

which a deduction was claimed on account of such expenses, the reimbursement must be included in gross income in such subsequent year to the extent attributable to (and not in excess of) deductions allowed under section 290.09, subdivision 10 for any prior taxable year.

Sec. 3. Minnesota Statutes 1967, Section 290.09, Subdivision 10, is amended to read:

Subd. 10. **Medical expenses.** Payments (*not compensated for by insurance or otherwise*) for expenses for hospital, nursing, medical, surgical, dental, and other healing services, including institutional care and treatment for the mentally ill and physically handicapped, and for medical supplies and ambulance hire, incurred by the taxpayer on account of sickness, mental illness, physical handicap or personal injury to himself or his dependents and premiums paid for hospitalization and medical insurance including non-profit hospital service and non-profit medical service plans. Payments for traveling expenses shall not be deductible under the provisions of this subdivision. Payments for hotel or similar lodging expenses shall be deductible in the same manner as payments for hospital services, if the taxpayer or his dependent is not hospitalized but is nevertheless required to remain in a medical center away from his usual place of abode, for the purpose of receiving prescribed medical treatment.

Approved May 22, 1969.

CHAPTER 576—H. F. No. 2342

[Not Coded]

An act relating to the city of St. Louis Park and to the St. Louis Park fire department relief association and pension fund.

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

Section 1. **St. Louis Park; fire department relief association.** Subdivision 1. The director of finance of the city of St. Louis Park and the secretary or treasurer of the fire department relief association of the city of St. Louis Park, maintaining and administering a firemen's pension fund in accordance with Minnesota Statutes, Sections 424.01 to 424.31, shall, during the month of June of each year commencing in 1970 prepare and certify to the city manager an es-

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timate of the financial requirements and minimum obligation of the association for the following calendar year, in accordance with the following requirements:

Until a later actuarial survey is prepared in accordance with Minnesota Statutes, Sections 69.71 to 69.76, the association shall determine its financial requirements by basing the same on the actuarial survey prepared as of December 31, 1967, copies of which are on file with the legislative retirement study commission, the chief clerk of the house of representatives, and the secretary of the senate; thereafter the financial requirements are determined by the most recent actuarial survey prepared in accordance with Minnesota Statutes, Sections 69.71 to 69.76.

The normal level cost expressed as a percent of covered payroll determined from the actuarial survey shall be applied to the estimated covered payroll of the membership for the following year to determine the dollar amount of normal cost for said following year.

To the dollar amount of normal cost thus determined shall be added the amount of one year's interest at three percent on the amount of the (deficit) unfunded liability found by the actuarial survey of the fund.

The total of these two amounts, plus \$750 to be paid into the general fund annually represents the financial requirements of the association for the following year.

Except as otherwise provided, the minimum obligation of the city of St. Louis Park shall be the financial requirements of the association less member contributions herein provided from covered salary and less one year's estimated receipts expected from the state of Minnesota through state collected insurance premium taxes or other state aids. The minimum obligation may, by vote of the city council of the city of St. Louis Park, be reduced to the amount levied in the preceding year for purposes of the association, plus the following percentage of the difference between that levy and the amount of the minimum obligation determined without benefit of this sentence: for the levy made in 1971, ten percent; in 1972, 20 percent; in 1973, 30 percent; in 1974, 40 percent; in 1975, 50 percent; in 1976, 60 percent; in 1977, 70 percent; in 1978, 80 percent; and in 1979, 90 percent. Commencing with the levy made in 1980, there shall be no reduction in the minimum obligation pursuant to this paragraph.

Subd. 2. The foregoing determination of the obligation of the city of St. Louis Park shall be submitted to the city council not later

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than September 1 of each year. The city shall levy a tax for the fire department relief association equal to the net amount so determined in the manner and at the time that it levies other taxes and the proceeds of such tax shall be paid into such fund; provided that the amount of tax so levied shall never be more than the smaller of the following, unless, by vote of the city council of the city of St. Louis Park a greater levy is authorized:

(1) That amount which, together with any other support to the fund, will be equal to normal cost plus interest on the deficit determined by the entry age normal cost method based upon a three percent interest assumption and assumed pay increases of three percent per year. Such amounts will be based upon the most recent actuarial survey.

