.). The system will allow for membership renewals and magazine subscriptions to be processed via the internet using credit cards, and automatically deposit the funds in the association's bank accounts.

Policy Clarification: President Bill Mund noted that the auditors suggested that the board establish a position on the annual fire officer's school in regards to it being operated as a financial break-even philosophy. The school was established to meet the needs of members seeking additional education, and as a recruitment tool. *A motion was made by Bruce Roed, and was seconded by Tim Pohlman to continue the annual fire officer school as a revenue neutral conference to support member development and recruitment. The motion was approved.*

Request for Reimbursement Policy for Committee Members: Three thousand dollars (\$3,000) was included in the budget to allow committee members who travel great distances to be reimbursed mileage and hotel expenses. It was suggested that a radius greater than 100 miles from the meeting site be established and mileage reimbursement should reference a standard (i.e. IRS rates). *A motion was made by Dale Specken, and was seconded by Mark Hovland to direct the policy committee to propose a policy regarding reimbursement of committee members. The motion was approved.*

Membership/Marketing Committee: The marketing committee has developed a standardized clothing order form for the use of the board and committees. There was discussion regarding clothing styles, color options, standardized logos, etc. *A motion was made by Jay Wood, and was seconded by Dale Specken, to have the policy committee propose a policy on who gets a shirt, a schedule for shirt replacement, and on standardized styles and colors. The motion was approved.*

Randy Polzin distributed duffle bags, with a membership application, new member packet and Minnesota Fire Chief Magazine to each of the regional directors present. The bags are to be given away to non-members as a recruitment tool. Randy noted that additional member packets can be obtained by contacting the Membership/Marketing Committee Chair Shannon Ryder.

Executive Director Search Committee Report: Documents provided to the board members prior to the meeting included a vision and position description for the executive director. President Mund asked if there were any changes or modifications to the documents. Bill also reviewed the proposed timeline for hiring a new executive director. It is proposed that the executive committee conducts the interviews. He also noted that private companies who provide these types of services (as is currently done in some other state associations) could be considered for the position. A draft Request-For-Proposals will be available for board review at the April board meeting. The length of overlapping duties for Executive Director Tom Brace and the new person will depend on the experience of the person hired (budgeted at a maximum of three months). *A motion was made by Tim Butler, and was seconded by Jeff Anderson, to proceed with the process of hiring a new executive director as outlined in the documents. The motion was approved.*

Consideration of the Magazine Editor Contract: A proposed 2014-2015 contract for the magazine editor was distributed to the board via email. The second year of the contract includes a "meet and confer" clause with regard to the salary to provide time to gauge the workload changes due to the introduction of the monthly e-newsletter. *A motion was made by Mark Hovland, and was seconded by Steve Flaherty, to approve the 2014-2015 contract for the magazine editor. The motion was approved.*

Legislative Committee: Committee chair George Esbensen was not available to attend the meeting due to a funeral for a member of their fire department.

Fire Service Day at the Capital 2014: The MSFCA needs to be more involved in this event and members need to be urged to attend. Low attendance is believed to result from a feeling that chiefs already meet with legislators frequently, and do not want to take additional time off work to travel to St. Paul. Logistically, travel times can be very long for some regions, and the time spent with the legislators is very limited during the session. Some of the directors noted that they have legislators attend their meetings, and feel this is more productive than the day at the capitol. The future of the capitol day will be a topic for the goal setting retreat.

Department of Public Safety Commissioner's Listening Sessions: A number of dates and locations have been identified (emailed to the directors) for a "listening session to be hosted by DPS Commissioner Mona Dohman. The board would like to have a board member at each of the sessions, and firefighters should be encouraged to attend. The meetings are intended to discuss fire service issues (operational) rather than the association's legislative agenda. Board members are requested to email President Mund and Vice President Kewich - and CC State Fire Marshal Bruce West - if they are planning to attend a session.

Minnesota Fire Association Coalition (MnFAC): The legislative list for 2014 was distributed to the board members prior to the meeting and was reviewed. Wayne Kewich discussed legislation regarding community EMT's, and the desire to make this accessible to local fire services as a method to improve effectiveness and customer service, and as an possible revenue stream.

