

CHAPTER 424A

VOLUNTEER FIREFIGHTER'S RETIREMENT

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

Subdivision 1. **Minors.** It is unlawful for any municipality or independent nonprofit firefighting corporation to employ a minor as a volunteer firefighter or to permit a minor to serve in any capacity performing any firefighting duties with a volunteer fire department.

Subd. 2. **Status of substitute or probationary volunteer firefighters.** No person who is serving as a substitute or a probationary volunteer firefighter shall be deemed to be a firefighter for purposes of chapter 69 or this chapter nor shall be authorized to be a member of any volunteer firefighters' relief association governed by chapter 69 or this chapter.

Subd. 3. **Status of nonmember volunteer firefighters.** No person who is serving as a firefighter in a municipal fire department or an independent nonprofit firefighting corporation but who is not a member of the applicable firefighters' relief association shall be entitled to any service pension, retirement benefits or pension or retirement benefit coverage from the relief association.

Subd. 3a. **Service credit for certain probationary volunteer firefighters.** Unless the bylaws of the volunteer firefighters relief association clearly provide to the contrary, any person:

(a) who has served as a probationary volunteer firefighter with a municipal fire department to which a volunteer firefighters relief association governed by chapter 69 and this chapter is directly associated or with an independent nonprofit firefighting corporation to which a volunteer firefighters relief association governed by chapter 69 and this chapter is subsidiary; and

(b) who is a member of that volunteer firefighters relief association;

shall be entitled to have the period of service as a probationary volunteer firefighter credited as a period of active service as an active member of the municipal fire department or the independent nonprofit firefighting corporation, whichever is applicable, for purposes of calculating a service pension or other retirement benefits.

Subd. 4. **Exclusion of persons constituting an unwarranted health risk.** The board of trustees of every volunteer firefighters' relief association governed by chapter 69 or this chapter shall have the right to exclude from membership in the relief association all applicants who, due to some medically determinable physical or mental impairment or condition, would constitute for the relief association a predictable and unwarranted risk of the commencement of a retirement benefit at any age earlier than the minimum age specified for receipt of a service pension. Notwithstanding any provision of section 363.02, subdivision 5, it shall be a good and valid defense to a complaint or action brought under chapter 363 that the board of trustees of the relief association made a good faith determination that the applicant suffers from an impairment or condition constituting a predictable and unwarranted risk for the relief association if the determination was made following consideration of the report of the physician completing a physical examination of

the applicant completed at the expense of the relief association and of the person's medical history.

History: 1979 c 201 s 11; 1981 c 224 s 274; 1982 c 460 s 7

424A.02 VOLUNTEER FIREFIGHTERS; SERVICE PENSIONS.

Subdivision 1. Authorization. Any volunteer firefighters' relief association or volunteer firefighters' division or account of a partially salaried and partially volunteer firefighters' relief association organized and incorporated under chapter 317 and any laws of the state and directly associated with a fire department established by municipal ordinance or any separate incorporated volunteer firefighters' relief association subsidiary to and providing service pension and retirement benefit coverage for members of an independent nonprofit firefighting corporation organized under the provisions of chapter 317 and operating exclusively for fire fighting purposes, whether or not the nonprofit firefighting corporation qualifies for fire state aid pursuant to chapter 69, when its articles of incorporation or bylaws so provide, may pay out of the assets of the special fund of the volunteer firefighters' relief association or volunteer firefighters' account, a service pension to each of its members who separates from active service with the fire department or the independent nonprofit firefighting corporation, who reaches the age of 50 years and who completes at least ten years of active service as an active member of the municipal fire department to which the relief association is associated or of the independent nonprofit firefighting corporation to which the relief association is subsidiary, and who completes at least ten years of active membership with the volunteer firefighters' relief association or volunteer firefighters' account prior to separation from active service and who complies with any additional conditions as to age, service and membership which are prescribed by the bylaws of the relief association. In the case of a member who has completed at least ten years of active service as an active member of the municipal fire department to which the relief association is associated or of the independent nonprofit firefighting corporation to which the relief association is subsidiary on the date that the volunteer firefighters' relief association is established and incorporated, the requirement that the member complete at least ten years of active membership with the volunteer firefighters' relief association or volunteer firefighters' account prior to separation from active service may be waived by the board of trustees of the relief association if the member completes at least ten years of inactive membership with the volunteer firefighters' relief association or volunteer firefighters' account prior to the payment of the service pension. During the period of inactive membership, the member shall not be entitled to receive any disability benefit coverage, shall not be entitled to receive any additional service credit towards computation of a service pension, and shall be deemed to have the status of a person entitled to a deferred service pension pursuant to subdivision 7.