(2) That amount which, together with any other support, will be adequate to maintain the deficit at the same amount as determined by the most recent actuarial survey.

Subd. 3. The city of St. Louis Park shall provide and pay as promptly as funds are available to the fire department relief association at least the amount of the minimum obligation each year. Any portion of this amount not paid to the association at the end of any calendar year shall be increased at the rate of six percent per annum until so paid. On September 1 of any year the unpaid amount subject to interest shall be added to the obligation of the city.

Subd. 4. The city of St. Louis Park shall provide in its annual budget at least its minimum obligation and may levy taxes for the payment thereof without limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of any fund of the association has attained a specified level; the levy of such taxes shall not cause the amount of other taxes levied or to be levied by the city of St. Louis Park, which are subject to any such limitation, to be reduced in any amount whatsoever. If the city of St. Louis Park does not include the full amount of the minimum obligation in its levy for any year, the association may certify that amount to the county auditor, who shall spread a levy in the amount of such obligation.

Sec. 2. Commencing January 1, 1970, an amount equal to six percent of the regular monthly salary of the highest paid full time fireman in the city fire department, not including officers of the department, exclusive of all moneys for special assignments, allowances or longevity payments, shall be deducted from the monthly salary of

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each fireman of the city and shall be paid into the firemen's pension fund.

Sec. 3. Subdivision 1. In lieu of a service pension as provided for in Minnesota Statutes, Section 424.21, the fire department relief association may provide a service pension to a regularly employed full time member of the association as defined in Minnesota Statutes, Section 424.03, who has completed a period or periods of service in the fire department equal to 20 years or more, and after he has arrived at the age of 50 years or more, and has retired from the payroll of the fire department, such pension to be a sum equal to 50 percent, and in addition thereto, one percent per year for each year of service beyond 20 years, not to exceed a sum equal to 60 percent, of the salary as payable from time to time during the period of the pension payment to firemen of the highest grade, not including officers of the department, in the employ of the city of St. Louis Park, such pension to be payable for his natural life in conformity with the bylaws of the association.

Subd. 2. The fire department relief association may provide, as pertaining to those volunteer members who became full time regularly employed firemen, that each year of such volunteer service performed before January 1, 1955 shall be deemed the equivalent of a year of full time service for the purpose of determining the period or periods of service and computation of service requirements in connection with the payment of any pensions or other benefits to any individual member pursuant to this act or Minnesota Statutes, Sections 424.01 to 424.31, not inconsistent herewith.

Subd. 3. The fire department relief association may provide by its bylaws that any present retired pensioner, receiving a retirement pension from the association, may receive the pension benefits as provided for in subdivision 1, provided that said pensioner, prior to his retirement from the payroll of the fire department has met the eligibility requirements as provided in this section respecting age and periods of service.

Sec. 4. Subdivision 1. In lieu of the disability pension and limitations provided for in Minnesota Statutes, Section 424.20, the fire department relief association shall provide for disability benefits to a member of the association on active duty in the department of a sum equal to 50 percent, and in addition thereto, one percent per year for each year of service performed in the department beyond 20 years, not to exceed a sum equal to 60 percent, of the salary as payable from time to time during the period of pension payment to

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firemen of the highest grade, not including officers of the department, in the employ of the city of St. Louis Park, such pension to be payable for such periods of time and at such times as the bylaws of the association provide.

Subd. 2. Members receiving disability benefits shall undergo medical examination by a physician or physicians engaged by the association and approved by the city manager at the expense of the association at least once each year during the first five years following the allowance of a disability benefit to any member unless waived by the city manager and from time to time thereafter when required by the association or the city council for the purpose of determining whether such member continues to be eligible for a disability pension. Said medical examination to be made at the place of residence of such person, or at any other place mutually agreed upon.

Subd. 3. If it is determined that a disabled member has recovered from his disability and is thereby capable of performing the duties of a firefighter or related fire duties assigned to him by the fire chief, the city shall re-hire said member with no loss of rank or seniority.