The Affordable Care Act appears to apply to fire departments with 50 or more people, and those members who work an average of 30 hours per week. These employees would need to be offered health care insurance, or the department could be subject to large penalties. A recent IRS ruling seems to exempt volunteer firefighters, but there is still some uncertainty. The most of the national fire service organizations are working on clarifications and exemptions for the fire

service.

Tim Fuller requested that MnFAC review the rule making process regarding residential fire sprinkler requirements. The Department of Labor & Industry has proposed a rule requiring any new residential construction over 4,500 sq. ft. be sprinkled. This proposed rule is under review by an administrative law judge. Tim Fuller has been actively involved in this issue, and noted that 4,500 sq. ft. requirement was a compromise that was worked out, and the builder's associations are opposing proposed rule and are actively pushing for its recall.

Old/Unfinished Business

2014 Fire Officer School: Mark Hovland reported that there are 115 people signed up to date. The Fire Instructors & Training Officers Association of Minnesota (FITOAM) will be holding their classes at the Alexandria Technical College, but will have their exhibits and a joint dinner at the Arrowwood Convention Center with the officer's school. Mark requested action by the board to host the 2015 Fire Officer School in Alexandria. The committee will look at changing the site if the school continues to grow, and consideration of the new FITOAM relationship. *A motion was made by Jeff Anderson, and was seconded by Jay Wood, to authorize a contract with Arrowwood Convention Center for the 2015 Fire Officer School on February 7th & 8th, 2015. The motion was approved.*

Relationship with Minnesota State Fire Department Association (MSFDA): There executive committee had discussions regarding joint ventures with the MSFDA which could include a full merger. The MSFDA indicated that they were no longer interested in continuing with these efforts, but want to continue the existing joint legislative efforts. The two association's executive committees will be meeting on January 17th to determine the status of further discussions. There has also been a question if fire departments can be a member of a region if they are not also a member of the MSFDA. It was noted that this has been determined in some regions who

consider themselves as independent organizations, and MSFDA membership is not mandatory. The need for 15 regions in the state will be a topic for the 2014 goal setting session as some of the regions are suspending operations, and others are considering completely eliminating their regions.

Progress Report on 2013 MSFCA Goals: President Mund discussed each of the association's goals and gave a progress report on each of them. (See attached issue list)

MnFAC Lobbyist: Sherry Munyon provided an overview of the next eleven months. The theme Sherry is advocating is "Be a Player." Legislative initiatives are becoming longer and more complicated due to previous successes. The 2014 legislative session will be short (4 weeks) which will make it harder to get bills through committees and to the floor. It will be very important that firefighters meet with the local legislators in January and February. She encouraged members to send a letter to legislators thanking them for support, send a donation of \$50 (\$100 per couple) which is reimbursable, and remind them about the fire service day at the capitol. Sherry noted that the DPS Commissioner's Listening Sessions will be very important to attend. The commissioner needs to know the local impact of changes in the fire service (i.e. turnover rate affect training and equipment costs) to gauge the need for some of the association's legislative initiatives.

New Business

Fire Service Day with the Minnesota Twins: Bill Mund provided a list of five possible dates for the 2014 Fire Service Day with the Minnesota Twins. The executive committee recommended July 26th (Chicago White Sox) with a ticket cost of \$27 and a game time of 6:10. The consensus of the board was to agree with the July 26th game.

2014 Retreat: The proposed location for the board retreat is the St. Cloud area, and based on the date selected, hotels will be contacted to determine availability. A motion was made by Randy Polzin, and was seconded by Jeff Anderson, to establish March 21st & 22nd as the dates for the retreat. The motion was approved. Possible locations are the Kelly Inn or Holiday Inn. The same format that was used in 2013: use Survey Monkey (on-line survey) to solicit issues and to prioritize them, then get right into the issues at the retreat. Ulie Seal, Scott Gerber, Ken Prillaman and George Esbensen will be asked to make presentations on how FAST Team, LAST Team, and the Ceremonies and Protocols groups will work together in the future.

