

MINNESOTA STATUTES 1979 SUPPLEMENT

RETIREMENT ALLOWANCES, MINNEAPOLIS 422A.08

cation of all applicants for examination and the offices or employments they seek. All applications shall be upon forms prescribed by the commission and contain such data and information as the commission shall deem necessary and useful.

[1979 c 50 s 54]

CHAPTER 422A. RETIREMENT ALLOWANCES, MINNEAPOLIS

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422A.03 Meetings; employees; rules and regulations.

Subdivision 1. The retirement board shall meet on the third Tuesday of each calendar month of each year and may adjourn from time to time. Special meetings may be held upon the call of the president. The board shall, by a four-sevenths vote of all members of the board, appoint an executive secretary, who shall have charge of the performance of the duties required by the provisions of sections 422A.01 to 422A.25, and shall appoint other necessary clerical help. If at the time of his appointment as executive secretary the appointee holds a position subject to the civil service rules and regulations of the city he shall be deemed to be on leave of absence from such civil service position during his tenure as executive secretary, and upon termination of such service shall be returned to his permanent civil service classification. If no vacancy is available in his permanent civil service classified position, seniority shall prevail, and the person most recently certified to such position shall be returned to the permanent civil service classification held by him prior to such certification.

Subd. 2. The executive secretary may be removed by a four-sevenths vote of all members of the board at a meeting called for such purpose. Before exercising the power of removal 15 days written notice shall be given to the executive secretary setting forth the cause for removal and stating the time and place where such charges will be heard. The hearing shall be open to the public. Other employees under the supervision of the board and employees appointed hereafter shall be subject to applicable civil service laws and rules of the city. The compensation of the executive secretary and the other employees under the supervision of the board shall be fixed by such board.

[For text of subds 3 to 5, see M.S.1978]

[1979 c 293 s 5,6]

422A.08 Financing of city's contribution.

[For text of subd 1, see M.S.1978]

Subd. 2. Prior to August 31 of each year the retirement board shall prepare an itemized statement of its financial requirements from tax revenue for the succeeding fiscal year. A copy of the statement shall be submitted to the board of estimate and taxation and to the city council prior to September 15 of each year. This statement shall include:

- (1) An estimate of the administrative expense of the board less:
 - (a) Such amount as the board may charge against the interest income account of the fund as cost of handling the investment securities of the fund.
 - (b) The cost of handling the retirement benefits of any city-owned public utility, improvement project, or other municipal activities supported in whole or in part by revenues other than taxes.
 - (c) The cost of handling the retirement benefits of any public corporation and its employees who have availed themselves of the provisions of sections 422A.01 to 422A.25.

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(2) An estimated amount not to exceed 7-1/4 percent of the salaries and wages of all employees covered by the retirement fund less any amounts contributed for current cost of future retirement benefits by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(3) The estimated amount to meet the requirements of section 422A.06, subdivision 3, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(4) The cost of all monthly survivor's benefits provided in section 422A.23 as an obligation of the city and any of its boards, departments, commission or public corporations as therein provided, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(5) Such other levies and financing as are required by law.

(6) The total of items 1, 2, and 3 above shall be increased or decreased as the case may be by any deficiency or excess of the amount of tax revenue actually collected within the preceding fiscal year under or over the amount actually determined to meet the financial requirements of the fund for such year. In no event shall the amount requested for levy exceed the total of entry age normal cost, less the amounts contributed by the employees, plus administrative expense, plus an amount necessary to amortize on a level annual dollar basis the principal amount of the actuarial deficit by the year 2017 using an interest rate of five percent, compounded annually, plus interest upon any deficiency from the previous year's levy at the rate of four percent per annum. This limit does not apply to the requirements for survivors benefits provided in section 422A.23 nor to any levy which is administered by the retirement board pursuant to special act.

