

423C.01 MINNEAPOLIS FIREFIGHTERS RELIEF ASSOCIATION; DEFINITIONS.

Subdivision 1. **Terms.** For purposes of this chapter, unless the context clearly indicates otherwise, the terms defined in this section have the meanings given them.

Subd. 2. **Active member.** "Active member" means a person who was hired and duly appointed by the city of Minneapolis before June 15, 1980, as a firefighter who is regularly entered on the fire department payroll and who serves on active duty.

Subd. 3. **Active member percentage.** "Active member percentage" means the total number of units accrued by active members divided by the sum of the total number of units to which eligible members are entitled and active members have accrued.

Subd. 4. **Actuarial equivalent or actuarially equivalent.** "Actuarial equivalent" or "actuarially equivalent" means the condition of one annuity or benefit having an equal actuarial present value as another annuity or benefit determined as of a given date at a specified age with each actuarial present value based on the appropriate mortality table adopted by the board based on the experience of the special fund and approved by the actuary retained under section 356.214 and using the applicable preretirement or postretirement interest rate assumptions specified in section 356.216.

Subd. 5. **Age.** "Age" means a person's age at the person's latest birthday.

Subd. 6. **Annual postretirement adjustment.** "Annual postretirement adjustment" means the payment of a lump-sum, postretirement benefit pursuant to section 423C.06, subdivision 1, to an eligible member on June 1 following the determination date in any year.

Subd. 7. **Association.** "Association" means the Minneapolis Firefighters Relief Association.

Subd. 8. **Board.** "Board" means the board established in section 423C.03 to govern the association.

Subd. 9. **City.** "City" means the city of Minneapolis.

Subd. 10. **Deferred member.** "Deferred member" means a person who served on active duty and was regularly entered on the fire department payroll and separated from active service prior to attaining 50 years of age and is entitled to receive a service pension upon reaching age 50 under the law existing at the time the member separated from active service for at least five years.

Subd. 11. **Dependent.** "Dependent" means:

(1) a biological or adopted child of a deceased, active, or retired member who is unmarried and under the age of 18;

(2) a biological or adopted child of a deceased, active, or retired member who is between the ages of 18 and 22 and is enrolled full time at an accredited educational institution approved by the board; or

(3) a biological child of an active or retired member conceived during the active or retired member's lifetime and born after the active or retired member's death.

Subd. 12. **Determination date.** "Determination date" means December 31 of each year.

Subd. 13. **Disability.** "Disability" has the meaning specified in the bylaws of the relief association on April 1, 2001.

Subd. 14. **Discharge.** "Discharge" means a complete separation from and termination of active service as a member of the fire department.

Subd. 15. **Eligible member.** "Eligible member" means:

(1) for purposes of section 423C.06, subdivision 1, a person, including a service pensioner, a disability pensioner, a survivor, or dependent of a deceased active member, service pensioner, or disability pensioner, who received a pension or benefit from the relief association during the 12 months before the determination date. A person who received a pension or benefit for the entire 12 months before the determination date is eligible for a full annual postretirement payment. A person who received a pension or benefit for less than 12 months before the determination date is eligible for a prorated annual postretirement payment; and

(2) for purposes of section 423C.06, subdivision 4, a person who receives a service, survivor, or disability pension payable from the special fund of the association.

Subd. 16. **Enrolled full time.** "Enrolled full time" means the situation of an individual who is in full-time attendance as a student at an educational institution, as determined by the board of trustees of the relief association in light of the standards and practices of the school involved. A person who is paid by the person's employer while attending school at the request of that employer may not be considered to be a full-time student. A person may be considered a full-time student during a period of up to four months of nonattendance during any 12-month period if the person shows to the satisfaction of the board of trustees that the person intends to continue in full-time school attendance immediately upon the conclusion of the nonattendance period.

