

State of Minnesota

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

SENATE

Dennis Frederickson
Donald M. Moe
Collin C. Peterson, Vice Chair
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HOUSE

Dick Kaley
Leo Reding, Secretary
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147 State Office Building
St. Paul, Minnesota 55155
Telephone 296-2750 - 296-6806
Lawrence A. Martin, Executive Secretary
Karen A. Dudley, Assistant
Eleanor Diebel, Secretary

TO: Commissioner of Insurance
Secretary of State
Executive Secretary of the Legislative Commission on Pensions
and Retirement

FROM: Karen Dudley, Commission Staff *KD*

RE: Filings from Moorhead Firefighters and Police Relief Associations
Pursuant to Laws 1980, Chapter 607, Article XV, Section 4, Subdivision 4

DATE: September 15, 1981

Attached to this letter are photocopies of the March 16, 1981, Moorhead City Council Resolution approving a benefit increase for both the Moorhead Firefighters and Moorhead Police Relief Associations. The filing of this resolution with your office was required under the above mentioned law in order for the benefit increase to take effect. Your office is requested to consider the resolution to have been received as of March 31, 1981.

The resolution was mailed jointly by both relief associations by certified mail, receipt #8156452. The receipt was stamped as received by Central Mail on March 30, 1981. The Moorhead associations, who had retained the certified mail receipt, assumed that they had fully complied with the 1980 law requirements and implemented the benefit increase provisions.

In late August of this year, the LCP&R staff discovered that the required filings were never received by the three offices; the LCP&R staff concluded that the Moorhead Associations had not been authorized by the city to adopt the benefit provision. On August 28, 1981, the LCP&R staff notified the Moorhead Association of the staff conclusion that the benefit increase was not in effect due to the failure to file the required resolutions.

The representatives of the two associations notified the LCP&R office by phone that they were certain they had filed properly and that they retained the original of the certified mail receipt #8156452. The representatives later hand-delivered to the LCP&R staff photocopies of the resolution and certified mail receipt.

On September 10, the LCP&R staff contacted Central Mail concerning procedures for the delivery of certified mail. Mr. Mike Perry, Central Mail Supervisor, determined that Central Mail had received the certified mail packet from the United States postal service on March 30, 1981, but he could not locate any further record of the packet after that initial receipt. Evidently the packet

33578

RE: Filings from Moorhead Firefighters and Police Relief Associations
p. 2

was never delivered by the interoffice mail system. (See attached memorandum from Central Mail to that effect.)

The Moorhead associations were dismayed to learn that their efforts to comply with the requirements of the 1980 law had been in vain and that the benefit increase could not be effective due to a problem within the state's interoffice mail delivery system. The LCP&R staff contacted Mr. Doug Blomgren of the Attorney General's staff concerning the legality of the attempted filing in compliance with the 1980 law. Mr. Blomgren's opinion was that the filings should be considered as filed on March 31, 1981, because the two relief associations had mailed the materials in compliance with the filing requirements and had proof by the certified mail receipt that the packet had been received by the State mailing system before the deadline. Thus, the benefit increase is effective.

The LCP&R staff has notified the Moorhead relief associations of Mr. Blomgren's opinion in this matter. If there are any questions in this matter, the LCP&R staff has been advised that questions should be directed to Mr. Blomgren at (612) 296-3206.

CC: Mr. Doug Blomgren
Mr. Hubert Warren, Moorhead Police Relief Assn.
Mr. Dalan Rasmussen, Moorhead Firefighters Relief Assn.

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL, MINNESOTA 55155

TO: THE CHIEF CLERICAL OFFICER OF MOORHEAD
RE: MINNESOTA LAWS, 1980, CHAPTER 607, APPLYING TO SAID UNIT Assigned to Chapter 423A.01 Subd 4
SUBJECT AUTOMATIC POST RETIREMENT ADJUSTMENT
(FIREFIGHTERS RELIEF ASSOCIATION)

WHEN SAID LAW HAS BEEN APPROVED LOCALLY, MINNESOTA STATUTES 645.021 REQUIRE THE CHIEF CLERICAL OFFICER OF SAID LOCAL UNIT OF GOVERNMENT TO SUBMIT THE ENCLOSED CERTIFICATE ALONG WITH A COPY OF THE RESOLUTION OF APPROVAL TO THE SECRETARY OF STATE.

