

**BYLAWS
OF THE
SANDSTONE FIREFIGHTERS RELIEF ASSOCIATION**

This instrument constitutes the Bylaws of the Sandstone Firefighters Relief Association adopted for the purpose of regulating and managing the internal affairs of the corporation and shall serve as the written defined benefit pension for the relief association.

PURPOSE

The Purpose of the Sandstone Firefighters Relief Association (*Association*) is to provide retirement relief and other benefits to its members and dependents. The Sandstone Firefighters Relief Association is a non-profit corporation that receives and manages public money to provide retirement benefits for individuals providing the governmental services of firefighting and emergency first response. These bylaws and federal and state laws govern all benefits issued by this Association.

**ARTICLE I
MEMBERSHIP**

1.1 Any regular active member of the **Sandstone Fire Department** shall be eligible to apply for membership in this *Association*. Membership fees, dues, fines and assessments shall be deposited in the General Fund of the *Association*.

1.2 Written application accompanied by an application fee of \$1.00 may be made at any regular or special meeting of the *Board of Trustees*, and may be laid over for one month for consideration. If the application is not approved, the application fee shall be returned to the applicant noting thereon with particularity, which qualification(s) are not met. Thereafter the applicant shall be given the opportunity to appear before the full Board, within the next 30 days, to support a claim for membership.

1.3 **Classes of members.** There shall be the following classes of members in the *Association*;

1.3.1 **Active members.** Active Members are members that have not been suspended or expelled from the Association, are actively performing fire suppression duties or supervising fire suppression duties, and are a member in good standing of the Sandstone Fire Department. Annually, by January 31, the fire chief of the Sandstone Fire Department shall submit to the Board a written certified list of Active Members for the prior year. Individuals not listed on this certified list shall not receive credit for any portion of that prior year.

1.3.2 **Deferred members.** Deferred members shall be those members who have not yet reached the age of 50 years but who have served at least 10 years of active duty as a firefighter in the **Sandstone Fire Department**, have separated from such service as a firefighter and have been a member in good standing of the *Association* at least 10 years prior to such retirement.

1.3.3 **Retired members.** Retired members shall be those members who have received a service pension from the *Association*.

1.3.4 **Inactive members** Those members who have been suspended for non-payment of dues; or are on a leave of absence as defined in Section 1.7; or have been separated prior to certification as defined in Section 1.9.

1.4 **Dues, assessment.** Dues and assessment and their method of collection shall be as hereinafter set forth:

1.4.1 Dues, when paid, are for the annual period (January 1 through December 31) or fraction thereof.

- 1.4.2 Active members shall pay the sum of \$100.00 per annum as dues or as stated in the annually adopted fee schedule. Dues may be altered by a favorable vote of 2/3 of the active members present and voting at such a meeting provided a quorum is present.
- 1.4.3 Annual dues will be collected on or before the date of the Annual meeting by the Treasurer.
- 1.4.4 Any member failing to pay annual dues within 90 days after the date of the regular annual meeting shall be mailed a notice of delinquency by the Secretary. If the dues are not paid within 30 days from the date of the notice of delinquency, membership in this *Association* shall automatically be suspended and the member forfeits all rights and benefits hereunder by such non-payment without any action by the *Association*, or any officer thereof.

1.5 Any member who shall in the opinion of a majority of the members of the *Board of Trustees*, fraudulently claim benefits from, or defraud or attempt to defraud the *Association* in any way, shall be suspended from membership by the *Board*, and shall forfeit all further rights to benefits from the *Association*.

1.6 Any suspended member can only be reinstated upon application for reinstatement in writing, presented at a regular or special meeting of the *Association*, accompanied by a sum equal to the amount which would have been payable during the period of suspension, plus a reinstatement fee as set in annually adopted fee schedule upon the favorable vote of 2/3 of the active members present and voting at such meeting, providing that a quorum is present. Notice of the meeting and a written statement of the particular charges shall be given to the member at least five (5) days, excluding the date of the meeting, in advance of the meeting. The member shall be given an opportunity to be heard at the meeting. If the application for reinstatement is rejected, the money accompanying the same shall be returned to the applicant.