[For text of subds 3 to 6, see M.S.1978]

[1979 c 293 s 7]

NOTE: Subdivision 2 was also amended by Laws 1979, Chapter 184, Section 3 to read as follows:

"Subd. 2. Prior to August 31 of each year the retirement board shall prepare an itemized statement of its financial requirements from tax revenue for the succeeding fiscal year. A copy of the statement shall be submitted to the board of estimate and taxation and to the city council prior to September 15 of each year. This statement shall include:

(1) An estimate of the administrative expense of the board less:

(a) Such amount as the board may charge against the interest income account of the fund as cost of handling the investment securities of the fund.

(b) The cost of handling the retirement benefits of any city-owned public utility, improvement project, or other municipal activities supported in whole or in part by revenues other than taxes.

(c) The cost of handling the retirement benefits of any public corporation and its employees who have availed themselves of the provisions of sections 422A.01 to 422A.25.

(2) An estimated amount not to exceed 7 1/4 percent of the salaries and wages of all employees covered by the retirement fund less any amounts contributed for current cost of future retirement benefits by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(3) The estimated amount to meet the requirements of section 422A.06, subdivision 3, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(4) The cost of all monthly survivor's benefits provided in section 422A.23 as an obligation of the city and any of its boards, departments, commission or public corporations as therein provided, less any amounts contributed for this purpose by any city-owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than taxes, or any public corporation.

(5) Such other levies and financing as are required by law.

(6) The total of items 1, 2, and 3 above shall be increased or decreased as the case may be by any deficiency or excess of the amount of tax revenue actually collected within the preceding fiscal year under or over the amount actually determined to meet the financial requirements of the fund for such year. In no event shall the amount requested for levy exceed the total of entry age normal cost, less the amounts contributed by the employees, plus administrative expense, interest on the actuarial deficit at the rate of interest equal to the interest assumption specified in

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section 356.215, subdivision 4, clause (4), an amount necessary to reduce the principal amount of the actuarial deficit in equal installments by the established date for full funding as determined pursuant to section 356.215, subdivision 4, clause (7), except that the established date for full funding for the first actuarial valuation made after June 1, 1979 and each successive actuarial valuation, if there has not been a change in the actuarial assumptions used for calculating the accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, or a combination of the two, which produces a net increase in the unfunded accrued liability of the fund after the first actuarial valuation date occurring after June 1, 1979, or if the following amortization target date provides a longer amortization period than the amortization period defined by the established date for full funding as determined pursuant to section 356.215, subdivision 4, clause (7), shall be the first actuarial valuation date which occurs after June 1, 2017, plus interest upon any deficiency from the previous year's levy at the rate of four percent per annum. This limit does not apply to the requirements for survivors benefits provided in section 422A.23 nor to any levy which is administered by the retirement board pursuant to special act."

422A.09 Classification of employees.

[For text of subs 1 and 2, see M.S.1978]

Subd. 3. The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position. Provided that any elective officer holding an elective city office, excepting judges of a municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service and attaining at least age 60.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective positions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county in which they served as an elected official, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution. The employer cost of allowances and benefits credited to an elected officer as set forth above shall be paid from the county revenue fund by the proper county officials upon certification of such costs by the retirement board in the same manner as prescribed in section 422A.08 for the payment of costs by public corporations. A tax shall be levied by Hennepin county to defray the cost of such retirement allowances which may be in addition to all other taxes levied by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first became eligible for membership in the fund, in accordance with the method of contribution herein provided for, plus four percent compound interest.

(3) Persons serving without pay.

(4) Persons employed on a temporary basis, as doorkeepers, ticket takers, and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1 to December 31, inclusive, provided that employees who are contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.

(5) A person who is exempted from the contributing class by Minnesota Statutes 1974, Section 422A.09, Subdivision 3, Clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation as herein defined, and including any person employed by the Minneapolis school district, each of whom is not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify such time for credit by paying into

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the fund an amount equal to the amount of contributions to the fund which such person would have made had he been a contributor to the fund since the date he first qualified as an exempt member of the contributing class, in accordance with the method of contribution herein provided, plus four percent compound interest.

(6) Any person who is employed by the city or any of its boards, departments, commissions or a public corporation, as herein outlined, and is excluded from participation in the fund by paragraph (4) shall be separated from the service upon reaching the age of 70 regardless of the provisions of the veterans preference act.

