ly agreed settlement between both parties, such agreement shall be certified to the board, with copies furnished to both parties, and such agreement, if approved by the board, shall become binding on both parties. The pre-hearing conference shall be conducted in such manner and follow such procedures as prescribed by the board. At the hearing of such appeals, The issues and facts on which agreement cannot be reached during the pre-hearing conference will be decided by the board following the hearing on appeal at which hearing technical rules of evidence shall not apply. If the board finds that the action complained of was taken by the appointing authority for any political, racial or religious reason, or if the board finds that there was no reasonable ground for institution of dismissal proceedings, the employee shall be reinstated to his position, or an equal position in another department or division, without loss of pay. If the board finds that there is insufficient ground for institution of dismissal proceedings, or if extenuating circumstances are brought out in testimony and evidence, it may in its discretion reinstate the employee, with full, partial, or no pay, or it may modify the appointing authority's action by substituting a lesser disciplinary action. In all other eases; In those cases in which the board finds the grounds of dismissal reasonable, the findings and recommendations of the board shall be submitted to and considered by the appointing authority, who may, not later than 30 days after receipt of such findings and recommendations, reinstate the employee with or without pay for the period of suspension, or otherwise modify his original decision of suspension, demotion, or discharge. When any permanent employee is dismissed and not reinstated after appeal, the board may direct that his name be placed on an appropriate reemployment list, for employment in any similar position other than the one from which he has been removed, which direction shall be enforced by the director.

Approved May 20, 1965.

CHAPTER 498—H. F. No. 309

[Not Coded]

An act relating to the city of Bloomington, and the policemen's relief association and pension fund.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. City of Bloomington; policemen's relief association. Subdivision 1. The treasurer of the city of Bloomington

Changes or additions indicated by italics, deletions by strikeout.

and the secretary of the policemen's relief association of the city of Bloomington, maintaining and administering the policemen's pension fund in accordance with Minnesota Statutes, Sections 423.801 to 423.815, shall during the month of June of each year, prepare and certify an estimate of the necessary appropriation which, including the members' contributions, will be sufficient to meet the current normal cost determined by the entry age normal cost method based upon a 3% interest assumption, plus an additional amount sufficient to retire the present accumulated deficit within 40 years of the passage of this act. This estimate of pension appropriations shall be submitted to the city council of the city of Bloomington prior to the setting of the yearly budget of the city for the following year. During the first year after passage of this act and at least once every four years thereafter the city policemen's relief association shall obtain an actuarial survey and report, prepared by an approved actuary as defined in Chapter 11, Laws 1957, to assist in the preparation of the annual estimates required by this section.

- Subd. 2. The city shall levy a tax for the policemen's pension fund equal to the net amount so certified, in the manner and at the time that it levies other taxes. When the fund has reached a point sufficient to fully fund the Bloomington police relief association, the tax levy shall be established at an amount sufficient to maintain the fund in a completely funded status as new obligations are incurred. The proceeds of this tax shall be paid into the policemen's pension fund.
- Subd. 3. An amount equal to four percent of the regular monthly salary of the highest paid patrolman, exclusive of all moneys for special assignments, allowances, or longevity payments, shall be deducted from the monthly salary of each member and shall be paid into the pension fund.
- Sec. 2. Subdivision 1. Any member who was duly appointed, regularly entered on the police payroll, and who performed duties as a member of the Bloomington police department prior to Bloomington becoming a city of the second class shall be credited with each year of such service for service pension purposes upon his payment into the pension fund of an amount of \$100 for each year of such service to be credited.
- Subd. 2. To receive credit for years of such service for service pension purposes as stated in section 2, subdivision 1, a member must complete said payment for all or any part thereof, at his option, before retirement or January 1, 1969, whichever occurs first.
- Sec. 3. Moneys in the pension fund shall be disbursed only for purposes authorized by articles of incorporation or bylaws of the

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association. When any moneys in the fund are invested in order to earn income and when any change in the bylaws relative to disbursement is made, the officer of the association shall obtain the approval of the Bloomington city council.

- Sec. 4. Except as herein set forth, this act shall not affect or modify any of the provisions of Minnesota Statutes, Sections 423.801 to 423.815, as applicable to the policemen's relief association and policemen's pension fund of the city of Bloomington.
- Sec. 5. This act shall become effective upon its approval by a majority of the governing body of the city of Bloomington and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved May 20, 1965.

CHAPTER 499—H. F. No. 341

[Coded]

An act relating to insurance; providing for assessment and collection of fire insurance company tax, and the payment of refunds; appropriating money therefor.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Fire insurance company tax; examina-[73.201] tion of returns: assessments: returns. The commissioner of insurance shall, as soon as practicable after a return required by Minnesota Statutes, Section 73.20, is filed, examine the same and make any investigation or examination of the company's records and accounts that he may deem necessary for determining the correctness of the return. The tax computed by him on the basis of such examination and investigation shall be the tax to be paid by such company. If the tax found due shall be greater than the amount reported as due on the company's return, the commissioner shall assess a tax in the amount of such excess and the whole amount of such excess shall be paid to the state treasurer within 30 days after notice of the amount and demand for its payment shall have been mailed to the company by the commissioner. If the understatement of the tax on the return was false and fraudulent with intent to evade the tax, the installments of the tax shown by the company on its return which have not been paid shall be paid to the state treasurer within 30 days after notice of the amount thereof and demand for

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