No municipality or nonprofit firefighting corporation is authorized to delegate the power to take final action in setting a service pension or retirement benefit amount or level to the board of trustees of the volunteer firefighters relief association or to approve in advance a service pension or retirement benefit amount or level equal to the maximum amount or level which this chapter would allow rather than a specific dollar amount or level.

No volunteer firefighters' relief association or volunteer firefighters' division or account of a partially salaried and partially volunteer firefighters' relief association is authorized to pay a service pension or disability benefit to any former member of the relief association if that person has not separated from active service with the fire department to which the volunteer firefighters' relief association is directly associated or with the independent nonprofit firefighting corporation to which the volunteer firefighters' relief association is subsidiary.

Subd. 2. Nonforfeitable portion of service pension. Any volunteer firefighters' relief association or volunteer firefighters' account to which this section

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applies, when its articles of incorporation or bylaws so provide and when a retiring member meets the minimum age and service requirements set forth in subdivision 1 but has not completed 20 years of service may pay a portion of the service pension amount earned to date as specified in the bylaws, but not to exceed the percentage applicable for each full year of service completed as follows:

Completed Years of service	Nonforfeitable Portion of Annual or Prorata Service Pension Amount
10	60 percent
11	64 percent
12	68 percent
13	72 percent
14	76 percent
15	80 percent
16	84 percent
17	88 percent
18	92 percent
19	96 percent
20 and thereafter	100 percent

Subd. 3. **Flexible service pension maximums.** On or before August 1 of each year as part of the certification of the financial requirements and minimum municipal obligation made pursuant to section 69.772, subdivision 4, or 69.773, subdivision 5, the secretary or some other official of the relief association designated in the bylaws of each volunteer firefighters' relief association or volunteer firefighters' account, other than a relief association or account which in its bylaws provides solely for the payment of a defined contribution service pension as authorized pursuant to subdivision 4, shall calculate and certify to the governing body of the applicable qualified municipality the average amount of available financing per active covered firefighter for the most recent three year period. The amount of available financing shall include any amounts of fire state aid received or receivable by the relief association or account, any amounts of municipal contributions to the relief association or account raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued liabilities of the relief association or account calculated pursuant to sections 69.772, subdivision 2; 69.773, subdivisions 2 and 4; or 69.774, subdivision 2, if any. The maximum service pension which the relief association may provide for in its bylaws for payment to a member retiring after the calculation date when the minimum age and service requirements specified in subdivision 1 are met shall be determined using the applicable following table.

For a relief association or account where the governing bylaws provide for a monthly service pension to a retiring member, if the average amount of available financing per active covered firefighter does not exceed the minimum average amount specified below, then the maximum monthly service pension amount per month for each year of service credited which may be provided for in the bylaws shall be the greater of the service pension amount provided for in the bylaws on the date of calculation or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$...	\$.25
37	.50
75	1.00

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Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$...	\$1.50
112	2.00
149	2.50
186	3.00
224	3.50
261	4.00
298	4.50
336	5.00
373	6.00
447	7.00
522	8.00
597	9.00
671	10.00
746	11.00
820	12.00
895	13.00
969	14.00
1044	15.00
1119	16.00
1193	17.00
1268	18.00
1342	19.00
1417	20.00
1491	21.00
1566	22.00
1640	22.50
1678 or more	