(7) Any person who is employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal comprehensive employment and training act from and after March 30, 1978, unless the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the retirement fund pursuant to section 356.451 or unless the person has as of the latter of March 30, 1978 or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal comprehensive training and employment act, or the person agrees in writing to make the required employer contribution in addition to the required employee contribution.

[For text of subd 4, see M.S.1978]

[1979 c 50 s 55]

422A.10 Salary deductions.

Subdivision 1. There shall be deducted and withheld from the basic salary, pay or compensation of each employee in the contributing class, prior to January 1, 1980 an amount equal to 7-1/4 percent, after December 31, 1979 but prior to January 1, 1981 an amount equal to 8-1/4 percent and after December 31, 1980 an amount equal to 9-1/4 percent of such salary, pay or compensation, except as hereinafter provided. The retirement board may increase the percentage rate of contribution to the retirement fund of any employee or employees for the purpose of establishing and maintaining on an actuarial basis a plan of insurance, survivors' benefits, or other type of benefit or benefits, the cost of which shall be paid out of such extra percentage so authorized and deducted from the employee's compensation, except as hereinafter provided. Any plan or plans so established and placed in operation may be amended from time to time, or may be abandoned, but if abandoned, any surplus remaining from the operation of a plan shall be the property of the fund, and shall be credited to the reserve for loss in investment account.

[For text of subs 2 and 3, see M.S.1978]

[1979 c 293 s 8; 1979 c 303 art 6 s 8]

422A.101 Employer contributions.

Subdivision 1. **City contributions.** Prior to August 31 of each year, the retirement board shall prepare an itemized statement of the financial requirements of the fund payable by the city for the succeeding fiscal year, and a copy of the statement shall be submitted to the board of estimate and taxation and to the city council by September 15. The financial requirements of the fund payable by the city shall be calculated as follows:

(a) a regular employer contribution of an amount equal to the percentage rounded to the nearest two decimal places of the salaries and wages of all employees covered by the basic program of the retirement fund which equals the difference between the level normal cost plus administrative cost and the employee contributions provided for in section 422A.10 less any amounts contributed toward the payment of the balance of the normal cost not paid by employee contributions by any city owned public utility, improvement project, other municipal activities supported in whole or in part by revenues

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other than real estate taxes, any public corporation, any employing unit of metropolitan government, or by special school district number 1 pursuant to section 422A.081;

(b) an additional employer contribution of an amount equal to the percent, provided in section 353.27, subdivision 3a, clause (a), multiplied by the salaries and wages of all employees covered by the basic program of the retirement fund less any amounts contributed toward amortization of the unfunded accrued liability by the year 2017 attributable to their respective covered employees by any city owned public utility, improvement project, other municipal activities supported in whole or in part by revenues other than real estate taxes, any public corporation, any employing unit of metropolitan government, or by special school district number 1 pursuant to section 422A.081; and

(c) a proportional share of an additional employer amortization contribution of an amount equal to \$3,900,000 annually until the year 2017 based upon the share of the Minneapolis municipal employees retirement fund's unfunded liability attributed to the city.

Subd. 2. Contributions by or for city owned public utilities, improvements, or municipal activities. Contributions by or for any city owned public utility, improvement project and other municipal activities supported in whole or in part by revenues other than real estate taxes, any public corporation, any employing unit of metropolitan government or by special school district number 1, shall be calculated as follows:

(a) a regular employer contribution of an amount equal to the percentage rounded to the nearest two decimal places of the salaries and wages of all employees covered by the basic program of the retirement fund which equals the difference between the level normal cost plus administrative cost and the employee contributions provided for in section 422A.10;

(b) an additional employer contribution of an amount equal to the percent, provided in section 353.27, subdivision 3c, clause (a), multiplied by the salaries and wages of all employees covered by the basic program of the retirement fund;

(c) a proportional share of an additional employer amortization contribution of an amount equal to \$3,900,000 annually until the year 2017 based upon the share of the Minneapolis municipal employees retirement fund's unfunded liability attributed to the employer.