Subd. 17. **Excess investment income.** "Excess investment income" means the amount, if any, by which the average time-weighted total rate of return earned by the special fund in the most recent prior five fiscal years has exceeded the actual average percentage increase in the current monthly salary of a first grade firefighter in the most recent prior five fiscal years plus two percent. The excess investment income must be expressed as a dollar amount and may not exceed one

percent of the total assets of the special fund, except when the actuarial value of assets of the special fund according to the most recent annual actuarial valuation prepared in accordance with sections 356.215 and 356.216 is greater than 102 percent of its actuarial accrued liabilities, in which case the amount must not exceed 1.5 percent of the assets of the special fund.

Subd. 18. **Fire department.** "Fire department" means the Minneapolis Fire Department.

Subd. 19. **Fund.** "Fund" means the special fund of the relief association.

Subd. 20. **Net excess asset amount payment.** "Net excess asset amount payment" means the payment of an additional postretirement payment under section 423C.06, subdivision 4, to an eligible member on June 1 following the determination date in the given year.

Subd. 21. **Net total excess asset amount.** "Net total excess asset amount" means the total excess asset amount stated in dollars and multiplied by one minus the active member percentage.

Subd. 22. **Period of service.** "Period of service" means:

(1) any service rendered by a firefighter for any calendar month when the member receives salary from which deductions are made, deposited, and credited to the special fund. Leaves of absence of more than 90 days, except those granted because of disability due to sickness or accident or to enable a member to accept an appointive position in the fire department, shall be excluded in computing a member's period of service;

(2) any period in which the member, after entering the fire department, leaves to enter the military forces of the United States in a time of war or national emergency and subsequently receives an honorable discharge from the military or leaves to render fire prevention services to the United States government in a time of war or national emergency, provided the member who serves either applies for reinstatement in or resumes active duty in the fire department within six months. During any period of military or fire prevention service, the individual shall not be considered an active member. Any period of service a member qualifies for under this clause is limited as follows:

(i) credit shall be granted for service rendered subsequent to July 1, 1961, but the credit shall not exceed six calendar years;

(ii) no credit shall be granted for service rendered subsequent to July 1, 1961, if the period of service rendered prior to July 1, 1961, equals or exceeds six calendar years; and

(iii) if the period of service prior to July 1, 1961, is less than six calendar years, credit for service subsequent to July 1, 1961, shall be added to the prior service, but in no case shall total service credit exceed six calendar years.

Subd. 23. **Retired member.** "Retired member" means a former active member who has terminated active service with the fire department and is entitled to receive a pension or benefit under this chapter or any predecessor law.

Subd. 24. **Relief association.** "Relief association" means the Minneapolis Firefighters Relief Association.

Subd. 25. **Surviving spouse member.** "Surviving spouse member" means a person who was:

(1) legally married to, and residing with, an active, deferred, or retired member both during the time the member was regularly entered on the payroll and serving on active duty in the fire department and at the time of the member's death; and

(2) in the event the person was married to a retired or deferred member, married to that retired or deferred member for at least one year prior to the member's discharge from the fire department.

Subd. 26. **Time-weighted total rate of return.** "Time-weighted total rate of return" means the percentage amount determined by using the formula or formulas established by the state board of investment under section 11A.04, clause (11), and in effect on January 1, 1987.

Subd. 27. **Total excess asset amount.** (a) "Total excess asset amount" means the difference, if positive, expressed in dollars, between the special fund's market value of assets after any deductions required by section 423C.06, subdivision 3, and 110 percent of the actuarial accrued liabilities based on the actuarial valuation indicated in paragraph (b).

(b) The total excess asset amount in paragraph (a) exists if the actuarial liability funding ratio, according to the most recent annual actuarial valuation of the special fund prepared in accordance with sections 69.77, 356.215, and 356.216, with adjustments required by section 423C.06, subdivision 3, equals or exceeds 110 percent.

Subd. 28. **Unit.** "Unit" means 1/80 of the maximum monthly salary of a first grade firefighter on the first day of the month in which the pension benefits provided by this chapter are paid.

Subd. 29. **Covered salary.** "Salary" is subject to the limitations of section 356.611.

History: *1Sp2001 c 10 art 15 s 1; 2002 c 231 s 1,2; 1Sp2005 c 8 art 1 s 29; 2006 c 271 art 3 s 47*