1.7 Leave of Absence.

- 1.7.1 Any member may be granted a leave of absence by written request to the Secretary of the *Association* and subject to the approval of the Association President within 14 days of the date of the written request for up to two (2) years if also granted a leave by the **Sandstone Fire Department**. During such leave the member is relieved of paying dues to this *Association*, and during such leave and period of nonpayment of dues, shall not be entitled to any benefit whatsoever. If, after expiration of such leave, the member again becomes an active duty member in the **Sandstone Fire Department**, the member can be reinstated to the Association by payment of one-half of the dues accrued during the actual time of the approved leave of absence.
- 1.7.2 Any member who enlists or is drafted to enter the Armed Services of the United States of America shall be relieved of paying dues in this *Association* during the time of active military service, but shall retain all rights and benefits in the *Association*.
- (1) Subject to restrictions stated in M.S. 424A.021, a volunteer firefighter who is absent from firefighting service in the uniformed services, as defined in United States Code, title 38, section 4303(13), may obtain service credit not to exceed five years, unless a longer period is required under United States Code, title 38, section 4312.
- (a) To be eligible for service credit under this section, the volunteer firefighter must return to firefighting service with coverage by the *Association* upon discharge from service in the uniformed service within the time frame required in United States Code, title 38, section 4312(e).
- (b) Service credit is not authorized if the firefighter separates from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions.
- (c) Service credit is not authorized if the firefighter fails to provide notice to the fire department that the individual is leaving to provide service in the uniformed service, unless it is not feasible to provide that notice due to the emergency nature of the situation.
- 1.7.3 Any member who received disability benefits due to a fire related injury, for a period of more than one month in any calendar year shall be relieved of paying dues in this *Association* during the period of disability, but shall retain all other rights and benefits in the *Association*.

1.7.4 Leave of absence time is not active time and does not count towards retirement.

1.8 Breaks in Service. Any member who has ceased to perform or supervise fire suppression and fire prevention duties prior to reaching age 50, or former members that have received payment for an accrued pension or benefit for at least 60 days, shall be eligible to resume active membership in the *Association* should the member resume active firefighting duties with the Fire Department.

1.8.1 Any member that has not received a service pension, returning from a break in service must remain in active service equal in time to the break in service in order to qualify for any pension increases having occurred during the time. If this requirement is not met prior to the individual's resignation, the retirement benefits will revert to those in effect at such time as the break in service began.

1.8.2 Return to Service. Any member that has received a service pension must serve for the minimum vesting period upon a resumption of active service to accrue any additional service credit with the *Association*. If the member completes the minimum period of resumption service specified in 6.1.1(3) prior to a subsequent cessation of firefighting duties, the member shall receive a service pension for the years of active service calculated at the benefit level in effect on the date of the member's final cessation of duties, however, no member may be paid a service pension twice for the same period of service. If the member does not complete the minimum period of resumption service specified in 6.1.1(3) prior to a subsequent cessation of duties, the member shall receive no credit for the subsequent period of active service.

1.8.3 A break in service does not include an approved leave of absence, pursuant to these bylaws or state law.

1.9 Termination of membership. Active members may be expelled from the *Association* for cause by a 2/3 vote of all the members at a regular or special meeting provided a quorum is present. Notice of the meeting and a written statement of the particular charges shall be given to the member at least 15 days, excluding the date of the meeting, in advance of the meeting. The member shall be given an opportunity to be heard at the meeting. Cause for termination shall include, but not be limited to, resignation or discharge from the **Sandstone Fire Department**, failure to account for money belonging to the *Association*, feigning illness or injury for the purpose of defrauding the *Association*. Any non-vested member separated from the **Sandstone Fire Department** is automatically separated from the Relief Association effective upon the date of the **Sandstone Fire Department** separation.

ARTICLE II BOARD OF TRUSTEES

2.1 The Board of Trustees as specified under Minn. Stat. 424A.04, shall be composed of the following nine (9) persons: a President, a Vice President, a Secretary, a Treasurer and two (2) general Trustees, each of whom shall be elected for a three-year term as specified in this Article, or until their successor has been elected and qualified, at the annual meeting of the *Association* from its members, and the statutory members: the Chief of the **Sandstone Fire Department**, and one elected municipal official and one appointed municipal official who are designated annually as municipal representatives by the City Council of the **City of Sandstone**.