For a relief association or account in which the governing bylaws provide for a lump sum service pension to a retiring member, if the average amount of available financing per active covered firefighter does not exceed the minimum average amount specified below, then the maximum lump sum service pension amount for each year of service credited which may be provided for in the bylaws shall be the greater of the service pension amount provided for in the bylaws on the date of the calculation or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Lump Sum Service Pension Amount Payable for Each Year of Service
\$...	\$10
10	20
14	30
20	40
24	50
28	60
38	80
48	100
58	120
68	140
76	160
86	180
96	200
116	240

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134	280
154	320
172	360
192	400
212	440
230	480
250	520
268	560
288	600
308	640
326	680
346	720
364	760
384	800
432	900
480	1000
528	1100
576	1200
624	1300
672	1400
720	1500
768	1600
816	1700
864	1800
912	1900
960	2000
1008	2100
1056	2200
1104	2300
1152	2400
1200	2500
1248	2600
1296	2700
1344	2800
1392	2900
1440 or more	3000

For a relief association or account in which the governing bylaws provide for a monthly benefit service pension as an alternative form of service pension payment to a lump sum service pension at the option of the retiring member, the maximum service pension amount shall be determined using the applicable table contained in this subdivision.

Subd. 4. Defined contribution lump sum service pensions. If the bylaws governing the volunteer firefighters' relief association or volunteer firefighters' account of a firefighters' relief association so provide exclusively, the relief association or account may pay a defined contribution lump sum service pension in lieu of any defined benefit service pension governed by subdivision 2. An individual account for each firefighter who is a member of the relief association shall be established. To each individual member account shall be credited a right to an equal share of any amounts of fire state aid received by the relief association or account, any amounts of municipal contributions to the relief association or account raised from levies on real estate or from other available revenue sources

exclusive of fire state aid, and any amounts equal to the share of the assets of the special fund to the credit of any former member who terminated active service with the fire department of the municipality to which the relief association is associated or the independent nonprofit firefighting corporation to which the relief association is a subsidiary prior to meeting the minimum service requirement provided for in subdivision 1 and has not returned to active service with the fire department or independent nonprofit firefighting corporation for a period no shorter than five years or to the credit of any retired member who retired prior to obtaining a full nonforfeitable interest in the amounts credited to the individual member account pursuant to subdivision 2 and any applicable provision of the bylaws of the relief association. In addition, any interest or investment income earned on the assets of the special fund shall be credited in proportion to the share of the assets of the special fund to the credit of each individual member account. At the time of retirement pursuant to subdivision 1 and any applicable provision of the bylaws of the relief association, a retiring member shall be 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 pursuant to subdivision 2 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.

Subd. 5. Service credit maximum. No relief association or account to which this chapter applies and where the governing bylaws provide for a monthly service pension to a retiring member shall credit any member with service in excess of 30 years; provided, however, that for any member of a relief association or account who, as of July 1, 1979, has received credit for service in excess of 30 years, the limitation on the crediting of further service credit provided for in this subdivision shall apply to any additional years of service occurring after July 1, 1979.

Subd. 6. Payment of service pensions; nonassignability. The method of calculating service pensions shall be applied uniformly, except as otherwise provided in this section. No service pension shall be paid to any person while the person remains an active member of the respective municipal fire department or nonprofit firefighting corporation and no person who is receiving a service pension shall be entitled to receive any other benefits from the special fund of the relief association or account. No service pension or retirement benefits paid or payable from the special fund of a relief association or account to any person receiving or entitled to receive a service pension or other benefits shall be subject to garnishment, judgment, execution or other legal process and no person entitled to a service pension or other retirement benefits from the special fund of a relief association or account shall have the right to assign any service pension or retirement benefit payments, nor shall the association have the authority to recognize any assignment or pay over any sum which has been assigned.

