

## CHAPTER 345—H. F. No. 1061

*An act to amend Mason's Minnesota Statutes of 1927, Section 6840-43, relating to drainage bond issues by county boards and the payment thereof, providing for acceptance of unmatured drainage bonds in settlement of ditch taxes.*

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

Section 1. **Drainage bonds.**—Mason's Minnesota Statutes of 1927, Section 6840-43, is hereby amended so as to read as follows:

"6840-43. The county board of each and every county wherein any drainage system is proposed to be wholly or partly located and established, or wherein lands are located which are assessed for benefits by reason of the construction thereof, are hereby authorized after the lien statement prepared by the county auditor has been filed in the office of the register of deeds, to issue the bonds, of their respective counties in such amounts as may be necessary to defray, in whole or in part, the expenses incurred or to be incurred in locating, constructing and establishing or repairing so much of any such ditch as may be located within said county; or in such relation to such county as to affect lands therein with the term of this act. All such bonds shall be sold as provided by *Mason's Minnesota Statutes of 1927, Section 1943*, and not otherwise. The word "expenses" shall be construed to mean and cover every item of cost of said drainage improvement from its inception to its completion, and all fees and expenses to be incurred in pursuance thereof. Such bonds shall be payable at such time or times not to exceed 30 years from their date, and shall bear such rate of interest not to exceed six per cent per annum, payable annually or semi-annually, all as the county board shall by resolution determine; provided the time or times when said bonds shall be payable as fixed by said resolution shall conform to the order of the board or court fixing the time of payment of the principal and interest on the ditch lien, as provided by *Mason's Minnesota Statutes of 1927, Section 6840-51*. Each bond shall contain a recital that it is issued by authority of, and in strict accordance with the provisions of this act, and shall be signed by the county auditor, who shall keep a record thereof. Said county board shall have power to sell and negotiate said bonds, as hereinbefore provided, but for not less than their par value. The proceeds from the sale of all such bonds shall be placed to the credit of the drainage proceedings in which they are issued and shall be placed in the general ditch fund as provided in this act. The county

auditor shall keep a separate account with each drainage system, which account shall be credited with all moneys arising from the sale of bonds, all moneys received as interest on penalties or upon liens, charges, assessments, and from all other sources on account of such drainage system, and which account shall be debited with every item of expenditure made on account of such drainage system. Such county board shall provide moneys for the payment of the principal and interest of said bonds as they severally mature, which moneys shall be placed in the general ditch fund, into which fund it may transfer any surplus moneys remaining in the general revenue fund or other funds of the county which can be properly used for the purpose of this act, into which fund shall be paid all moneys received from the payment of any liens under the provisions of this act. And such board is hereby authorized to pay drainage bonds issued under the provisions of this chapter out of any available funds in the county treasury, when the moneys on hand in the general ditch fund of the treasury are insufficient to meet the payment of bonds issued in ditch proceedings when the same mature, but the funds from which such money have been taken or used for the payment of bonds as they mature shall be replenished with interest at the rate of six per cent per annum from collections of unpaid assessments for drainage improvement constructed under any proceedings hereunder. Provided, the county board shall have the authority to provide in the contract for the sale of the bonds for the delivery of such bonds as the work proceeds and the funds are needed, and for the payment of interest only from the date of the delivery of such bonds. *Provided, further, that such county board is hereby authorized to empower the county treasurer by proper resolution to accept in payment of liens under the provisions of this act, any outstanding bond or bonds issued on the ditch lien to be paid thereby which are legal obligations of the county under the provisions of this act, at the par value thereof plus accrued interest; and the county board shall by such resolution prescribe the manner of disposition of bonds so delivered and paid over to the county treasurer.*"

Approved April 29, 1935.

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#### CHAPTER 346—H. F. No. 1141

*An act authorizing a city of the fourth class, having a population of less than 3,000 inhabitants, operating under a home rule charter, maintaining and operating a sewage treat-*