LOCAL APPROVAL MUST COME AFTER FINAL ENACTMENT OF THE BILL, AND MUST BE FILED WITH THE SECRETARY OF STATE BEFORE THE FIRST DAY OF THE NEXT REGULAR SESSION OF THE LEGISLATURE, OTHERWISE IT WILL BE DEEMED TO BE DISAPPROVED.

WITHIN TEN MONTHS
OF EFFECTIVE DATE OF
JUNE 15, 1980

RETURN TO: SECRETARY OF STATE'S OFFICE
ATTN: PEGGY STEINECK
ROOM 180-STATE OFFICE BLDG.
ST. PAUL, MN 55155

(Pursuant to Minnesota Statutes, 645.02 and 645.021)

County of Clay

PLEASE TAKE NOTICE, That the undersigned chief clerical officer of the

(name of governmental unit)

at a meeting duly held on the 16th day of March, 19 81, by resolution
_____ did approve said Laws, 19 80, Chapter 607 -423.01
(If other than resolution, specify)

(Ayes 8 ; Noes 0 ; Absent or not voting 0) and the following additional steps, if any, required by statute or charter were taken:

SEAL

Signed:

GERALD H. SORENSON
Deputy City Clerk/ Finance Director
(Official designation of officer)

**If extraordinary majority is required by the special law, insert fraction or percentage here.*

STATE OF MINNESOTA
DEPARTMENT OF STATE
FILED
SEP 16 1981
Jesse Anderson, Governor
Secretary of State

33578

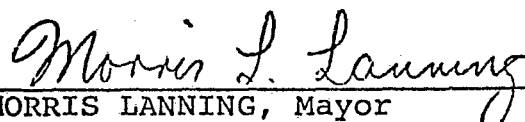
RESOLUTION

BE IT RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Administration and Finance Committee and the Public Safety Committee, that the City Council approve and adopt the provisions of Minnesota Statutes Chapter 423(a).01, Subdivision 4, which provide that the Moorhead Police Relief Association may increase benefit payments to retirees a maximum annual amount being limited to three (3½%) percent;

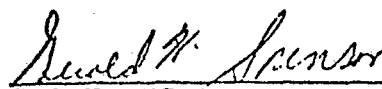
BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Administration and Finance Committee and the Public Safety Committee, that the City Council approve and adopt the provisions of Minnesota Statutes Chapter 423(a).01, Subdivision 4, which provide that the Moorhead Firefighters Relief Association may increase benefit payments to retirees a maximum annual amount being limited to three (3½%) percent;

BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, that the City Clerk be and hereby is authorized and directed to file with the Secretary of State of the State of Minnesota as required by Minnesota Statutes 645.021, a certified copy of this Resolution evidencing the City of Moorhead's acceptance of such legislation.

PASSED by the City Council of the City of Moorhead
this 16th day of March, 1981.


MORRIS LANNING, Mayor

ATTEST:


SUSAN RISTVEDT, Deputy City Clerk
GERALD H. SORENSON
(SEAL)

GABRIEL, ROEDER, SMITH & COMPANY
ACTUARIES & CONSULTANTS

2090 First National Building
Detroit, Michigan 48226
Area 313: 961-3346

November 18, 1980

Mr. Dalan Rasmussen
Moorhead Fire Department Relief
Association
1120 1st Avenue North
Moorhead, Minnesota 56560

Dear Mr. Rasmussen:

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, as required by the phase out legislation, 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 minimum obligation of the City before reductions for member contributions and state aid are shown on the following page.

We evaluated the effect on the minimum contribution if benefits for age and service retirants were increased the same percentage as the increase in pay of a top grade fireman but not to exceed 3.5%. The provision was made applicable to current and future age and service retirants.

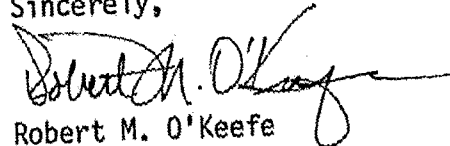
Mr. Dalan Rasmussen
Page 2

November 18, 1980

	<u>Escalated Benefits</u>
I. Minimum Obligation as a % of Payroll Before Member Contributions and State Aid.	
A. Normal Cost	24.28%
B. Amortization Payment Required to Fund 12/31/78 Unfunded Accrued Liability by 2010.*	<u>15.81</u>
C. Total	40.09
D. Increase in Minimum Obligation Before Member Contributions and State Aid.	10.22
II. Amortization Payment Required to Fund 12/31/78 Unfunded Accrued Liability by 2010.*	\$84,052
III. Unfunded Accrued Liability as of 12/31/78.	\$1,324,066

*Assumes payment throughout year.

