

89.021 (23) Sand Dunes State Forest. *All of Sections 13, 14, 15, 16, 17, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 35 and 36, all in Township 34, Range 27; west of the 4th principal meridian.*

Approved March 12, 1951.

CHAPTER 62—H. F. No. 129

An act relating to wild animals and to the establishment of game refuges; amending Minnesota Statutes 1949, Section 99.25, Subdivision 5.

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

Section 1. Minnesota Statutes 1949, Section 99.25, Subdivision 5, is amended to read:

Subd. 5. No game refuge of less than 640 acres of contiguous lands and water shall be established under any of the provisions of subdivisions 2, 3, and 4; *provided, that upon petition subscribed by either the owner, the lessee, or the person in possession of each tract in the area a game refuge of lesser area may be established bordering on or including a lake, stream, pond, marsh or other body of water or water-course found suitable for wild life habitat.*

Approved March 12, 1951.

CHAPTER 63—H. F. No. 228

[Coded as Sections 471.71 to 471.83]

An act relating to the financial affairs of certain cities, villages, towns, and school districts more than 50 per cent of the assessed valuation of which consists of iron ore, prescribing penalties for violation of its provisions; amending Laws 1943, Chapter 526; and repealing Laws 1929, Chapter 303; Laws 1931, Chapter 342; Laws 1933, Chapters 210, 275, and 415; and Laws 1935, Chapter 261, in part.

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

Section 1. Laws 1943, Chapter 526, Section 1, Subdivision (c), is amended to read:

[471.71] **Definitions.** *Subdivision 1. Terms.* For the purposes of sections 471.71 to 471.83 the terms defined in this section shall have the meanings ascribed to them unless the context otherwise requires.

Subd. 2. Municipality. "Municipality" includes cities, villages, towns, and school districts.

Subd. 3. City, village, town, school district. "City," "village," "town," or "school district," include only those of the class made subject to sections 471.71 to 471.83 by sections 471.72 and 471.73.

Subd. 4. Unfunded indebtedness. "Unfunded indebtedness" includes all general obligations and indebtedness except bonds and except indebtedness which is payable from special assessments against benefited property.

Subd. 5. Year. "Year" means calendar year, except that it means "fiscal year" in the case of any school district or city as to which both of the following conditions exist:

(1) In the case of a city, the charter or law under which it is organized provides for a fiscal year differing from the calendar year; in the case of a school district, the books of account are kept on the basis of a fiscal year differing from the calendar year;

(2) The governing body of such city or school district shall have adopted a resolution determining that its operation under sections 471.71 to 471.83 shall be on the basis of such fiscal year and giving the date of the beginning of that year.

Sec. 2. Laws 1943, Chapter 526, Section 1, Subdivision (a), is amended to read:

471.72. **Application; purpose.** Sections 471.71 to 471.83 apply to all cities, villages, towns, and school districts in which more than 50 per cent of the assessed valuation of taxable real and personal property, excluding money and credits, consists

of unmined iron ore. *Their* purpose is to secure sound fiscal policies in, and remedy the financial condition of, municipalities, a large proportion of the property of which consists of a diminishing natural resource in which the state has a substantial interest.

Sec. 3. Laws 1943, Chapter 526, Section 1, Subdivision (b), is amended to read:

471.73. Acceptance of provisions. In the case of any city within the class specified in *471.72* having an assessed valuation, as defined in *section 471.72*, in excess of \$9,000,000; and in the case of any village within such class having an assessed valuation, as defined in *section 471.72*, of less than \$1,100,000; and in the case of any village within such class which is governed by Laws 1933, Chapter 211, or Laws 1937, Chapter 356; and in the case of any village within such class which is governed by Laws 1929, Chapter 208, and has an assessed valuation of less than \$20,000,000; and in the case of any school district within such class having an assessed valuation, as defined in *section 471.72*, of more than \$13,000,000; and in the case of all towns within said class; *sections 471.71 to 471.83* apply only if the governing body of the city or village, the board of the school district, or the town board of the town shall have adopted a resolution determining to issue bonds under the provisions of *sections 471.71 to 471.83* or to go upon a cash basis in accordance with the provisions thereof.