Subd. 7. Deferred service pensions. A member of a relief association or account to which this section applies who has completed the lesser of the minimum period of active service with the municipal fire department or independent nonprofit firefighting corporation specified in the bylaws or 20 years of active service with the municipal fire department to which the relief association or account is directly associated with or the independent nonprofit firefighting corporation of which the relief association is a subsidiary, who has completed at least ten years of active membership in the relief association or account and who separates from active service and membership prior to reaching the age of 50 years or the minimum age for retirement and commencement of a service pension specified in the bylaws governing the relief association or account if that age is greater than the age of 50 years shall be entitled to a deferred service pension to commence upon the former member reaching the age of 50 years or the minimum age specified in the bylaws governing the relief association or account if that age is

greater than the age of 50 years and upon the former member making a valid written application. Any relief association or account which provides a lump sum service pension may, when its governing bylaws so provide, pay interest on the deferred lump sum service pension during the period of deferral. If provided for, interest shall be paid at the rate actually earned by the relief association or account, but not to exceed the interest rate specified in section 356.215, subdivision 4, clause (4), and shall be compounded annually based on calendar year balances. The deferred service pension shall be governed by and shall be calculated pursuant to any general statute, special law, relief association articles of incorporation or relief association bylaw provisions applicable as of the date on which the member separated from active service with the fire department or the nonprofit firefighting corporation and active membership in the relief association or account.

Subd. 8. Lump sum service pensions; installment payments. Any relief association or account, if the governing bylaws so provide, may, at the option of the retiring member and in lieu of a single payment of a lump sum service pension, pay a lump sum service pension in installments.

The election of installment payments shall be irrevocable and shall be made by the retiring member in writing and filed with the secretary of the relief association no later than 30 days prior to the commencement of payment of the service pension. The amount of the installment payments shall be determined so that the present value of the aggregate installment payments computed at an interest rate of five percent, compounded annually, is equal to the amount of the single lump sum payment which would have been made had the installment payments option not been elected. The payment of each installment shall include interest at the rate of five percent, compounded annually on the reserve supporting the remaining installment payments as of the date on which the previous installment payment was paid computed from the date on which the previous installment payment was paid to the date of payment for the current installment payment.

To the extent that the commissioner of insurance deems it to be necessary or practical, the commissioner may specify and issue procedures, forms or mathematical tables for use in performing the calculations required pursuant to this subdivision.

Subd. 9. Limitation on retirement benefits other than service pension. Any relief association or account to which this section applies, if the governing bylaws so provide, may provide retirement coverage for and may pay any one or any combination death, disability, funeral and survivorship benefits which would constitute an authorized disbursement as specified in section 424A.05 subject to the following limitations:

(1) With respect to a relief association or account where the governing bylaws provide for a lump sum service pension to a retiring member, no retirement benefit may be paid to any former member or paid to any person on behalf of any former member subsequent to the former member terminating active service with the municipal fire department to which the relief association or account is directly associated or the independent nonprofit firefighting corporation of which the relief association is a subsidiary, whichever is applicable, and active membership in the relief association or account, and commencing receipt of a service pension as authorized pursuant to this section; and

(2) With respect to any relief association or account, no retirement benefit paid or payable to any member, to any former member or to any person on behalf of any member or former member may exceed in amount the total service pension calculated using the service pension amount specified in the governing bylaws and the years of service credited to the member or former member as of the date the member or former member became entitled to the retirement benefit or the date

the member or former member died entitling a survivor to a retirement benefit on behalf of the member or former member, calculated without regard to whether the member or former member attained the minimum amount of service credit specified in the governing bylaws or not and without regard to the percentage amounts specified in subdivision 2; except that the bylaws of any relief association may provide for the payment of a benefit equivalent of not to exceed five times the yearly service pension amount specified in the bylaws on behalf of any member who dies before having performed five years of active service in the fire department with which the relief association is affiliated.

Subd. 9a. Post retirement increases. Notwithstanding any provision of general or special law to the contrary, a volunteer firefighters' relief association may, from time to time, with municipal approval pursuant to subdivision 10 and section 69.772, subdivision 6, or section 69.773, subdivision 6, whichever is applicable, provide a post retirement increase to retired members and other retirement benefit recipients of the relief association. The post retirement increase may only be granted pursuant to an amendment to the bylaws of the relief association and shall be applicable only to retired members and other retirement benefit recipients receiving a service pension or retirement benefit as of the effective date of the bylaw amendment. The authority to provide a post retirement increase to retired members and other retirement benefit recipients of a relief association contained in this subdivision shall supersede any prior special law authorization relating to the provision of post retirement increases.