Sincerely,


Robert M. O'Keefe

RMO:mav

CC: Gary Findlay

STATE OF MINNESOTA
OFFICE OF THE SECRETARY OF STATE
ST. PAUL, MINNESOTA 55155

TO: THE CHIEF CLERICAL OFFICER OF MOORHEAD
RE: MINNESOTA LAWS, 1980, CHAPTER 607, APPLYING TO SAID UNIT Assigned to Chapter
423A.01 Subd. 4
SUBJECT AUTOMATIC POST RETIREMENT ADJUSTMENT
(POLICE RELIEF ASSOCIATION)

WHEN SAID LAW HAS BEEN APPROVED LOCALLY, MINNESOTA STATUTES 645.021 REQUIRE THE CHIEF CLERICAL OFFICER OF SAID LOCAL UNIT OF GOVERNMENT TO SUBMIT THE ENCLOSED CERTIFICATE ALONG WITH A COPY OF THE RESOLUTION OF APPROVAL TO THE SECRETARY OF STATE.

LOCAL APPROVAL MUST COME AFTER FINAL ENACTMENT OF THE BILL, AND MUST BE FILED WITH THE SECRETARY OF STATE ~~BEFORE THE FIRST DAY OF THE NEXT REGULAR SESSION OF THE LEGISLATURE,~~ OTHERWISE IT WILL BE DEEMED TO BE DISAPPROVED.

WITHIN TEN MONTHS OF

RETURN TO: SECRETARY OF STATE'S OFFICE
ATTN: PEGGY STEINECK
ROOM 180-STATE OFFICE BLDG.
ST. PAUL, MN 55155

EFFECTIVE DATE OF
JUNE 15, 1980

(Pursuant to Minnesota Statutes, 645.02 and 645.021)

(name of governmental unit)

**If extraordinary majority is required by the special law, insert fraction or percentage here.*

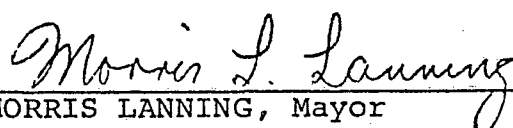
RESOLUTION

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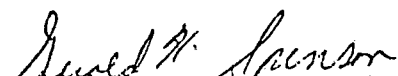
BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Administration and Finance Committee and the Public Safety Committee, that the City Council approve and adopt the provisions of Minnesota Statutes Chapter 423(a).01, Subdivision 4, which provide that the Moorhead Firefighters Relief Association may increase benefit payments to retirees a maximum annual amount being limited to three (3½%) percent;

BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, that the City Clerk be and hereby is authorized and directed to file with the Secretary of State of the State of Minnesota as required by Minnesota Statutes 645.021, a certified copy of this Resolution evidencing the City of Moorhead's acceptance of such legislation.

PASSED by the City Council of the City of Moorhead
this 16th day of March, 1981.


MORRIS LANNING, Mayor

ATTEST:


SUSAN RISTVEDT, Deputy City Clerk
GERALD H. SORENSON
(SEAL)

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.

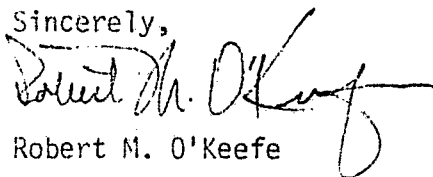
The financial results are shown in the exhibit attached. The minimum obligation of the City before reductions for member contributions and state aid are shown.

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:ma
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.

State of Minnesota

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

SENATE

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147 State Office Building
St. Paul, Minnesota 55155
Telephone 296-2750 - 296-6806
Lawrence A. Martin, Executive Secretary
Karen A. Dudley, Assistant
Eleanor Diebel, Secretary

Duplicate letter
Kd

TO: ✓ Commissioner of Insurance
Secretary of State
Executive Secretary of the Legislative Commission on Pensions
and Retirement

FROM: Karen Dudley, Commission Staff *Kd*

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Pursuant to Laws 1980, Chapter 607, Article XV, Section 4, Subdivision 4

DATE: September 15, 1981

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CC: Mr. Doug Blomgren
Mr. Hubert Warren, Moorhead Police Relief Assn.
Mr. Dalan Rasmussen, Moorhead Firefighters Relief Assn.