The board identified the following issues for the retreat:

- The current configuration/existence of the regions - possible options if the MSFCA develops divisions/sections.
- Possible partnerships with other organizations/associations
- Provision of department memberships (vs. individual) in the MSFCA
- Fire department mergers/consolidations
- The costs for contracted services provided by a city to a township

Leixpol Task Force: The committee will determine if it is possible to offer a basic policies manual package for small departments, with options for additional policies for larger organizations with more employees. There should also be an ability to personalize some portions of the policies. Task force members are: Tim Butler, Greg Martin, Mark Hovland, Bruce Roed, Bill Mund, Rich Duysen, Ken Gilliam, John Fruetel and Rob Boe from the League of Minnesota Cities. The task force is scheduled to meet on January 30, 2014

Great Lakes Division Report: George Esbensen was not able to attend

Fire Service Foundation Update: George Esbensen was not able to attend

State Fire Marshal's Report: Bruce West provided an email of his report prior to the meeting and gave some updates. There were 43 fire deaths in 2013, as compared to 50 in 2012, and 56 in 2011. Bruce and Commissioner Dohman traveled to Vesta, Minnesota after hearing that a firefighter was injured at a fire. The first reports that the firefighter was run over by the water tender were incorrect. The firefighter slipped off of the tailboard while opening the dump valve, and he ended up under the truck. The firefighter broke his leg and had numerous lacerations. He is out of the hospital and expected to be back to work in a couple of months. The Fire Marshal Division is experiencing a number of personnel changes due to retirements. There was a report that a person was impersonating a state fire marshal employee at a St. Cloud area school. (Later determined to be a misunderstanding and not suspicious) Bruce noted that all of their employees carry photo ID's. Bruce was requested to check into reports of a house fire in Wisconsin where explosives were found, and he will ask the Fusion Center to check on this.

Ceremonies & Protocols Committee: Ken Prillaman reported that a draft copy of the manual will be published as an Adobe Acrobat (PDF) document for statewide review and comments prior to printing any hard copies. It is believed the cost for printing will be covered by donations (about \$10,000 for 800 copies). The plan is to provide ring binders, with the printed manual in a shrink-wrapped packet, which would facilitate making changes or updates. It is suggested that the website be the primary method for accessing the document, but also provide printed copies. The guide book will provide strong and nationally recommended procedures; however, local departments are not required to strictly follow them. Randy Polzin noted that Jena Noah is spending considerable time working on the manual, and in his opinion needs to be compensated.

DNR Report: Tim Oland submitted an annual report to the board members via email. He distributed information regarding a leadership training course which is anticipated to be offered in conjunction with state fire organizations. The need for this training is due to the amount of turn-over in the fire service. The Storm King Mountain deaths demonstrated a need to train people in strong leadership skills. Steve Flaherty reported that the Minnesota Wildfire Academy has hosted the program (at \$1,200 per person) which has been very successful, gets great reviews, and the classes fill quickly. Tim provided a copy of the proposal to the board. Tim noted that Smokey the Bear will celebrate his 75th Birthday and special fire prevention materials are available to celebrate the day. DNR staff has been provided training on live burn standards and procedures, and the process of issuing permits, to their area supervisors and team leaders from Minnesota and adjoining states.

Minnesota Board of Fire Training and Education: Bruce West reported that the state recently interviewed five candidates for the executive director position, and has invited two of them for further consideration. The full board will consider the candidates at their meeting on January 21st (an open meeting), and will make a recommendation to the State Fire Marshal. A new position has been created - Fire Training & Licensing Specialist," and this person will work from home. The specialist's first priority will be to contact the 120 fire departments who have not used training funds. The NFPA 1001 Firefighter training program is the most popular, and funding has been allocated for the next year.

Farm taps serve individual properties (farms) with the gas meter in the right of way at the tap site. Excavators have been breaking the lines between the tap and the farm while installing drain tile since the location of the pipeline is not always accurate (responsibility of the customer). The Fire Marshal Division will be proposing that meters to be moved to the "farm," which will require the installation of new lines by the supplier, and which will also require that the pipe locations be documented to facilitate locating.