2.2 The terms of office of the general Trustees and the officers shall be grouped as follows: (President and one General Trustee), (Vice President and Secretary), (Treasurer and one General Trustee). The terms shall be arranged so that one group shall be elected at each annual meeting. If a vacancy, other than a vacancy caused by removal for cause of an officer or trustee, occurs during the term of office of any officer or trustee, the remaining members of the *Board of Trustees* shall elect a member of the *Association* to serve for the unexpired term of the vacated position.

2.3 A general trustee or officer may be removed for cause. Cause for removal shall include, but shall not be limited to, the breach of the duties as set forth in Articles II and III of these *Bylaws*. One or more of the Trustees or officers may be removed at a meeting of the membership which has been called for that purpose by a 2/3 vote of those active members present and voting at such meeting, provided a quorum is present. Notice of the meeting at which removal is to be considered, shall be given to each member and shall include the purpose of the meeting. The general trustee or officer shall be furnished with a statement of the particular charges at least five (5) days before the meeting is to be held. At the meeting, the general trustee or officer shall be given an opportunity to be fully heard as to each charge. If a general trustee or officer is removed, a replacement shall be elected at the same meeting, and such replacement shall serve out the unexpired term of the removed general trustee or officer.

2.4 It shall be the duty of the Board of Trustees to prepare modes and plans for the safe and profitable investment of the un-appropriated funds of the *Association*, and whenever investments are made, to investigate and pass upon the securities offered and to attend to the drawing up and execution of the necessary papers.

2.4.1 The *Board* shall order an audit of the books and accounts of the Secretary and the Treasurer annually, according to law, and shall submit a written report of the condition of the *Association* to the members at the annual meeting.

2.5 The investment of the funds of the Association shall be in the exclusive control of the *Board of Trustees*, in conformance with state statutes 356A.06, subd. 7.

2.5.1 The Board shall have on file a copy of the investment policy of the *Association*.

2.5.2 The *Association* shall provide annually to its broker, *if it contracts with one*, a written statement of investment restrictions from the applicable state laws and the *Association's* investment policy. The broker must annually submit the Broker Certification form and any other required certification to the *Association* before the *Association* enters or continues business with said broker.

2.6 The members of the *Board of Trustees* shall act as Trustees with a fiduciary obligation to the members of the *Association*, to the **City of Sandstone** and to the **State of Minnesota**. In the discharge of their respective duties, each Trustee of the Board of Trustees is a fiduciary and shall be held to the standard of care enumerated in M.S. Section 11A.09. In addition, the Trustees must act in accordance with M.S. Chapter 356A. No Trustee of the Sandstone Firefighters Relief Association shall cause the relief association to engage in a transaction if the fiduciary knows or should know that a transaction constitutes one of the following direct or indirect transactions:

- (1) sale, exchange, or leasing of any real property between the relief association and a board member;
- (2) lending of money or other extension of credit between the relief association and a board member or member of the relief association;
- (3) furnishing of goods, services, or facilities between the relief association and a board member; or
- (4) transfer to a board member, or use by or for the benefit of a board member, of any assets of the relief association. Transfer of assets does not mean the payment of relief association benefits or administrative expenses permitted by law.

2.6.1 Prudent Person Standard. A fiduciary with this *Association* shall act in good faith and shall exercise that degree of judgment and care, under circumstances then prevailing, that persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, considering the probable safety of the plan capital as well as the probable investment return to be derived from the assets.

ARTICLE III
DUTIES OF THE OFFICERS

3.1 It shall be the duty of the President to:

- (1) Attend and preside at all meetings of the *Association* and the *Board of Trustees*.
- (2) Enforce the due observance of the *Articles of Incorporation* and *Bylaws* and see that the other officers properly perform the duties assigned to them.
- (3) Sign all documents requiring the signature of the President.
- (4) Be a member of all committees except the Aid Committee.
- (5) Exercise careful supervision over the affairs of the *Association*.