STATE OF MINNESOTA

DEPARTMENT _____

Office Memorandum

TO : Karen Dudley
Comm. on Pensions

DATE: 9/14/81

FROM : Mike Perry Supervisor *n.p.*
Central Mail

PHONE: 6801

SUBJECT: Certified Mail #8156452

On March 30, 1981 a certified letter was delivered to central mail. The return receipt and log sheet from the U.S. Post Office was signed by Central Mail personnel indicating it was received here at the State. This certified letter should have been logged on a sheet and signed by the Dept it was intended for. We have no record of it being signed for by a Dept.

BILL NO. 21-1			MAIL FOR STATE CAPITOL		
NO. OF ARTICLE	* CODE	OFFICE OF ORIGIN	NO. OF ARTICLE	* CODE	OFFICE OF ORIGIN
3881206	R	56001	8141706		55008
11062794	R	56484	61041093	R	55057
7079300	R	33904	6448132	R	55355
328783	R	55431	5887700	RW	55155
7374945	R	56001	7615869	RW	"
9917496	R	56501	7615926	RW	"
8156452	R	56560	306465	R	10104
328767	R	55431	1416703	R	56297
328785	R	55431	0789437	R	55307
889319	R	56073	STATE OF MINN.		51102

★ CODE: R=Return Receipt Requested, OS=Officially Sealed, RE=Returned to Writer, DC=Received in damaged condition.

DATE OF DELIVERY: 3/30/81

DELIVERED BY (Clerk or Carrier):

RECEIVED THE: CENTRAL MAIL DELIVERY OFFICE

ADDRESS: G 19 HIGHWAY BLDG. ST. PAUL MINN. 55155

PIECES DESCRIBED ABOVE: 1

POST OFFICE: MAR 30 1981

SEP 14 1981 LCP&R

from file of Moorhead
Police

NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, and 3 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, \$300



**RETURN
TO**



Moorhead Police Relief Ass'n.
(Name of Sender)

Box 817
(Street or P.O. Box)

Moorhead, Minn 56560
(City, State, and ZIP Code)

PS Form 3811, Jan. 1979

● **SENDER:** Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one.)
☐ Show to whom and date delivered.....
☐ Show to whom, date and address of delivery.....
☐ RESTRICTED DELIVERY
Show to whom and date delivered.....
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery. \$ ____
(CONSULT POSTMASTER FOR FEES)

2. **ARTICLE ADDRESSED TO:**
Secretary of
State's Office

3. **ARTICLE DESCRIPTION:**

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	8156452	

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Agent

4. **DATE OF DELIVERY**
MAR 30 1981

5. **ADDRESS (Complete only if registered)**
STATE OF MINN.
CENTRAL MAIL
G 19 HIGHWAY BLDG.
ST. PAUL, MINN.

6. **UNABLE TO DELIVER BECAUSE:**

CLERK'S INITIALS

55-155 1979-288-848

MOORHEAD POLICE RELIEF ASSOCIATION

P. O. BOX 817
MOORHEAD, MINNESOTA 56560

March 26, 1981

Secretary of State's Office
Room 180
State Office Building
St. Paul, Mn. 55155

ATTENTION: Peggy Steineck

Dear Ms. Steineck:

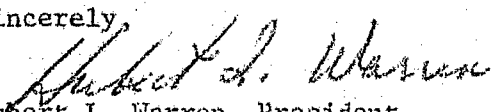
Please find enclosed the paperwork including resolutions passed by the Moorhead City Council at its meeting of March 16, 1981 approving the "Automatic Post Retirement Adjustment" (423.01, Subd. 4) for both the Moorhead Police Relief Association and the Moorhead Firefighters Relief Association.

The City Clerk's Office and the Firefighters Association asked that I forward these to you for filing. We have also enclosed several other copies of these for filing with the other departments which require them such as the Legislative Retirement Commission and etc. We wonder if you could just forward the other copies to these different State Departments. If this would not be possible please contact this writer and we will furnish copies in the mail.

This matter was taken up in a joint resolution approving this Automatic Post Retirement Adjustment for both the Fire Relief Association and the Police Relief Association. We are forwarding this by registered mail, return receipt requested.

If there is anything additional which we must do on this matter, please contact this writer as soon as possible.

Sincerely,


Hubert L. Warren, President
Moorhead Police Relief Association
Box 817
Moorhead, Mn. 56560