Subd. 10. Local approval of bylaw amendments; filing requirements. Each relief association or account to which this section applies shall file a complete current copy of its governing bylaws with the commissioner of insurance on or before July 1, 1980 and shall immediately file a revised copy of its governing bylaws with the commissioner of insurance upon the approval of any amendment to its governing bylaws granted by the governing body of the municipality in which the fire department to which the relief association or account is directly associated or by the governing bodies of all municipalities with which the independent nonprofit firefighting corporation of which the relief association is a subsidiary has contracted whichever is applicable. Failure of the relief association to file a copy of the bylaws or any bylaw amendments with the commissioner of insurance shall disqualify the municipality from the distribution of any future fire state aid until this filing requirement has been completed. If the special fund of the relief association does not have a surplus over full funding pursuant to section 69.772, subdivision 3, clause (2), subclause (e), or 69.773, subdivision 4, and if the municipality is required to provide financial support to the special fund of the relief association pursuant to section 69.772 or 69.773 in the event that the fire department to which the relief association or account is directly associated is a municipal fire department, or if the relief association is a subsidiary of a nonprofit firefighting corporation, no bylaw amendment which would affect the amount of, the manner of payment of, or the conditions for qualification for service pensions or other retirement benefits or disbursements other than administrative expenses authorized pursuant to section 69.80 payable from the special fund of the relief association or account shall be effective until it has been ratified by the governing body of the municipality in which the fire department to which the relief association or account is directly associated or by the governing bodies of all municipalities with which the independent nonprofit firefighting corporation of which the relief association is a subsidiary has contracted, whichever is applicable. If the fire department with which the relief association is directly associated is a municipal fire department and the municipality is not required to provide financial support to the special fund of the relief association pursuant to this section, the relief association may adopt or amend its articles of incorporation or bylaws which increase or otherwise affect the retirement coverage provided by or the service

pensions or retirement benefits payable from the special fund of the relief association shall be effective without municipal ratification so long as this does not cause the amount of the resulting increase in the accrued liability of the special fund of the relief association to exceed 90 percent of the amount of the prior surplus over full funding and this does not result in the financial requirements of the special fund of the relief association exceeding the expected amount of the future fire state aid to be received by the relief association as determined by the board of trustees following the preparation of an estimate of the expected increase in the accrued liability and annual accruing liability of the relief association attributable to the change if the relief association pays only a lump sum service pension or an updated actuarial valuation including the proposed change or an estimate of the expected actuarial impact of the proposed change prepared by the actuary of the relief association if the relief association pays a monthly benefit service pension. If a relief association adopts or amends its articles of incorporation or bylaws without municipal ratification pursuant to this subdivision, and, subsequent to the amendment or adoption, the financial requirements of the special fund of the relief association pursuant to this section are such so as to require financial support from the municipality, the provision which was implemented without municipal ratification shall no longer be effective without municipal ratification and any service pensions or retirement benefits payable after that date shall be paid only in accordance with the articles of incorporation or bylaws as amended or adopted with municipal ratification.

History: 1979 c 201 s 12; 1980 c 607 art 15 s 11; 1981 c 224 s 208,209,274; 1982 c 421 s 3; 1982 c 460 s 8; 1982 c 465 s 7,8

424A.03 UNIFORMITY OF VOLUNTEER FIREFIGHTER SERVICE PENSION AND RETIREMENT BENEFITS.

Subdivision 1. Limitation on nonuniformity of pensions. No partially salaried and partially volunteer firefighters' relief association shall provide service pensions to volunteer firefighter members which differ in nature or amount if the difference is based on compensation paid for firefighting services rendered by any firefighter member nor base the service pensions and retirement benefits it provides upon any rate or amount of compensation which is paid for firefighting services.

