

RESOLUTION R2024-049

A RESOLUTION OF THE CITY OF SHAKOPEE, MINNESOTA
APPROVING AN AMENDMENT TO THE SHAKOPEE FIRE DEPARTMENT RELIEF
ASSOCIATION BYLAWS INCLUDING A PENSION BENEFIT INCREASE

WHEREAS, the City of Shakopee (City) and the Shakopee Fire Department (SFD) strive to provide excellent facilities and equipment while also compensating SFD Firefighters through an hourly rate and through payment of a pension benefit for each year of service; and

WHEREAS, the pension benefit is funded by the Shakopee Firefighters Relief Association (SFDRA), which operates independently of the SFD and is guided by its own bylaws; and

WHEREAS, the SFDRA membership approved at its March 25, 2024 membership meeting an amendment to its current bylaws including a pension benefit increase, change in the calculation for computing benefits from completed years to completed months of service, increase in fire relief board officer compensation levels; and

WHEREAS, in July 2017, the City Council adopted a guideline for approving pension benefit increases for the SFDRA. The goal of the guideline is to ensure the SFDRA assets are sufficiently funded compared to the liabilities before requesting a pension benefit from the City Council; and

WHEREAS, the SFDRA pension has been 100 percent funded since 2013 and the City has not contributed any additional funds since 2014; and

WHEREAS, based on the December 31, 2023 Funding Coverage Percentage of 126.4 percent, the SFDRA is requesting an increase of 5 percent or \$550 per year of service, rounded down to the nearest twenty-five-dollar increment, bringing the total yearly pension benefit to \$11,375; and

WHEREAS, the SFDRA is requesting a change in the calculation for computing benefits for active members from completed years to completed months of service; and

WHEREAS, the SFDRA is requesting an increase in fire relief board officer compensation levels to account for the additional work related to the dissolution of the relief association; and

WHEREAS, the SFDRA bylaw amendment is effective April 2, 2024 with the pension benefit increase becomes effective April 15, 2024.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHAKOPEE, MINNESOTA, hereby approves the bylaw amendments for the Shakopee Fire Department Relief Association including a pension benefit increase of 5 percent or \$550 for a total

yearly pension benefit of \$11,375, change in calculation for computing benefits from completed years to completed months of service, and increase in fire relief board officer compensation levels.

Adopted in the regular session of the City Council of the City of Shakopee, Minnesota held this 2nd day of April 2024.

Mayor of the City of Shakopee

ATTEST:

City Clerk