3.2 It shall be the duty of the Vice President to:

- (1) Perform the duties of the President in the absence of the President. In the absence of both the President and the Vice President, it shall be the duty of the Association to elect a President Pro Tem, who shall perform the duties incident to the office.
- (2) Assist the President.
- (3) Be a member of the Aid Committee.

3.3 It shall be the duty of the Secretary to:

- (1) Keep a true and accurate record of the proceedings of all meetings of the *Association* and of the *Board of Trustees*.
- (2) Keep a correct record of all amendments, alterations, and additions to the *Articles of Incorporation* or the *Bylaws* in a separate book from the minute books of the *Association*.
- (3) Act as custodian of the records of the *Association*, sign its official papers, and perform such other duties as may be imposed by the *Board of Trustees*.
- (4) Cause due notice of all meetings of the *Association* and of the *Board of Trustees* to be given.
- (5) Submit a report in writing at each regular meeting of the *Board of Trustees* showing the names of all persons who have applied for membership or ceased to be members since the last report, the names of all persons to whom money has been paid, the amount, and the reason therefore, the amount of money received since the last report and the source thereof, the amount of money on hand, and where the same is invested or deposited, and such other information as will show the financial condition of the *Association*.
- (6) Keep a roll of membership, with the date of joining, resignation, discharge, leaves of absence, dues and assessments paid and relief or pensions furnished.
- (7) The Secretary's books shall be at all times open to inspection by the *Board of Trustees*.
- (8) Jointly with the Treasurer, the Secretary shall prepare and file all reports and statements as required by law.

3.4 It shall be the duty of the Treasurer to:

- (1) Prior to entering upon the duties of the office, give a bond in such amount as required by law, Minn. Stat. 69.051, subd.2, and with such sureties as may be required and approved by the *Board of Trustees*, conditioned upon the faithful discharge of trust and the faithful performance of the duties of the office. Such bond shall be paid for from the Special Fund of the *Association*.
- (2) Collect all dues owed to the *Association*, keeping a roll of memberships dues paid.
- (3) Receive all funds belonging to the *Association* and hold them subject to the order of the President and *Board of Trustees*.
- (4) Keep separate and distinct accounts of the Special and General Funds, and shall prepare and present to the Board of Trustees, a full and detailed statement of the assets and liabilities of each fund at each meeting of the Board of Trustees, and prior to the annual meeting of the Association.
- (5) Pay out money only upon checks signed by those authorized in the resolution adopted at the Annual Meeting designating the signatories to the Associations accounts. Such checks or

statements, when paid and cancelled, shall be retained as vouchers.

- (6) Deliver to their successor in office, or to any committee appointed by the *Board of Trustees* to receive the same, all moneys, books, papers and other items pertaining to the office immediately upon expiration of the term of office.
- (7) Jointly with the Secretary, the Treasurer shall prepare and file all reports and statements as required by law.

3.5 The compensation of any member of the Board shall be fixed from time to time by the *Board of Trustees*, subject to the approval by a majority of the Association at a regular meeting held before the Annual Meeting. All compensation shall be determined before the election of any Board member and no increase in compensation will become effective for anyone serving in that position until one year after the date of the adoption of the increase. The Officers shall receive such compensation after the Annual Meeting if they satisfactorily complete their assigned duties for that year as determined by the *Board of Trustees*. Compensation is payable from the Special Fund.

3.6 It shall be the duty of the General Trustees to assist the members of the *Board of Trustees* with their duties.

3.7 There shall be an Aid Committee composed of the Vice President and three other members of the *Association*, who may or may not be members of the *Board of Trustees*, appointed by the *Board of Trustees*. The Vice President shall be the chairperson of this committee. The duty of the committee shall be to make provisions for the assistance to be rendered to each sick or disable member, and to the survivors or any deceased member in accordance with the provisions of these *Bylaws*.

3.8 Expulsion

ARTICLE IV MEETINGS

4.1 **Board Meetings.** The *Board of Trustees* shall hold at least four regular meetings during each year.

