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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3328

04/01/2014 Authored by Runbeck

The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act  
1.2 relating to retirement; Centennial Volunteer Firefighters Relief Association;  
1.3 providing for continuing coverage for certain Lino Lakes Fire Department  
1.4 firefighters in the event of a joint powers fire department withdrawal.

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

1.6 Section 1. **CENTENNIAL VOLUNTEER FIREFIGHTERS RELIEF**  
1.7 **ASSOCIATION COVERAGE OF LINO LAKES FIRE DEPARTMENT**  
1.8 **FIREFIGHTERS.**

1.9 Subdivision 1. **Applicability.** Notwithstanding any provision of Minnesota Statutes,  
1.10 chapter 424A, or sections 424B.20 and 424B.21, to the contrary, if the city of Lino Lakes  
1.11 withdraws from the joint powers agreement establishing the Centennial Fire Department,  
1.12 if the city of Lino Lakes establishes a city fire department, and if a Lino Lakes Volunteer  
1.13 Firefighters Relief Association is established, this section applies to the Centennial  
1.14 Volunteer Firefighters Relief Association.

1.15 Subd. 2. **Continuing coverage for certain firefighters permitted.** (a) If the  
1.16 circumstances described in subdivision 1 occur, the successor Centennial Volunteer  
1.17 Firefighters Relief Association may continue to provide retirement coverage for  
1.18 firefighters who were members of the Centennial Volunteer Firefighters Relief Association  
1.19 before July 1, 2014, and who transfer from the Centennial Fire Department to the Lino  
1.20 Lakes Fire Department.

1.21 (b) Coverage authorized by paragraph (a) is governed by subdivisions 3 to 10.

1.22 Subd. 3. **Creditable firefighting service.** Before continuing coverage of Lino  
1.23 Lakes Fire Department firefighters by the successor Centennial Volunteer Firefighters  
1.24 Relief Association occurs, the volunteer firefighters relief association board must

2.1 specifically define how firefighting service rendered by Lino Lakes firefighters described  
2.2 in subdivision 2 in the Lino Lakes Fire Department will be credited by the successor  
2.3 Centennial Volunteer Firefighters Relief Association. The service credit definition is  
2.4 subject to municipal approval by the cities of Lino Lakes, Centerville, and Circle Pines  
2.5 under Minnesota Statutes, section 424A.02, subdivision 10.

2.6 Subd. 4. **Fire state aid allocation.** (a) If the successor Centennial Volunteer  
2.7 Firefighters Relief Association provides retirement coverage for one or more firefighters  
2.8 in the Lino Lakes Fire Department as described in subdivision 2, all fire state aid and  
2.9 police and fire supplemental retirement state aid received by the cities of Centerville and  
2.10 Circle Pines must be transmitted to and deposited in the special fund of the successor  
2.11 Centennial Volunteer Firefighters Relief Association and a portion of the fire state aid and  
2.12 of the police and fire supplemental retirement state aid received by the city of Lino Lakes  
2.13 as calculated under paragraph (b) must be transmitted to and deposited in the special fund  
2.14 of the successor Centennial Volunteer Firefighters Relief Association.

2.15 (b) Annually, before September 15, the officers of the successor Centennial Volunteer  
2.16 Firefighters Relief Association shall calculate and certify to the city of Lino Lakes:

2.17 (1) the liability of Lino Lakes Fire Department firefighters covered by the relief  
2.18 association under Minnesota Statutes, section 424A.092, subdivision 2, for creditable  
2.19 service rendered by those firefighters to date;

2.20 (2) the liability of all firefighters covered by the relief association under Minnesota  
2.21 Statutes, section 424A.092, subdivision 2, for creditable service rendered by all active  
2.22 firefighters to date; and

2.23 (3) the percentage determined by dividing the amount calculated under clause (1)  
2.24 by the amount calculated under clause (2).

2.25 The portion of the fire state aid and the police and fire supplemental retirement state  
2.26 aid received by the city of Lino Lakes that is determined by applying the percentage under  
2.27 clause (3) to the total aid amount must be deposited in the successor Centennial Volunteer  
2.28 Firefighters Relief Association special fund.

2.29 Subd. 5. **Relief association minimum municipal obligation.** (a) If the officers of  
2.30 the successor Centennial Volunteer Firefighters Relief Association certify a minimum  
2.31 municipal obligation under Minnesota Statutes, section 424A.092, subdivisions 3 and 4,  
2.32 in any year, the city of Lino Lakes must include in its annual budget for the following  
2.33 year and in its municipal tax levy certified to the county auditor payable in the following  
2.34 year the city of Lino Lake's portion of that minimum municipal obligation as determined  
2.35 under paragraph (b).

3.1 (b) The minimum municipal obligation portion of the city of Lino Lakes is the  
3.2 percentage determined under subdivision 4, paragraph (b), clause (3), applied to the total  
3.3 minimum municipal obligation certified by the Centennial Volunteer Firefighters Relief  
3.4 Association.

3.5 (c) If the city of Lino Lakes fails to budget for, certify the tax levy for, or transmit  
3.6 to the successor Centennial Volunteer Firefighters Relief Association the amount due  
3.7 under this section, the remedy under Minnesota Statutes, section 424A.092, subdivision  
3.8 4, paragraph (c), applies.

3.9 Subd. 6. **Alternative allocations.** (a) If the cities of Centerville, Circle Pines,  
3.10 and Lino Lakes agree to an alternative determination method for state aid or minimum  
3.11 municipal obligation under subdivisions 4 and 5, the allocation of each must be made  
3.12 under that allocation determination method.

3.13 (b) Any alternative determination method under this subdivision must be reviewed  
3.14 for accuracy and consistency by the Office of the State Auditor before implementation.

3.15 Subd. 7. **Future service pension increases.** Any increase in the amount of the  
3.16 service pension per year of service as a firefighter proposed by the Centennial Volunteer  
3.17 Firefighters Relief Association and applicable to a firefighter with the Lino Lakes Fire  
3.18 Department must be approved by the Lino Lakes City Council before it is effective.

3.19 Subd. 8. **Relief association municipal board representation.** If the successor  
3.20 Centennial Volunteer Firefighters Relief Association includes in coverage one or more  
3.21 Lino Lakes Fire Department firefighters, one of the municipal representatives on the relief  
3.22 association board of trustees must be a municipal elected or appointed official of the city  
3.23 of Lino Lakes as designated by the city council of the city of Lino Lakes.

3.24 Subd. 9. **No post break in service return to coverage.** No former member of the  
3.25 Centennial Volunteer Firefighters Relief Association who terminated active firefighter  
3.26 service with the Centennial Fire Department before the withdrawal of the city of Lino  
3.27 Lakes from the joint powers agreement may return to active membership by the successor  
3.28 Centennial Volunteer Firefighters Relief Association by virtue of a return to active  
3.29 firefighting services with the Lino Lakes Fire Department.

3.30 Subd. 10. **Appropriate bylaw amendments.** Upon municipal approvals by all cities  
3.31 under section 2, the board of trustees shall formulate and adopt any appropriate amendments  
3.32 to the bylaws of the successor Centennial Volunteer Firefighters Relief Association,  
3.33 subject to the requirements of Minnesota Statutes, section 424A.02, subdivision 10.

3.34 Sec. 2. **EFFECTIVE DATE; LOCAL APPROVAL.**

4.1 Section 1 is effective the day after the latest date on which the governing body and  
4.2 the chief clerical officer of the cities of Centerville, Circle Pines, and Lino Lakes timely  
4.3 complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3