

RESOLUTION

BE IT RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Finance and Administration Committee and the Public Safety Committee, that an alternative benefit increase of \$1,080 per year be permitted those persons who have retired since the enactment of Laws of 1980, Chapter 607, Article XV, Section 7 (Minnesota Statutes §423A.04) or who will be retiring in the future after twenty (20) years of service and who are covered by the retirement benefits of the Moorhead Police Relief Association, said increases being in lieu of an increase of one-half of one percent after twenty-five (25) years of service and being considered a health and welfare benefit to defray part of the cost of health insurance and doctor care.

PASSED by the City Council of the City of Moorhead this 15th day of December, 1980.

Morris L. Lanning
MORRIS LANNING, Mayor

ATTEST:

Susan Ristvedt
SUSAN RISTVEDT, Deputy City Clerk

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
JAN - 6 1981
James Anderson Snow
Secretary of State

33168

O.D.

GABRIEL, ROEDER, SMITH & COMPANY
ACTUARIES & CONSULTANTS
2090 First National Building
Detroit, Michigan 48226
Area 313: 961-3346

November 17, 1980

Mr. Hubert L. Warren
Moorhead Police Relief Association
Box 817
Moorhead, Minnesota 56560

Dear Mr. Warren:

We have evaluated the alternative benefit increases as requested in connection with the recent state legislation to phase out local police and firemen's relief associations in Minnesota.

Our computations are based upon the provisions of the retirement system, the actuarial assumptions and the actuarial methods contained in the actuarial valuation as of December 31, 1978.

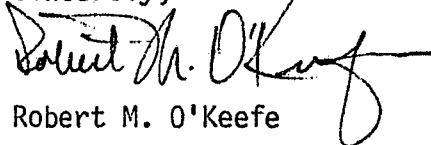
The financial results are shown in the exhibit attached. The minimum obligation of the City before reductions for member contributions and state aid are shown.

The retirement program may be revised as follows without exceeding the maximum increase in the contribution as a percent of payroll of 1.26%.

1. Additional 2.75% - An additional benefit may be provided to future age and service retirants of 2.75% of final average pay after 20 years of service.
2. Additional \$1,080 - An additional benefit may be provided to future age and service retirants of \$1,080 (irregardless of pay) after 20 years of service.

If you have any questions, please feel free to call.

Sincerely,


Robert M. O'Keefe

RMO:mav
Encl.

CC: Gary Findlay

Moorhead Police
Relief Association

Valuation Results as of December 31, 1978

	<u>Current Plan</u>	<u>Additional 2.75%</u>	<u>Additional \$1,080</u>
I. Minimum Obligations as a % of Payroll Before Member Contributions and State Aid.			
A. Normal Cost	16.16%	16.53%	16.61%
B. Amortization Payment Required to Fund 12/31/78 Unfunded Accrued Liability by 2010.*	<u>3.75</u>	<u>4.60</u>	<u>4.54</u>
C. Totals	19.91%	21.13%	21.15%
D. Increase in Minimum Obligation Before Member Contributions and State Aid.	N/A	1.22	1.24
II. Amortization Payment Required to Fund 12/31/78 Unfunded Accrued Liability by 2010.*	\$23,210	\$28,483	\$28,128
III. Unfunded Accrued Liability as of 12/31/78.	\$365,627	\$448,692	\$443,093

*Assumes payment throughout year.

November, 1980

MOORHEAD POLICE RELIEF ASSOCIATION

P. O. BOX 817
MOORHEAD, MINNESOTA 56560
December 31, 1980

Secretary of State's Office
Room 180 State Office Bldg.
St. Paul, Minnesota 55155

ATTENTION: Peggy Steineck

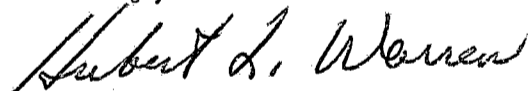
Dear Ms. Steineck:

Enclosed please find the paperwork on the alternative benefit which the "Moorhead Police Relief Association" and the City of Moorhead agreed upon in lieu of the 1/2 of one percent benefit at 25 years of service.

This resolution was passed on the 15th of December and we have had a bit of a time getting the final copies of same. The City of Moorhead asked that we transmit this to you and at the same time I am transmitting copies to the other agencies which are supposed to receive same.

If anything further is required please advise. We did send copies of the actuarial report with this item.

Sincerely,



Hubert L. Warren, President
Moorhead Police Relief Ass'n.
Box 817
Moorhead, Minnesota 56560