



RBC Wealth Management

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RECRUITMENT AND RETENTION

The volunteer fire and EMT service is a longstanding tradition in the United States that often encompasses families' generation after generation. Unfortunately, it is also a tradition in danger of weakening and possibly even dying out. Incentive programs are used throughout the volunteer fire and EMT service as a retention tool. They are necessary to help recruit and retain volunteers. Among the most important, widely used, and growing incentives for volunteers are retirement plans. In most instances, they are called Length of Service Award Programs (LOSAP).

HOW SERVICE AWARD PROGRAMS WORK

Under a LOSAP, volunteers earn pension-like benefits by performing activities such as attending drills and training sessions and responding to emergency calls. In many LOSAPs, each activity is assigned a certain number of points as prescribed in state specific LOSAP legislation. Upon accumulating a specified minimum number of points each year, the firefighter is entitled to a financial benefit, or Service Award. It is generally believed that this financial incentive has been useful in helping fire and EMT departments retain more active volunteers.

TWO TYPES OF SERVICE AWARD PROGRAMS

Under a defined contribution plan, an amount not to exceed \$3000 for each active volunteer is contributed each year to a program trust fund. When a volunteer reaches the entitlement age, he or she has a lump sum equal to the amounts that were contributed to his or her account each year plus investment earnings. Payouts are typically lump sum, but other payout options can be built into the plan such as monthly payments.

Conversely, a defined benefit plan provides a stated benefit upon retirement, such as \$20 per month, per year of active service. Once the entitlement age is reached, a volunteer receives monthly payments during his or her lifetime. Typically, a guaranteed pay period is provided such as a 10-year certain, which provides income to the firefighter or surviving spouse for the minimum stated period.

THE SERVICE AWARD PROGRAM APPROPRIATE FOR YOU

We would welcome the opportunity to work with you from the beginning to help you design a program specifically for your department or community.

WHY CHOOSE US?

Who have we done this for?

Local fire departments, counties, cities, towns and villages that sponsor local fire department LOSAPs, state fire associations on behalf of their state's first responders, and national organizations.

Why do we do what we do?

Recruitment and retention of volunteers remains a major concern for communities nationwide. Providing benefits to volunteers as a retention and recruitment tool is an idea that is receiving great attention as an effective tool for supporting first responders.

What makes us different?

Our consultative team approach enables you to decide what type of program and which benefits will best suit your volunteers. Additionally, we believe in providing ongoing information and education you can rely upon.

Other benefits we provide you:

Monthly statements, quarterly performance reporting and asset summaries, bond maturity and income reports, Internet access, direct toll free number, no long-term contracts, complete liquidity, transferability and flexibility in handling your LOSAP investments without substantial upfront or redemption fees.

Contact

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