Subd. 2. Penalties for violations. Any municipality which has a fire department to which a relief association which violates the provisions of subdivision 1 is directly associated or which contracts with an independent nonprofit firefighting corporation of which a relief association which violates the provisions of subdivision 1 is a subsidiary shall not be included in the apportionment of fire state aid by the commissioner of insurance to the applicable county auditor pursuant to section 69.021, subdivision 6, and shall not be included in the apportionment of fire state aid by the county auditor to the various municipalities pursuant to section 69.021, subdivision 7.

Subd. 3. Exception to application of limitation and penalty. The limitation provided for in subdivision 1 shall not apply to any relief association which prior to January 1, 1957, had established a definite service pension formula for members of the partially salaried and partially volunteer firefighters' relief association who are regularly employed firefighters.

History: 1979 c 201 s 13

424A.04 VOLUNTEER RELIEF ASSOCIATIONS; BOARD OF TRUSTEES.

Subdivision 1. Membership. Every volunteer firefighters' relief association shall be managed by a board of trustees consisting of nine members. Six trustees shall be elected from the membership of the relief association and three trustees

shall be drawn from the officials of the municipality which has a fire department to which the relief association is directly associated or the municipality which contracts or the municipalities which contract with the independent nonprofit firefighting corporation of which the relief association is a subsidiary. The bylaws of a volunteer firefighters' association may provide that one of the six trustees required to be elected from the membership of the relief association may be a retired member of the relief association receiving a monthly pension elected by the membership of the fire department. The three ex officio trustees, if the relief association is directly associated with the fire department of a municipality, shall be the mayor, the clerk, clerk-treasurer or finance director, and the chief of the municipal fire department. The three ex officio trustees, if the relief association is a subsidiary of an independent nonprofit firefighting relief corporation, shall be three elected officials of the contracting municipality designated by the governing body of the municipality if only one municipality contracts with the independent nonprofit firefighting corporation, two elected officials of the largest municipality in population and one elected official of the next largest municipality in population designated by the governing bodies of the applicable municipalities if two municipalities contract with the independent nonprofit firefighting corporation, or one elected official of each of the three largest municipalities in population designated by the governing bodies of the applicable municipalities if three or more municipalities contract with the independent nonprofit firefighting corporation. An ex officio trustee shall have all of the rights and duties accorded to any other trustee except the right to be an officer of the board of trustees. A board shall have at least three officers, which shall be a president, a secretary and a treasurer. These officers shall be elected from among the elected trustees by either the full board of trustees or by the membership, as specified in the bylaws, and in no event shall any trustee hold more than one officer position at any one time. The terms of the elected trustees and of the officers of the board shall be specified in the bylaws of the relief association but shall not exceed three years. If the term of the elected trustees exceeds one year, the election of the various trustees elected from the membership shall initially and shall thereafter continue to be staggered on as equal a basis as is practicable.

Subd. 2. Fiduciary duty. It shall be the duty of the board of trustees to faithfully administer any provisions of statute or special law applicable to the relief association without prejudice and consistent with the expressed intent of the legislature. The members of the board shall act as trustees with a fiduciary obligation to the state of Minnesota which authorized the creation of the relief association, the taxpayers who aid in its financing and the firefighters who are its beneficiaries.

History: 1979 c 201 s 14; 1980 c 607 art 15 s 12; 1981 c 224 s 210

424A.05 RELIEF ASSOCIATION SPECIAL FUND

Subdivision 1. Establishment of special fund. Every volunteer firefighters' relief association shall establish and maintain a special fund within the relief association.

Subd. 2. Special fund assets and revenues. The special fund shall be credited with all fire state aid moneys received pursuant to sections 69.011 to 69.051, all taxes levied by or other revenues received from the municipality pursuant to sections 69.771 to 69.776 or any applicable special law requiring municipal support for the relief association, any moneys or property donated, given, granted or devised by any person which is specified for use for the support of the special fund of the relief association and any interest earned upon the assets of the special fund. The treasurer of the relief association shall be the custodian of the assets of the special fund and shall be the recipient on behalf of the special fund of all revenues payable to the special fund. The treasurer shall maintain

adequate records documenting any transaction involving the assets or the revenues of the special fund. These records and the bylaws of the relief association shall be public and shall be open for inspection by any member of the relief association, any officer or employee of the state or the municipality or any member of the public, at reasonable times and places.