Sec. 4. Laws 1943, Chapter 526, Section 2, is amended to read:

471.74. Unfunded indebtedness, bonds to retire. Subdivision 1. If any such municipality, prior to January 1, 1943, (or, in the case of municipalities referred to in *section 471.73*, prior to January 1 of the year preceding the adoption of the resolution referred to in *section 471.73*) has incurred by proper authority a valid unfunded indebtedness in excess of its cash on hand not specifically set aside for the retirement of bonds and interest thereon, it may, for the purpose only of paying and discharging such indebtedness and interest thereon, issue its bonds in the manner now provided by law, except that such bonds may be issued by vote of the governing body without a vote of the electors. The purchasers of such bonds shall not be charged with notice of the invalidity of any indebtedness, and bonds issued *under sections 471.71 to 471.83*, in the total amount of such indebtedness as determined by

resolution of the governing body, in the hands of any purchaser, shall be valid obligations of the municipality notwithstanding any claim of invalidity of any indebtedness funded thereby. If any money received from taxes payable, or local income received, in 1943 (or, in the case of municipalities referred to in *section 471.73*, in the year of the adoption of the resolution referred to in *section 471.73*) have been used prior to the issuance of bonds authorized by *sections 471.71 to 471.83* for the retirement of indebtedness which could have been funded *under sections 471.71 to 471.83*, the bonds issued *under such sections* may include the amount of such payments for the purpose of reimbursing the funds from which such moneys were paid.

Subd. 2. The governing body of any municipality issuing bonds *under sections 471.71 to 471.83* shall, at the time of issuance thereof, by resolution, provide for a levy of taxes for the payment thereof, such levy to be in accordance with the provisions of Minnesota Statutes, Chapter 475. Levies for the payment of *these bonds* shall be within the limitations upon tax levies for the payment of funding bonds in the particular municipality issuing *the bonds*. *Such levies shall be subject to the provisions of Minnesota Statutes, Sections 275.10, 275.11, 275.12, 275.13, 275.31, and 275.35, to the extent that these sections are applicable to the municipality issuing such bonds.* In all cases the levies for *these bonds* shall be spread by the county auditor in full and the levy of the municipality for other purposes shall be reduced, if necessary, so that the total amount levied for *the municipality* does not exceed said limitations.

Subd. 3. Such bonds may be issued and sold to the State of Minnesota pursuant to existing laws at the time of the issuance thereof, except as herein modified, or to private purchasers, or to both.

Sec. 5 Laws 1943, Chapter 526, Section 3, is amended to read:

471.75. No orders drawn without sufficient funds.
Subdivision 1. From and after January 1, 1944, (or, in the case of municipalities referred to in *section 471.73*, from and after January 1 of the year following the adoption of the resolution referred to in *section 471.73*) no municipality subject to *sections 471.71 to 471.83* shall draw or issue any order or warrant on any fund (except as authorized by *subdivision*

6) until there is sufficient money in *the* fund to pay the same, together with all warrants and orders previously issued against *the* fund.

Subd. 2. *Whenever, from and after the date provided* by subdivision 1, the expenses and obligations incurred chargeable to any particular fund of a municipality subject to sections 471.71 to 471.83 in any year are sufficient to absorb such available cash as may remain in the fund from prior years or may have been received from other sources, plus (in the case of school districts) such amounts as have been certified by the State Department of Education as due for state aids of any kind, or income tax distributions for said district for such year, plus the percentage of the entire amount of the tax levy for such fund payable in that year indicated in subdivision 3, neither the governing body nor any officer, board, or employee of such taxing district shall have power, and no power shall exist, to create any additional indebtedness (save as the remainder of such tax levy is collected or available money is received from other sources) which shall be a charge against that particular fund or shall be in any manner a valid claim against such municipality; but such additional indebtedness attempted to be created shall be a personal claim against the officer or member of the governing body voting for or attempting to create the same. Whenever the county auditor shall have certified to the municipality the portion of the remainder of the tax levy which has been collected by the county treasurer, such portion shall be deemed to have been collected within the meaning of this section.