- 4.1.1 **Place.** A meeting of the *Board of Trustees* may be held at any place within this state designated by the *Board*.
- 4.1.2 **Notice.** Subject to waiver, notice of every meeting shall be sent or delivered by the Secretary to each Trustee entitled to vote at the meeting at least five but not more than 20 days before the meeting, excluding the date of the meeting, which sets forth the time, place, and in the case of a special meeting, purpose. A notice of meetings, including the date, time and location, shall be posted at the Fire Hall and city hall.
- 4.1.3 **Act by majority.** An act of the majority of the Trustees present at a meeting at which a quorum is present is an act of the *Board*.
- 4.1.4 **Quorum.** The presence of a majority of the members of the *Board* shall constitute a quorum of the *Board*.

4.2 **Membership Meetings.** The annual meeting of the *Association*, for the election of officers and trustees, and other business, shall be held on the fourth Monday of January each year. If such day falls on a holiday, the meeting shall be held the following Monday.

4.3 Special meetings of the *Association* or the *Board of Trustees* may be called by the President, or by two members of the *Board of Trustees*, shall also be called upon written request of six or more members of the *Association*. Members or trustees shall be notified by the Secretary of such special meeting and the object of the meeting shall be contained in such notice. Special meetings must be held within 10 to 20 days upon request. Members may be notified by radio paging when the President or the trustees call special meetings.

4.4 Subject to waiver, notice of the meetings and elections shall be given to all members entitled to vote at the meeting or election. Such notice shall be in writing and state the time, place, and in case of a special meeting, the purpose, and be posted at each fire hall not less than five (5) nor more than 20 days before the meeting, excluding the date of the meeting.

4.5 Membership Meeting Quorum.

4.5.1 A quorum for meetings of members is twenty-five (25%) percent of the active and deferred membership of the *Association*.

4.5.2 Subject to 4.5.4, a quorum is necessary for the transaction of business at a meeting.

4.5.3 When a quorum is not present, any meeting may be adjourned from time to time for that reason.

4.5.4 When a quorum has been present at the beginning of a meeting and members have withdrawn from the meeting so that less than a quorum remains, the members still present may continue to transact business until adjournment

4.6 All reports and resolutions shall be submitted in writing, and no report shall be accepted unless it is the report of the majority of a committee, provided however, that the minority shall be permitted to present its view in writing.

4.7 All meetings shall be conducted according to Robert's Rules of Order, as revised.

4.8 Order of business. At the annual and at all regular meetings the order of business shall be set in a general policy adopted by the *Board of Trustees*.

4.9 **Voting.** Each Trustee and active or deferred member in good standing shall be entitled to vote on any matter which the members vote upon. Neither cumulative voting nor voting by proxy shall be allowed.

ARTICLE V
FUNDS

5.1 **Funds required.** The *Association* shall maintain in its treasury a General Fund and a special Fund.

5.1.1 **General Fund.** One fund shall be called the General Fund to which shall be credited with the moneys received from dues, all fines, initiation fees, entertainment revenues and any moneys or property donated, given, granted or devised by any person for unspecified uses. The General Fund may be used for any purpose authorized by either the *Articles of Incorporation* or the *Bylaws*, including but not limited to the following: expenses of entertainment, dinners, dances, games, flowers for the sick or deceased members, expenses of administering the fund and for any and all purposes reasonably related to the welfare of the *Association* or its members as authorized by action of the *Board of Trustees* or by a majority of the members present and voting at any annual or special meeting of the members.

5.1.2 **Special Fund.** The other fund shall be called the Special Fund. The Special Fund shall be credited with the moneys received from all fire state-aid moneys received pursuant to law, all taxes levied by or other revenue received from the **City of Sandstone** pursuant to law providing for 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, any interest earned upon assets of the Special Fund. No disbursement shall be made from the Special Fund for any purpose except a purpose for which such Special Fund is held in trust consistent with provisions in the *Articles of Incorporation* or *Bylaws*, and administrative expenses as limited by M.S. 69.80. All other expenses of the *Association* shall be paid out of the General Fund.