Subd. 3. Authorized disbursements from the special fund. Disbursements from the special fund shall not be made for any purpose other than one of 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.

Subd. 4. Investments of assets of the special fund. The assets of the special fund shall be invested only in securities authorized by section 69.775.

Subd. 5. Definition of surviving spouse. For purposes of this section, section 424A.02, and the governing bylaws of any relief association to which this chapter applies, the term "surviving spouse" means any person who was the dependent spouse of a deceased active member or retired former member living with the member at the time of the death of the active member or retired former member for at least one year prior to the date on which the member terminated active service and membership.

History: 1979 c 201 s 15; 1981 c 224 s 211; 1981 c 224 s 274

424A.06 RELIEF ASSOCIATION GENERAL FUND.

Subdivision 1. Establishment of general fund. Any volunteer firefighters' relief association may establish and maintain a general fund within the relief association.

Subd. 2. General fund assets and revenues. To the general fund, if established, shall be credited all moneys received from dues, fines, initiation fees, entertainment revenues and any moneys or property donated, given, granted or devised by any person, for unspecified uses. The treasurer of the relief association shall be the custodian of the assets of the general fund and shall be the recipient on behalf of the general fund of all revenues payable to the general fund. The treasurer shall maintain adequate records documenting any transaction involving the assets or the revenues of the general fund. These records shall be open for inspection by any member of the relief association at reasonable times and places.

Subd. 3. **Authorized disbursements from the general fund.** Disbursements from the general fund may be made for any purpose authorized by either the articles of incorporation or bylaws of the relief association.

Subd. 4. **Investment of assets of the general fund.** The assets of the general fund may be invested in any securities authorized by the bylaws of the relief association.

History: 1979 c 201 s 16; 1980 c 509 s 163

424A.07 NONPROFIT FIREFIGHTING CORPORATIONS; ESTABLISHMENT OF RELIEF ASSOCIATIONS.

Prior to paying any service pensions or retirement benefits pursuant to section 424A.02 or becoming entitled to receive any amounts of fire state aid upon transmittal from a contracting municipality pursuant to section 69.031, subdivision 5, a nonprofit firefighting corporation shall establish a relief association governed by this chapter.

History: 1979 c 201 s 17; 1981 c 224 s 274

424A.08 MUNICIPALITY WITHOUT RELIEF ASSOCIATION; AUTHORIZED DISBURSEMENTS.

Any qualified municipality which is entitled to receive fire state aid but which has no volunteer firefighters' relief association directly associated with its municipal fire department and does not contract with an independent nonprofit firefighting corporation which has a subsidiary volunteer firefighters' relief association, shall deposit the fire state aid in a special account in the municipal treasury. Disbursement from the special account shall not be made for any purpose except:

(1) 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 its firefighters to membership in and the benefits of these state associations;

(2) Payment of the cost of purchasing and maintaining needed equipment for the fire department; and

(3) Payment of the cost for construction, acquisition, repair and maintenance of buildings or other premises to house the fire department.

History: 1979 c 201 s 18

424A.09 APPLICATION TO CERTAIN RELIEF ASSOCIATIONS.

This chapter shall supersede any special law applicable to any municipal volunteer firefighters' relief association or independent nonprofit firefighting corporation specifically authorizing the relief association or nonprofit firefighting corporation to exceed the service pension limitations contained in Minnesota Statutes 1978, Sections 69.06 and 69.691. Any relief association which amended its bylaws to provide for a full pro rata service pension amount at the specified retirement age with 15 years service credit or 75 percent of the pro rata service pension amount at the specified retirement age with ten years of service pursuant to Minnesota Statutes 1978, Section 69.06 may continue to provide the specified service pension amounts at the applicable years of credited service to any member who has credit for at least ten or 15 years, whichever is the applicable minimum service period specified in the bylaws governing the relief association, on or before December 31, 1979 notwithstanding section 424A.02.

History: 1979 c 201 s 19; 1981 c 224 s 274