Subd. 3. The percentage of the entire amount of the tax levy which may be expended or against which obligations may be incurred under subdivision 2 shall be 95 per cent in the case of any municipality in which the average tax delinquency in the three preceding years shall not exceed five per cent, and shall be 90 per cent in the case of any municipality in which the average tax delinquency in the three preceding years shall exceed five but shall not exceed ten per cent, and shall be 85 per cent in the case of any municipality in which the average tax delinquency in the three preceding years shall exceed 10 per cent. Taxes involved in litigation as to the amount thereof shall not be considered delinquent within the meaning of this section.

Subd. 4. At any time after the first day of the year following the making of an annual tax levy, the governing body

of any municipality may, for the purpose of meeting the obligations of the current year, by resolution, with or without advertisement for bids, issue and sell as many certificates of indebtedness as may be needed in anticipation of the collection of taxes so levied for any fund named in *the* tax levy, for the purpose of raising money for such fund. All certificates of indebtedness issued under the provisions of *sections 471.71 to 471.83* shall be negotiable and shall be payable to the order of the payee and shall have a definite due date, but may be made payable on or before such date. No certificate shall be issued to become due and payable later than the last day of the year of issuance. Such certificates shall not be sold for less than par and accrued interest and shall not bear a greater rate of interest than six per cent per annum, which interest shall be payable at maturity or at such earlier times as the governing body may determine. Each certificate shall state upon its face for which funds the proceeds of the certificate shall be used, the total amount of the certificates so issued against such fund, and the total amount embraced in said tax levy for that fund. They shall be numbered consecutively and be in denominations of \$25 or any multiple thereof and shall otherwise be in such form and be made payable at such place as will best aid in their negotiation.

Subd. 5. The total amount of certificates of indebtedness issued against any fund for any year, with interest thereon to maturity, shall not exceed in any municipality that per cent of the tax levy for *the* fund for such year which is prescribed by subdivisions 2 and 3 as the maximum percentage of the tax levy against which obligations may be incurred in *the* municipality, and the aggregate of outstanding certificates against any fund at no time shall exceed the uncollected portion of such percentage of the tax levy for *the* fund, and prior to the beginning of the seventh month of the year shall not exceed 50 per cent of the uncollected portion of such percentage of *the* levy. Any such municipality may renew any outstanding certificates of indebtedness from any prior year or issue new certificates, notwithstanding the fact that prior certificates may be unpaid, whenever inability to pay such outstanding prior certificates is due solely to failure to collect sufficient moneys upon the tax levy against which they were issued to discharge such certificates; in the event such certificates are renewed, the municipality may pay accrued interest thereon at the time of renewal. Except as authorized in this subdivision, no certificate for any year shall be issued until all certificates for prior years have been paid, nor shall any certificate be extended.

Subd. 6. If any such municipality is unable to sell certificates of indebtedness in the manner prescribed hereby, it may issue such certificates within the limitations herein provided, to the treasurer of the municipality, or his order, and deposit the same with him. Certificates so issued shall be held by the treasurer until they may be sold and shall bear interest at not to exceed six per cent per annum. The municipality may thereupon, as long as such certificates are on deposit with the treasurer, issue warrants on funds against which such certificates were issued, the principal amount of such warrants not to exceed the total principal amount of the certificates so held by the treasurer. Such warrants shall bear interest at the rate specified by the governing body but not to exceed six per cent per annum from and after the day they are presented to the treasurer and stamped "Not paid for want of funds, but protected by certificates of indebtedness now held by me." Such certificates may be sold by the governing body of the municipality for not less than par and accrued interest, and the proceeds of such sale shall be used to take up such warrants in the order of which they were presented to the treasurer, registered by him, and stamped as aforesaid. Interest upon such warrants shall stop upon the date they are called by the treasurer for payment. Such certificates of indebtedness so held by the treasurer shall be paid at the same time and the same manner as if they had been issued to a purchaser thereof. All warrants attempted to be issued and all obligations of indebtedness attempted to be incurred under authority of this subdivision in excess of the principal amount of the certificates of indebtedness so held by such treasurer shall be void.