Subd. 3. State contributions. There is appropriated from the general fund of the state to the Minneapolis municipal employees retirement fund annually an amount equal to the financial requirements of the basic program of the Minneapolis municipal employees retirement fund reported by the actuary in the actuarial valuation of the fund prepared pursuant to section 356.215 for the most recent year but based on a target date for full amortization of the unfunded liabilities by the year 2017 less the amount of employee contributions made pursuant to section 422A.10, and the amount of employer contributions made pursuant to subdivision 1, clauses (a), (b) and (c), and subdivision 2, clauses (a), (b) and (c). Payments made pursuant to this subdivision shall be made at the same time and in the same manner as for payments made pursuant to section 477A.01, subdivision 4b.

[1979 c 303 art 6 s 9]

422A.155 Determination of service credit.

Notwithstanding the provisions of section 422A.15, subdivision 1, no employee of the contributing class of the Minneapolis municipal employees retirement fund shall be entitled to receive a year of service credit during the employee's final year of service unless the employee is employed and has received compensation from the city of Minneapolis or other applicable employing unit during each of the calendar months making up the year for which the employee would usually be employed. Any employee of the contributing class who is employed and receives compensation in fewer than the usual number of calendar months during the final year of service shall receive credit for that portion of a year that the employee's completed months of employment and receipt of compensation bears to the usual number of months which the employee would usually be employed.

[1979 c 293 s 9]

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422A.26 Coverage by the public employees retirement association.

Notwithstanding section 422A.09, or any other law to the contrary, any person whose employment by, or assumption of a position as an appointed or elected officer of, the city of Minneapolis, any of the boards, departments, or commissions operated as a department of the city of Minneapolis or independently if financed in whole or in part by funds of the city of Minneapolis, the metropolitan airports commission, the Minneapolis municipal employees retirement fund, or special school district number 1 if the person is not a member of the Minneapolis teachers retirement fund association by virtue of that employment or position, initially commences on or after July 1, 1979 shall be a member of the public employees retirement association unless excluded from membership pursuant to section 353.01, subdivision 2b. In no event shall there be any new members of the contributing class of the Minneapolis municipal employees fund in either the basic program or the coordinated program on or after July 1, 1979.

[1979 c 303 art 6 s 10]

422A.39 Administration of coordinated program.

[For text of subd 1, see M.S.1978]

Subd. 2. **Actuarial valuations.** Whenever the Minneapolis municipal employees retirement fund shall make an actuarial valuation after July 1, 1978 as required by section 356.215, it shall include a finding of the condition of the fund showing separately the basic and coordinated programs and indicating the level normal cost, accrued liability, assets, unfunded accrued liability, contribution required to meet the interest at the assumed rate specified in section 356.215, subdivision 4, clause (4) on the unfunded accrued liability, and the contribution required to amortize the unfunded accrued liability by the established date for full funding specified in section 356.215, subdivision 4, clause (7) calculated without the benefit of the extension in the amortization period authorized pursuant to Laws 1977, Chapter 399, Section 13, and by the established date for full funding specified in section 356.215, subdivision 4, clause (7), calculated utilizing the extension in the amortization period authorized pursuant to Laws 1977, Chapter 399, Section 13 for each program.

[1979 c 184 s 4]

CHAPTER 423. POLICE PENSIONS

Sec.
423.076 Retirement; police and fire departments.

423.076 Retirement; police and fire departments.

A compulsory retirement age of not less than 65 years may be established for persons on the payroll of a police or fire department which does not come within the provisions of section 423.075 without being a violation of section 181.81 or section 363.02, subdivision 6.

[1979 c 40 s 11; 1979 c 50 s 56]

CHAPTER 424. FIREFIGHTER'S RELIEF AND RETIREMENT

Sec.
424.30 Repealed.

Sec.
424.31 Repealed.

424.30 [Repealed, 1979 c 201 s 44]

424.31 [Repealed, 1979 c 201 s 44]