5.2 Investments. All money belonging to this *Association* shall be deposited to the credit of the *Association* in such banks, trust companies or other depositories as the *Board of Trustees* may designate. The *Board of Trustees* shall make deposits in conformance with state statutes, the *Bylaws* and the investment policy.

5.3 Disbursements. No disbursement of the funds of this *Association* shall be issued until the claim to which it relates has been approved by the *Board of Trustees*. All checks or expenditures drawn by the Treasurer must be countersigned by those authorized to sign by resolution.

ARTICLE VI BENEFITS

6.1 Service Pensions.

6.1.1 Eligibility requirements. To be eligible to receive a service pension, a member must meet all of the following requirements:

- (1) Be at least 50 years of age;
- (2) Have retired from the **Sandstone Fire Department** of the **City of Sandstone** and ceased to perform or supervise fire suppression duties;
- (3) Have at least ten years of service with such department before retirement; and
- (4) Have been a member of the *Association* in good standing at least ten cumulative years with no breach or separation in service prior to separation from service, other than approved Leaves of Absence.

6.1.2 Service pension. Because of varying circumstances in each member's retirement planning, optional benefit payment methods are offered. Selection should occur after consultation with a tax consultant, financial planner, or an attorney. Each member meeting the requirements of 6.1.1 shall be entitled to a lump sum service pension as set forth in 6.1.8. 20 years of service shall be the base service pension. At the time of application for retirement, a qualified member shall be entitled to payments from the Special Fund according to the [attached Addendum A.] approved vesting table as adopted by 2/3 vote of active and deferred members with a quorum present

6.1.3 Application. Application for relief or service pensions shall be made in writing on forms supplied by the Secretary. The application shall be submitted to the *Board of Trustees* at a regular or special meeting of the *Board*. Applications shall be verified by an oath of the applicant and shall state the applicant meets each of the eligibility requirements set forth in 6.1.1. Up to 90 days are allowed for the transfer of funds to the recipient.

6.1.4 Approval, amount of pension. It shall be the duty of the *Board* to approve applications for service pensions if the applicant meets all of the eligibility requirements set forth in 6.1.1. It shall also be the duty of the *Board* not to approve the application if any of the eligibility requirements are not met. If an application is not approved, the *Board* shall return the application to the applicant within 30 days, noting thereon, with particularity, which requirements the applicant does not meet. Thereafter, the applicant shall be furnished the opportunity to be heard by the full *Board*, within the next 30 days, on the questions of whether the applicant meets all of the eligibility requirements. The service pension shall be payable at the rates set forth in 6.1.2. Payment shall be made from the Special Fund. No other benefits are paid, from the special fund, to or on behalf of any member who has received a service pension.

6.1.5 Deferred service pension. A member of the *Association* who has completed ten years of active service with the municipal fire department and at least ten years of active membership in the *Association* and who separates from active service and membership before reaching the age of 50 years shall be entitled to a deferred service pension to commence upon reaching the age of 50 years and upon making a valid written application to the *Association*. The deferred service pension shall be payable as set forth in 6.1.2 except that:

- (1) Deferred members service pension, as set forth in 6.1.8 shall have the lump sum payment based on the Lump Sum table in effect at the time of separation.
- (2) As specified in M.S. 424A.02, subd. 7(c), interest will be paid on the deferred lump sum service pension during the period of deferral at the interest rate of 3% compounded annually.
- (3) Interest is payable as specified in M.S. 424A.02, subd.7(d), from the first day of the month next following the date on which the member separated from active service to the last day of the month immediately before the month in which the deferred member reaches age 50.

6.1.6 Year of service. For the purpose of computing benefits, a “Year of Service” shall be defined as a period of 12 full months of active duty in the **Sandstone Fire Department**, beginning on the anniversary date when the member became an active member of said Fire Department. If a member’s period of active service is not continuous, parts of years may be added together to complete full years.

6.1.7 Service Pension Payment. Each member meeting the requirements of 6.1.1 shall be entitled to select a lump sum service pension. Alternate payment methods shall include:

- (1) A single lump sum check payment payable to the eligible retiree.
- (2) Upon written request, the *Association* shall directly transfer the eligible member’s lump sum pension to the member’s individual retirement account under Section 408(a) of the Internal Revenue Code, as amended.

