



Report of the 911 Telecommunicator Pension Benefits Working Group

Presentation to the Commission
Tuesday, February 15, 2022

Presenter:
Chad Burkitt, Analyst, LCPR

I. Overview

- **Established to study pension benefits of 911 telecommunicators**

- “The report must recommend whether changes to the pension plan coverage for 911 telecommunicators are appropriate. If the working group finds that such changes are appropriate, the working group must recommend changes to the pension plan coverage for 911 telecommunicators. The recommended changes may include but are not limited to moving 911 telecommunicators to the correctional plans.”

(Laws of Minnesota 2021, Ch. 22, Art. 9, Sec. 1)

- **Study and report recommendations to the LCPR**

- 6 meetings between July 2021 and February 2022
- Report submitted on February 6, 2022

II. Members of the Working Group

Name and Title	Representing
Dar Pankonie (Chair) President of MN APCO and MN NENA	MN APCO / MN NENA
Matt Hilgart (Vice Chair) Govt. Relations Manager	Association of Minnesota Counties (AMC)
Matt Massman Executive Director	Minnesota Inter-County Association (MICA)
Dana Wahlberg ECN Director	Minnesota Department of Public Safety (DPS)
Doug Anderson Executive Director	Public Employees Retirement Association (PERA)
Erin Leonard Executive Director	Minnesota State Retirement System (MSRS)

Name and Title	Representing
Mark Lallak Communications Lieutenant, Itasca County Sheriff's Office	911 telecommunicator employed by a county or municipality
Timothy Boyer Statewide Dir. of Comm., Minnesota State Patrol	911 telecommunicator employed by the state
Heidi Paumen Correctional Officer, Sherburne County	PERA Local Government Correctional Service Retirement Plan
Dan Gorman Correctional Officer, Department of Corrections	MSRS State Correctional Employees Retirement Plan
Jeremy Hanson Emergency 911 Dispatcher, Itasca County Sheriff's Office	Invited by the LCPR Executive Director
Kirk Oswald 911 Telecommunicator, Rice/Steele 911 Center	Invited by the LCPR Executive Director

Advisor: Wade Laszlo, PERA Local Government Correctional Plan retiree

Administrative Support: LCPR Staff

III. Background Information

A. Who are 911 Telecommunicators?

- 1,500 in Minnesota
 - Public Employees
 - 81 employed by the Department of Public Safety
 - Rest employed by counties and municipalities
 - Covered by a state public pension plan

B. Pension Benefits for 911 Telecommunicators

- 1,300 covered by PERA General Employees Retirement Plan
- 93 covered by PERA Local Government Correctional Retirement Plan
 - Dual role jailor-dispatchers
- 81 MSRS General State Employees Retirement Plan
- 25 PERA Police and Fire Retirement Plan
 - Emergency medical dispatchers for Hennepin Health Services (EMT/Paramedic)

III. Background Information (continued)

	PERA General Plan	MSRS General Plan	PERA Correctional Plan	PERA Police and Fire Plan
Retirement Formula (* salary * service)	1.7%	1.7%	1.9%	3%
Employer Contribution Rate	7.5%	6.25%	8.75%	17.7%
Employee Contribution Rate	6.5%	6.0%	5.83%	11.8%
Normal Retirement Age	66 years old	66 years old	55 years old	55 years old
Early Retirement Age	55 years old	55 years old	50 years old	50 years old
Vesting for newly hired employees	100% at 5 years	100% at 5 years	50% at 5 years, increasing 10% each year thereafter until 100% vested	50% at 10 years increasing 5% each year thereafter until 100% vested
Coordinated with Social Security	Yes	Yes	Yes	No

IV. Summary of the Report

- A. Whether 911 telecommunicator pension benefits should be changed**
 - Members of the working group did not agree. Different viewpoints:
 - 911 Telecommunicators
 - City and County Organizations
 - Pension Fund Directors
 - Correctional Plan Participants

- B. Cost of changing 911 telecommunicator pension benefits**
 - Scenario: transferring members from PERA General Plan to the PERA Correctional Plan
 - Transfer of past service estimated at \$79 million
 - Estimating the increased annual cost of benefits for this group in the Correctional Plan would require a thorough actuarial study. PERA will need funding to pay for the study (cannot be paid for with pension plan assets).

IV. Summary of the Report (continued)

C. Survey Results

- Statewide survey of 911 telecommunicators (Appendix B-9)
 - 921 respondents
 - 94% of respondents indicated preference for PERA Correctional plan
 - “Do you feel that your ability to perform your job effectively and efficiently has declined as you age?”
 - 49% “yes”
 - 51% “no”
 - Of respondents age 60 or older: 57% “yes” and 39% “no”

IV. Summary of the Report (continued)

C. Survey Results (continued)

- Employer Surveys Of Counties and Cities (Appendix, B-29)
 - Survey of counties found the percentage of 911 telecommunicators who separated employment between 2016 and 2020 was higher than the percentage of the total of all county employees who separated during the same period.
 - high turnover rates during the probation or training phases and in the early years of employment
 - mental or emotional stress and the difficulties of the job were reasons cited
 - 911 telecommunicators are less likely to file for workers comp than are correctional officers
 - Counties split on whether hiring 911 telecommunicators is more challenging relative to other classes of employees
- Survey of other States' Pension Systems
 - National Association of State Retirement Administrators (NASRA)
 - 1 out of 18 states provide for 911 telecommunicator pension benefits from a public safety plan

D. Should 911 Telecommunicators Be Covered by a Correctional Plan?

- Working group did not recommend that 911 Telecommunicators be covered by a correctional plan

V. Recommendations of the Working Group

1. The Working Group recommends that public employers of 911 telecommunicators evaluate the wages, compensation schedules, other employee benefits, work scheduling, and work environment of 911 telecommunicators for adequacy and parity.
2. The Working Group recognizes that the nature of 911 telecommunicators' work is stressful and regularly exposes 911 telecommunicators to traumatic situations. The Working Group recommends that the Legislature provide for improved availability of mental health care for 911 telecommunicators.

V. Recommendations of the Working Group

3. The Working Group did not agree on whether pension benefits for 911 telecommunicators should be changed. However, if the Legislature were to establish a plan providing for enhanced pension benefits for 911 telecommunicators, the Working Group recommends the following:
 - a. The eligibility criteria for the plan should clearly define the employees who are eligible and those who are not by providing a clear definition of “911 telecommunicators.” Participation in the plan by eligible employees should be mandatory.
 - b. Third-party certification or licensure as a 911 telecommunicator should not be the sole criteria for determining eligibility to receive enhanced pension benefits.
 - c. The state should provide sufficient funds to ensure that the funding ratio and projected funded status of any existing plan is not negatively impacted by any change in pension benefits for 911 telecommunicators. The state should also provide funds to cover the expenses related to establishing a new plan or tier of benefits, including actuarial fees for evaluating benefit proposals.
 - d. 911 telecommunicators who are state employees should be covered by the same plan as 911 telecommunicators who are local government employees. The plan should be administered by PERA.

Appendix to the Report

- **Data**
- **Surveys**
- **Cost Estimates**
- **Position or Policy Statements:**
 - Department of Corrections
 - Department of Human Services
 - Department of Public Safety
 - Law Enforcement Labor Services
 - Middle Management Association
 - Minnesota Correctional Officer Retirement Association
 - 88 Hennepin County Detention Deputies
 - MSRS
 - PERA
 - League of Minnesota Cities
- **Testimonials**
- **Miscellaneous**
- **Powerpoint Presentations**