

Sec. 2. **Resolution to be filed with County Auditor and Secretary of State.**—A copy of any resolution so passed and approved by the majority of the members of such governing body shall, before it becomes effective, be filed with the county auditor and the Secretary of State of the State of Minnesota not later than sixty days preceding such election.

Sec. 3. This act shall take effect and be in force from and after its passage.

Approved March 9, 1933.

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#### CHAPTER 72—S. F. No. 856

*An act relating to the financial affairs of all villages having a population of more than 2500 and less than 3000, and an assessed valuation of taxable property (exclusive of moneys and credits) of more than \$1,500,000, and less than \$2,000,000, more than 70% of which assessed valuation consists of iron ore, including and prescribing penalties for violation of its provisions; and legalizing certain warrants.*

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

Section 1. **Application.**—This act shall apply to all villages in the State of Minnesota, organized under any laws of the state, which have a population of more than 2,500 and less than 3,000 and an assessed valuation of taxable property (exclusive of moneys and credits) of more than \$1,500,000 and less than \$2,000,000, more than 70% of which assessed valuation consists of iron ore.

Sec. 2. **Issue of orders or warrants prohibited.**—That from and after January 1, 1934, no such village shall draw or issue any order or warrant against any of its funds until there is sufficient money in such fund to pay the same, together with the warrants and orders previously issued against said fund.

Sec. 3. **Shall not incur indebtedness beyond tax levy.**—Whenever from and after January 1, 1934, the expense and obligations incurred chargeable to any particular fund of such village in any calendar year are sufficient to absorb 90 per cent of the entire amount of the tax levy payable in that year, including such amount as may remain in the fund from the levy of any prior year or years, no officer, board or official body of such village shall have the power, and no power shall exist to create any additional indebtedness (save as the remaining 10 per cent of said tax levy is collected) which shall be a charge against such village, but such additional indebtedness attempted to be created shall be a personal

claim against the officer or members of the municipal board or body voting for or attempting to create the same; and in no event shall any officer, board or official body of such village have the power, and no power shall exist, to create any indebtedness which shall be a charge against the village, in excess of the tax levy payable in that year for the use of the particular department, board or official body, less the amount required to be paid each year therefrom on bonds herein authorized and interest accruing thereon.

**Sec. 4. Governing body may sell certificates of indebtedness.**

—At any time after the annual tax levy has been certified to the County Auditor, and not earlier than October 10 in any year, the governing body of such village may for the purpose of the succeeding year, by resolution, 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 said tax levy for the purpose of raising money for any such fund, but no certificates shall be issued for any of said separate funds exceeding 50 per cent of the amount named in said tax levy, as spread by the County Auditor, to be collected for the use and benefit of said fund, and no certificate shall be issued to become due and payable later than December 31 of the year succeeding the year in which said tax levy, certified to the County Auditor as aforesaid, was made, and said certificates shall not be sold for less than par and accrued interest and shall not bear a greater rate of interest than 6 per cent per annum; each certificate shall state upon its face for which fund the proceeds of said certificate shall be used, the total amount of said certificates so issued, and the whole amount embraced in said tax levy for that particular purpose. They shall be numbered consecutively and be in the denominations of \$100.00 or a multiple thereof and may have interest coupons attached and shall be otherwise of such form and terms and be made payable at such place as will best aid in their negotiation, and the proceeds of the tax assessed and collected as aforesaid on account of such fund, and the faith and credit of such village shall be irrevocably pledged for the redemption of the certificates so issued. Such certificates shall be paid from the money derived from the levy for the year against which such certificates were issued. The money derived from the sale of said certificates shall be credited to such fund or funds for the calendar year immediately succeeding the making of such levy, and shall not be used or spent until such succeeding year. No certificates for any year shall be issued until all certificates for prior years have been paid, nor shall any certificate be extended; provided that money derived from the sale of certificates for any one year may, if necessary, be used to redeem unpaid certificates issued in a prior year.