6.1.8 Supplemental Benefit. As described in M.S. 424A.10, the *Association* must pay a supplemental benefit to individuals who receive a lump sum distribution of pension or retirement benefits for service performed as a volunteer firefighter at the time that the lump sum benefit is paid. The supplemental benefit calculated as ten percent of the regular lump sum distribution, but not to exceed \$1,000.

Upon the payment of a lump sum survivor benefit to the survivor of a deceased active or deferred member, a supplemental survivor benefit will be paid to the legally married surviving spouse or, if none, to the surviving child or children. The survivor supplement benefit is calculated as twenty percent of the survivor benefit distribution, but not to exceed \$2,000.

6.2 Ancillary Benefits. “Ancillary Benefit” means a benefit other than the service pension. Upon the death of an active or deferred member of this *Association* there shall be paid a survivor benefit. Pursuant to M.S. 424A.02, subd. 9(2), the sum of the ancillary benefit shall be calculated as of the date the active or deferred member died.

6.2.1 Active Member Survivor Benefit. Pursuant to M.S. 424A.02, subd. 9, a survivor benefit may be paid to a surviving spouse of an active member, or if none, to designated beneficiaries, limited to parents, spouse, child or children regardless of age at time of death. The sum shall be calculated using the Lump Sum Service Pension table in effect at the time of death as listed in 6.1.2, using years of service as determined in 6.1.6, without regard to minimum or partial vesting requirements but in no case shall be less than five times the benefit level per year of service in effect on the date of death.

6.2.2 Deferred Member Survivor Benefit. Pursuant to M.S. 424A.02, subd. 9, a survivor benefit may be paid to a surviving spouse of a deferred member, or if none, to designated beneficiaries, limited to parents, spouse, child or children regardless of age at time of death. The sum shall be calculated using the Lump Sum Service Pension table in effect at the time of separation as listed in 6.1.2, using years of service as determined in 6.1.6. The total benefits paid under Article VI herein, cannot exceed the benefit earned by the member.

6.3 Limits on Benefits.

6.3.1 No person entitled to a service pension from the Special Fund of the *Association* may assign any service pension benefit payments, nor shall the association have the authority to recognize any assignment or pay over any sum, which has been assigned.

- 6.3.2 No provision, which places limits on benefits, as contained within Section 415 of the Internal Revenue Code shall be exceeded. Plan participants cannot receive an annual benefit greater than the amount specified in Section 415 of the code as may be subsequently amended.

ARTICLE VII
AMENDMENTS

- 7.1 The Bylaws of this *Association* may be amended at any regular or special meeting of the *Association* by a favorable vote of two-thirds of the members present and voting, providing a quorum is present; and provided further that notice of any proposed amendment or amendments has been mailed delivered with receipt or emailed with receipt to each member at their last known address not more than 31 days preceding the date upon which such amendment or amendments are to be acted upon, and not less than 10 days prior to the scheduled date of such meeting; and provided further, that if such amendment or amendments shall change the amount of benefits or pensions, approval of the **City of Sandstone** must be obtained, as required by law.

ARTICLE VIII
MUNICIPAL RATIFICATION

- 8.1 The adoption of, or any amendment to the *Articles* or *Bylaws* of this *Association* which increases or otherwise affects the retirement coverage provided by, or the service pensions or retirement benefits payable from the Special Fund of this *Association*, shall not be effective until it is ratified by the **City of Sandstone**.
 - 8.1.1 At a duly called regular meeting thereof, the *Sandstone Firefighter's Relief Association* did amend on the 25th day of April 1994. Which amendments were approved by the **City of Sandstone** on the 7th day of December, 1994; Resolution No. 1994-XXX.
 - 8.1.2 At a duly called regular meeting thereof, the *Sandstone Firefighter's Relief Association* did amend on the XX day of XXXX, 1994. Which amendments were approved by the **City of Sandstone** on the 4th day of January, 1995; Resolution No. 1995-XXX.

Association President

Mayor

Association Secretary

City Clerk