

# State of Minnesota

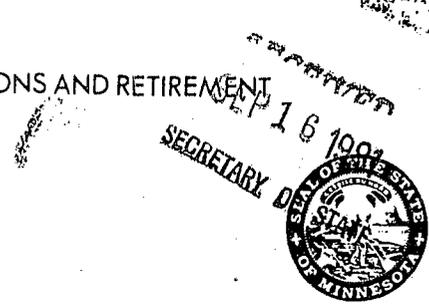
LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

## SENATE

Dennis Frederickson  
Donald M. Moe  
Collin C. Peterson, Vice Chair  
Earl W. Renneke  
Allan H. Spear

## HOUSE

Dick Kaley  
Leo Reding, Secretary  
James Rice  
Frank Rodriguez  
John Sarna, Chair



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 <sup>Assigned to Chapter</sup> 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



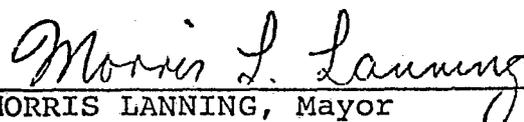
RESOLUTION

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;

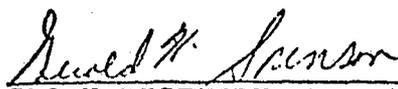
BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Administration and Finance Committee and the Public Safety Committee, that the City Council approve and adopt the provisions of Minnesota Statutes Chapter 423(a).01, Subdivision 4, which provide that the Moorhead 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.

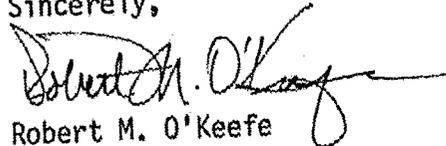
Mr. Dalan Rasmussen  
Page 2

November 18, 1980

	<u>Escalated Benefits</u>
I. Minimum Obligation as a % of Payroll Before Member Contri- butions 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*

CERTIFICATE OF APPROVAL OF SPECIAL LAW  
BY GOVERNING BODY

(Pursuant to Minnesota Statutes, 645.02 and 645.021)

STATE OF MINNESOTA

County of Clay

TO THE SECRETARY OF STATE OF MINNESOTA:

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

City of Moorhead

(name of governmental unit)

DOES HEREBY CERTIFY, that in compliance with the provisions of Laws, 19 80, Chapter  
Assigned to Chapter 423A.01, Subd. 4  
607 requiring approval by a \* majority vote of the governing body of said local governmental  
unit before it becomes effective, the City Council of Moorhead, Minnesota  
(designate governing body)

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)

by a X majority vote of all of the members thereof

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

A copy of the resolution is hereto annexed and made a part of this certificate by reference.

Signed: Gerald H. Sorenson

Gerald H. Sorenson  
Deputy City Clerk/ Finance Director  
(Official designation of officer)

SEAL

(This form prescribed by the Attorney General and furnished by  
the Secretary of State as required in Minnesota Statutes 645.021)

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

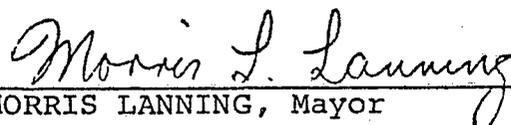
RESOLUTION

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;

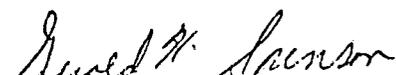
BE IT FURTHER RESOLVED by the City Council of the City of Moorhead, upon recommendation of the Administration and Finance Committee and the Public Safety Committee, that the City Council approve and adopt the provisions of Minnesota Statutes Chapter 423(a).01, Subdivision 4, which provide that the Moorhead 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 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.

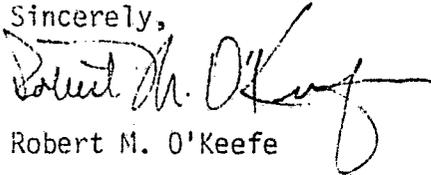
The financial results are shown in the exhibit attached. The minimum obligation of the City before reductions for member contributions and state aid are shown.

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

Dennis Frederickson  
Donald M. Moe  
Collin C. Peterson, Vice Chair  
Earl W. Renneke  
Allan H. Spear

### HOUSE

Dick Kaley  
Leo Reding, Secretary  
James Rice  
Frank Rodriguez  
John Sarna, Chair



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*

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

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.

Office Memorandum

DEPARTMENT \_\_\_\_\_

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.		<input type="checkbox"/> IN-SURED <input type="checkbox"/> REGIS-TERED <input checked="" type="checkbox"/> CERTI-FIED <input type="checkbox"/> RETURNED COD'S				MAIL FOR	
21-1						STATE CAPITOL	
NO. OF ARTICLE	* CODE	OFFICE OF ORIGIN	NO. OF ARTICLE	* CODE	OFFICE OF ORIGIN		
1 3881206	R	56001	11 8141706		55008		
2 11062794	R	56484	12 61041093	R	55057		
3 7079300	R	33904	13 6448132	R	55355		
4 328783	R	55431	14 5887700	RW	55755		
5 7374945	R	56001	15 7615869	RW	"		
6 9917496	R	56501	16 7615926	RW	"		
7 8156452	R	56560	17 306465	R	10104		
8 328767	R	55431	18 1416703	R	56297		
9 328785	R	55431	19 0789437	R	55307		
10 889319	R	56073	20 3070111	R	51102		

\*CODE: R=Return Receipt Requested, OS=Officially Sealed, RE=Returned to Writer, DC=Received in damaged condition, RW=Returned to Writer  
 DATE OF DELIVERY: 3/30/81  
 DELIVERED BY (Clerk or Carrier):  
 RECEIVED THE: [Signature]  
 ADDRESS: CENTRAL MAIL DELIVERY OFFICE, G 19 HIGHWAY BLDG., ST. PAUL, MINN. 55155  
 POST OFFICE: ST. PAUL, MINN. 55101  
 MAR 30 1981

NO POSTAGE  
NECESSARY  
IF MAILED  
IN THE  
UNITED STATES

**UNITED STATES POSTAL SERVICE**  
OFFICIAL BUSINESS

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



**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.

*from file of Moorhead  
Police*

**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

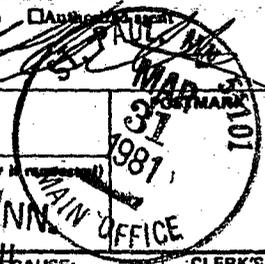
5. ADDRESS (Complete only if registered)  
STATE OF MINN.  
CENTRAL MAIL  
G 19 HIGHWAY BLDG.  
ST. PAUL, MINN. 55155

6. UNABLE TO DELIVER BECAUSE: \_\_\_\_\_

CLERK'S INITIALS \_\_\_\_\_

1979-288-848

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL



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:

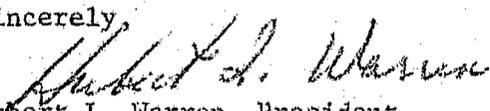
Please find enclosed the paperwork including resolutions passed by the Moorhead City Council at its meeting of March 16, 1981 approving the "Automatic Post Retirement Adjustment" (423.01, Subd. 4) for both the Moorhead Police Relief Association and the Moorhead Firefighters Relief Association.

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