Subd. 7. The proceeds of the taxes assessed as aforesaid on account of said fund and the faith and credit of the municipality shall be irrevocably pledged for the redemption of the certificates issued hereunder in the order of issuance against each respective fund.

Subd. 8. From and after the date specified in subdivision 1, any such municipality shall be deemed for all purposes to be on a cash basis. All taxes shall be levied as now provided by law, but shall be considered as tax revenues for the year in which such taxes are payable. Any balance remaining in any fund at the end of any such year may be used in later years in addition to the taxes levied for such year or years.

Subd. 9. During the first month of each year the govern-

ing body of each municipality subject to this section, on the basis of the tax levy made, with allowance for probable delinquencies, if any, and on the basis of probable receipts from other sources, shall determine the moneys which will be available for each fund and department during each quarter of the ensuing year, and, by resolution, shall fix the maximum amount of money which shall be expended by each department and from each fund in each quarter of said year. When it appears that money budgeted for any fund is not needed therefor, the governing body, by resolution, may transfer the excess to any other fund unless such transfer is prohibited by any law governing such municipality. If under the law the governing body has no control over the expenditures of a particular department or board, such resolution shall, as to such department or board, set forth the amount of tax moneys or other funds, if any, which will be made available for such department or board by action of the governing body.

Sec. 6. Laws 1943, Chapter 526, Section 4, is amended to read:

471.76. Clerk's statement of expenditures and obligations. The clerk or recording officer of each municipality subject to *sections 471.71 to 471.83* shall prepare and present to the governing body, at its first meeting in each month, a statement showing expenditures made and estimated obligations or indebtedness incurred for the preceding month and for the preceding portion of the year; the amount allotted by the resolution referred to in Section 471.75, for such month and quarter and the preceding quarters of the year; the amount allotted by such resolution and the probable expenditures for the remaining quarters of the year. If at any time it appears from such statement or from other evidence that the municipality is incurring obligations at a rate or upon a scale which would make it probable, if such rate or scale of expenditures be continued, that the total attempted expenditures for *that* year would exceed the available revenues, after allowance for probable tax delinquencies, the district court, in an action by any taxpayer, may enjoin expenditures during the remainder of the year in excess of probable available revenues.

Sec. 7. Laws 1943, Chapter 526, Section 5, is amended to read:

471.77 No indebtedness contracted in excess of revenue.

Whenever any department, board, or commission of such municipality has power under the law to expend money, such department, board, or commission shall not contract any indebtedness or incur any obligations which, when added to other indebtedness, obligations, or liabilities, previously incurred during the year, would be in excess of the sum that may be allotted to *the* department, board, or commission for *that* year by the governing body of *the* municipality, plus available actual receipts from such other sources as are under its control.