**Sec. 5. Shall be on a cash basis.**—From and after January 1, 1934, such village shall be deemed for all purposes to be on a cash basis and shall thereafter remain on a cash basis. All taxes levied in 1933, shall be considered as the tax revenues for the year 1934, and thereafter in any such village taxes shall be levied as now provided by law not later than October of each year, but for the succeeding year.

**Sec. 6. Bonds may be refunded.**—If any such village has outstanding at the time of the passage of this act any bonds issued pursuant to Laws 1923, Chapter 325, for the erection, equipment or maintenance of buildings or monuments or parks, in recognition of the services performed by soldiers, sailors, marines and war veterans of the United States, such bonds may be refunded by said village in the manner now provided by law, except that it shall not be necessary to have a vote of the electors upon the question of refunding same. The governing body of such village, issuing bonds pursuant to the authority of this section, shall, at the time of the issuance thereof, provide by resolution for a levy for each year until the principal and interest of said bonds are paid in full, of a direct annual tax in an amount sufficient to pay the principal and interest thereon when and as such principal and interest become due. Such tax levy shall be within the existing limitations upon tax levies in said village, and the County Auditor shall each year reduce any levy made by the village for corporation and library purposes so that the total tax levy for such purposes and for the payment of the bonds referred to in this section shall be within the millage rate provided by law for corporation and library purposes.

**Sec. 7. Bonds may be issued to retire floating indebtedness.**—If any such village prior to January 1, 1933, has incurred by proper authority a valid indebtedness, excluding bonds, but including any indebtedness from the general fund to the bond and interest fund, in excess of its cash on hand, such village may, for the purpose only of paying and discharging such valid indebtedness and interest thereon, issue its bonds in the manner now provided by law, except that such bonds may be issued on a vote of the Council thereof, without a vote of the electors. If any such village shall have since January 1, 1933, and prior to the issuance of bonds authorized by this act, used any moneys received from taxes levied in 1932 and payable in 1933, or income from local sources received since January 1, 1933, for the payment of any indebtedness (including any indebtedness from the general fund to the bond and interest fund) which indebtedness existed prior to January 1, 1933, the amount of such payments may be added to and treated as part of

such indebtedness for the purpose of determining the amount of bonds to be issued hereunder, and to that extent the current funds of the village shall be reimbursed for such payments.

**Sec. 8. Bond issue.—tax levy.**—The bonds referred to in Section 7 hereof shall be issued in the manner now provided by law, except that such bonds may be issued on a vote of the council of said village, without a vote of the electors. At the time of the issuance of the bonds authorized by Section 7 hereof, the governing body of such village shall by resolution provide for a levy for each year until the principal and interest of said bonds are paid in full, of a direct annual tax in an amount sufficient to pay the principal and interest thereon when and as such principal and interest become due. Such tax levy shall be within the per capita limitations provided by law upon the tax levies of said village, but may be in excess of the millage rates provided by law for the various funds of said village.

**Sec. 9. Levy for library purposes.**—The amount which may be included by any such village in its annual tax levy in each year hereafter made for general corporation and for library purposes shall be twenty-three (23) mills on the dollar of the taxable valuation of the village, less the amount herein required to be set aside to pay principal and interest on the refunding bonds herein authorized.

**Sec. 10. Departments shall not contract indebtedness.**—Whenever any department, board or commission of such village having the power to expend money which shall not have been provided by law with a special tax levy, such department, board or commission shall not during any year contract any indebtedness, or incur any pecuniary liability, which shall be in excess of the sum that may be allotted to its department for said year by the Village Council. The Village Council shall by resolution prior to February 1, each year, set aside for each such department, board or commission such sum as it deems necessary and adequate for the proper operation thereof, subject, however, to amendments of such resolution thereafter as necessity may require.

**Sec. 11. Recorder to keep accounts.**—The Village Recorder shall keep a record showing accurately the amount allotted to each board or governing body for the calendar year, and the amounts incurred and expended from time to time by the Village Council and each department of such village. A record of expenditures for the Village Council and all its departments shall be presented to and examined at a regular meeting once each month by the Village Council and shall show the true condition of affairs at the date of such meeting.