HSEM Director's Report: Unable to attend the meeting.

Regional Directors Reports: Regional Directors submitted their written reports to the board via email. Additional items to share included:

- Steve Flaherty advised that Arrowhead Region will be meeting May 1st.
- Marty Dirnberger discussed some controversy regarding costs for contract services which are provided by cities to townships.
- Tim Pohlman noted that Region 14 will be meeting on January 21, 2014 at Alden.
- John Berg noted that Region 8 has suspended operations, but he still represents that association at the Anoka County Fire Protection Council meetings.

Good of the Association: Life memberships: Executive Director Tom Brace is working on a list of individuals who are qualified for life membership and as of today this includes: Marty Scheerer, John Taylor, Luke Stemmer, Brad Emans, Paul Klapprich, and Jim Hansen. There is a form on the website for nominating members for life membership and anyone can fill out the form and make the submission.

Adjournment: *A motion was made by Dale Specken, and was seconded by John Fruetel to adjourn the board of directors meeting. The motion was approved and the meeting adjourned at 1:52 PM.*

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1.1 moves to amend S.F. No. 2741; H.F. No. 3155, as follows:

1.2 Page 1, line 23, strike "Association and to the Minnesota " and delete "State Fire
1.3 Chiefs "

1.4 Page 2, line 2, strike "these associations or organizations" and insert "this association"

1.5 Amend the title accordingly

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- 1.1 moves to amend S.F. No. 2741; H.F. No. 3155, as follows:
- 1.2 Page 1, lines 22 to 23, strike the old language and delete the new language
- 1.3 Page 2, strike lines 1 to 2
- 1.4 Renumber the clauses in sequence
- 1.5 Amend the title accordingly

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SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2741

(SENATE AUTHORS: JOHNSON and Pappas)

DATE	D-PG	OFFICIAL STATUS
03/17/2014	6285	Introduction and first reading Referred to State and Local Government

1.1 A bill for an act
 1.2 relating to retirement; authorizing volunteer firefighter relief associations to pay
 1.3 Minnesota State Fire Chiefs Association dues from their special funds; amending
 1.4 Minnesota Statutes 2012, section 424A.05, subdivision 3.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 424A.05, subdivision 3, is amended to read:

1.7 Subd. 3. **Authorized disbursements from special fund.** Disbursements from the
 1.8 special fund may not be made for any purpose other than one of the following:

1.9 (1) for the payment of service pensions to retired members of the relief association if
 1.10 authorized and paid under law and the bylaws governing the relief association;

1.11 (2) for the purchase of an annuity for the applicable person under section 424A.015,
 1.12 subdivision 3, for the transfer of service pension or benefit amounts to the applicable
 1.13 person's individual retirement account under section 424A.015, subdivision 4, or to the
 1.14 applicable person's account in the Minnesota deferred compensation plan under section
 1.15 424A.015, subdivision 5;

1.16 (3) for the payment of temporary or permanent disability benefits to disabled
 1.17 members of the relief association if authorized and paid under law and specified in amount
 1.18 in the bylaws governing the relief association;

1.19 (4) for the payment of survivor benefits or for the payment of a death benefit to the
 1.20 estate of the deceased active or deferred firefighter, if authorized and paid under law and
 1.21 specified in amount in the bylaws governing the relief association;

1.22 (5) for the payment of the fees, dues and assessments to the Minnesota State Fire
 1.23 Department Association and to the Minnesota ~~Area Relief~~ State Fire Chiefs Association

2.1 ~~Coalition~~ in order to entitle relief association members to membership in and the benefits
2.2 of these associations or organizations;

2.3 (6) for the payment of insurance premiums to the state Volunteer Firefighters Benefit
2.4 Association, or an insurance company licensed by the state of Minnesota offering casualty
2.5 insurance, in order to entitle relief association members to membership in and the benefits
2.6 of the association or organization; and

2.7 (7) for the payment of administrative expenses of the relief association as authorized
2.8 under section 69.80.

2.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.