Sec. 8. Laws 1943, Chapter 526, Section 6, is amended to read:

471.78. Contracts for indebtedness in excess of revenue void. Each contract attempted to be entered into or indebtedness or pecuniary liability attempted to be incurred in violation of the provisions of *sections 471.71 to 471.83* shall be null and void in regard to any obligation thereby sought to be imposed upon the municipality or any department thereof, and no claim therefor shall be allowed by the governing body or any officer, board, or commission; nor shall the clerk or any other officer issue or execute, nor shall the treasurer or other disbursing officer thereof pay, any check, warrant, or certificate of indebtedness issued on account thereof. Each member of the governing body, board, or commission, and each other officer of the municipality participating in or authorizing any violation of *sections 471.71 to 471.83* shall be individually liable to the municipality for any damage that is caused thereby, and shall be liable to any person furnishing any labor, services, or materials on any contract entered into or obligations assumed in violation *thereof*. Each member of the governing body or of a board or commission who is present at any meeting thereof when any action is taken with reference to paying money or incurring indebtedness or entering into any contract in violation of the provisions of this section shall be deemed to have participated in and to have authorized the same unless he shall have caused his dissent therefrom to be entered upon the minutes of the meeting.

Sec. 9. Laws 1943, Chapter 526, Section 7, is amended to read:

471.79 Enforcement of act. The district court may, at the suit of any taxpayer, enforce the performance by any governing body, board, commission, officer, or agent of any

municipality of any action which he is directed to perform by *sections 471.71 to 471.83*, to the full extent necessary to carry out the purpose *thereof*.

Sec. 10. Laws 1943, Chapter 526, Section 8, is amended to read:

471.80 Application of sections 471.71 to 471.83. *Sections 471.71 to 471.83* shall supersede inconsistent home rule charter provisions, but shall not supersede or repeal home rule charter provisions not inconsistent with it which impose other and additional restrictions on the incurring of obligations or expenditures of moneys.

Sec. 11. Laws 1943, Chapter 526, Section 9, is amended to read:

471.81. Construction of sections 471.71 to 471.83. Nothing in *sections 471.71 to 471.83* shall be construed as restricting the power of a municipality to issue bonds for any purpose when authorized by any other law.

Sec. 12. Laws 1943, Chapter 526, Section 10, is amended to read:

471.82 Repealer. *Laws 1929, Chapter 303; Laws 1931, Chapter 342; Laws 1933, Chapters 210, 275, and 415; and Laws 1935, Chapter 261*, are hereby repealed, except that the provisions thereof regulating the making and allocating of levies for the payment of bonds issued thereunder and interest thereon, and any other provisions relating to tax levies, shall remain in force.

Sec. 13. Laws 1943, Chapter 526, Section 11, is amended to read:

471.83 Severable. The provisions of *sections 471.71 to 471.83* are severable, and the unconstitutionality of any provision or the unconstitutionality of these *sections* as applied to any municipality shall not invalidate other provisions or prevent the application of *these sections* to other municipalities; provided, that if for any reason *these sections* be held to be inapplicable to any municipality which now is governed

by any of the laws specifically repealed by section 471.82, such law shall not be repealed as to such municipality.

Approved March 12, 1951.

CHAPTER 64—H. F. 285

[Not Coded]

An act authorizing the sale of certain lands by the Commissioner of Conservation.

WHEREAS, the State of Minnesota is the record owner of the following described real estate situated in Chisago County, Minnesota: Northeast Quarter of the Southwest Quarter of Section Sixteen, Township Thirty-three, Range Twenty-one and

WHEREAS, Thereas Rogers Burtness is the record owner of the following described real estate situated in said County and State: the Northwest Quarter of the Southwest Quarter of Section Sixteen, Township Thirty-three, Range Twenty-one and

WHEREAS, Thereas Rogers Burtness is now in possession of said state owned land and has made valuable improvements thereon in the belief that she was the owner of the same.
NOW THEREFORE

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

Section 1. **Commissioner of Conservation; sale of certain land.** The Commissioner of Conservation is hereby authorized to offer for sale and to sell the Northeast Quarter of the Southwest Quarter of Section Sixteen, Township Thirty-three, Range Twenty-one or that portion of said one-quarter West of the public road in the same manner as provided for the sale of other State school land, provided that the value of the improvements should be appraised separately and if, at the sale of such land, the said claimant shall be the purchaser, she shall not be required to pay for such improvements but in lieu thereof at the time of the sale she shall be required to