**Sec. 12. Warrants legalized.**—In the event that any such village, prior to the passage of this act, issued its warrants or orders against any of its funds, which warrants or orders were outstanding and unpaid at the time of the passage of this act, the said warrants and orders are hereby in all respects legalized.

**Sec. 13. Violation a misdemeanor—penalties.**—Any member of the Village Council or other governing body or board, or other village officer or employee, knowingly participating in, and authorizing any violation of this act shall be guilty of a misdemeanor punishable by a fine not exceeding \$100.00 or by imprisonment in the County jail not exceeding three months for each offense; and every contract attempted to be entered into, or indebtedness or pecuniary liability attempted to be incurred, in violation of the provisions of this act shall be null and void in regard to any obligation thereby sought to be imposed upon the village, and no claim therefor shall be allowed by the Village Council nor any governing board; nor shall the Village Recorder or any other village or department officer or employee issue or execute, nor shall the Village Treasurer pay any warrant or certificate of indebtedness issued on account thereof. Each member of the Village Council or of any village board or other village officer or employee so participating in, or authorizing, any violation of this act shall be individually liable to the village or to any other person for any damages caused thereby and for the purpose of enforcing such liability without impairing any other remedy one-fourth of the salary of each such officer and employee shall be withheld from him and applied towards reimbursing the village or any such other person for such damages until all claims by reason thereof have been fully paid. Each member of the Village Council or village board present at a meeting of the board or council when any action is taken with reference to paying money or incurring indebtedness or entering into any contract shall be deemed to have participated and authorized the same unless he shall have caused his dissent therefrom to be entered upon the minutes of the meeting.

**Sec. 14. Officers may be suspended.**—Any member of the Village Council or governing board knowingly participating in or authorizing the violation of this act shall be liable to suspension from office. Any vacancy created thereby shall be filled according to law.

**Sec. 15. Federal census to govern.**—For the purpose of this act, the last Federal census of population taken prior to January 1, 1933, shall govern and shall be conclusive in determining hereunder the population of any such village.

**Sec. 16. Change in valuation or population not to affect**

**status.**—When a village has once come under the provisions of this act, it shall continue under its provisions, notwithstanding any subsequent change in assessed valuation or population.

**Sec. 17. Provisions separable.**—If any section, part or provision hereof be found unconstitutional such determination shall not affect the validity of the remaining provisions not clearly dependent thereon; provided, the issuance of bonds for the purpose of funding the indebtedness of such village existing on January 1, 1933, is necessary to the working out of this act, and if any such village shall be unable prior to January 1, 1934 to sell such bonds, then this act shall be of no effect therein.

**Sec. 18. Inconsistent acts repealed.**—This act shall take effect and be in force from and after its passage and all acts and parts of acts inconsistent herewith are hereby repealed and declared of no effect insofar as they may be inconsistent with this act.

Approved March 9, 1933.

#### CHAPTER 73—H. F. No. 157

*An act amending Mason's Minnesota Statutes of 1927, Section 3315 (a), Subdivision 15, relating to burial insurance or funeral benefits.*

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

**Section 1. Funeral benefits to be paid in money.**—That Mason's Minnesota Statutes of 1927, Section 3315 (a), Subdivision 15, be amended so as to read as follows:

"15. To make contracts providing that upon the death of the assured a funeral benefit will be paid *in money*, the aggregate amount of which shall not exceed \$150.00 upon any one life. Provided, however, that any corporation that has been licensed to do business for three successive years may make contracts not to exceed \$300.00 upon any one life; provided further that any corporation licensed under this act which now or hereafter has a paid up capital of \$15,000.00, and maintains with the commissioner of insurance a deposit of \$15,000.00, may make life insurance contracts not to exceed \$600.00 on any one life and with or without indemnity for total and permanent disability such as are usually contained in life insurance contracts."

*No such insurance company shall be operated directly or indirectly in affiliation or connection with any funeral director or*