Sec. 5. Subdivision 1. The fire department relief association may provide for a service pension to a member of the volunteer division of the St. Louis Park fire department, who has completed a period or periods of service in the fire department equal to 20 years or more, and after he has arrived at the age of 50 years or more, such pension to be a lump sum service pension equal to \$100 for each year of service as applying to the first ten years of such volunteer service, and \$200 for each year of service performed beyond ten years of service up to the time of his retirement, and that in computation of such service pension benefits, any fraction of a year shall be prorated on a monthly basis.

Subd. 2. The fire department relief association may provide that when a member of the association who is a member of the St. Louis Park volunteer fire department dies then his surviving widow shall receive a lump sum death benefit payment equal to \$100 for each year of service as applying to the first ten years of such volunteer service, and \$200 for each year of service performed beyond ten years of service up to the date of death, and that in computation of such death benefits, any fraction of a year shall be prorated on a monthly basis. In the event that he leaves no surviving widow, then his surviving minor children shall receive the lump sum death payment hereunder. In the event he dies without leaving a surviving

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widow or minor children, then no lump sum death benefits will be payable whatsoever.

Subd. 3. The fire department relief association may provide that in the event that a member of the association who is a member of the St. Louis Park volunteer fire department becomes physically disabled, as certified by a physician designated by the association and the city manager, so that he cannot continue with his duties as a volunteer fireman of the fire department of the city of St. Louis Park, then he shall be paid a lump sum service pension equal to \$100 for each year of service as applying to the first ten years of such volunteer service, and \$200 for each year of service performed beyond ten years of service up to the date of his disability, and that in computation of such service pension benefits, any fraction of a year shall be prorated on a monthly basis.

Sec. 6. The fire department relief association, commencing January 1, 1970 and thereafter, is authorized to deduct and deposit from the special fund the sum of \$750 per year, which sum shall be deposited into the general fund of the association, for such purposes as the board of trustees of the association may deem proper, provided, however, that said general fund shall not exceed the sum of \$1,000 at any one time.

Sec. 7. The funds of the association shall be invested in securities which are proper investments for funds of the Minnesota state retirement system, except that up to \$10,000 may be invested in the stock of any one corporation. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on the date of enactment of this act. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board of investment under the provisions of Minnesota Statutes, Section 11.21.

Sec. 8. The association shall procure an actuarial survey showing the condition of its fund as of December 31, 1970, and not less frequently than each four years thereafter. Such survey shall be filed with the chief clerk of the house of representatives, the secretary of the senate, the governing body of the city, and the secretary of any legislative committee or commission duly created and having within its jurisdiction the study of pension plans and pension funds, not later than June 1 of the following year in the manner described in Minnesota Statutes, Sections 69.71 to 69.76.

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Sec. 9. Nothing in this act shall affect or modify any of the provisions of Minnesota Statutes, Sections 424.01 to 424.31, except as herein set forth applicable to the fire department relief association and fire department pension fund of the city of St. Louis Park, and in no way affects said relief association operating in the manner provided in said sections 424.01 to 424.31.

Sec. 10. All pension payments heretofore paid to retired or disabled members of the St. Louis Park fire department association pursuant to Minnesota Statutes, Sections 424.01 to 424.31, are hereby ratified and shall be deemed legal payments.

Sec. 11. No provision of this act shall be construed as reducing the amount or rate of contribution to the association by the municipality or a member of the association from such minimum contributions as are prescribed by the Police and Firemen's Relief Associations Guidelines Act of 1969. Notwithstanding the provisions of this or any other act, the association and the municipality and the officers of each are authorized to do all things required by the Guidelines Act as conditions for the contribution of public funds or the levy of taxes for the support of the association.

Sec. 12. This act is effective upon its approval by the governing body of the city of St. Louis Park and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 22, 1969.

CHAPTER 577—H. F. No. 2373

[Not Coded]

An act relating to the city of Duluth, authorizing the organization of a Duluth airport authority, providing for the appointment of directors thereto, and for the financing of the operations of said authority, and conferring upon said authority the power and duty to administer, promote, control, direct, manage, and operate all airports owned, or which may hereafter be acquired by the city of Duluth.

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

Section 1. **Duluth airport authority act of 1969.** It is the purpose of this act to promote the public welfare and to serve the

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