

Section 1. Application of act.—This act shall apply to all towns in the state of Minnesota having a population of more than 3,000, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000.

Sec. 2. Board of supervisors of certain towns may dispose of telephone lines.—The board of supervisors of such towns is empowered to lease, sell or otherwise dispose of the town telephone lines of any such town upon the terms and conditions as the board may agree.

Sec. 3. Proceedings legalized.—All expenditures made and all contracts heretofore entered into by the board of supervisors of any such town are hereby legalized and made valid obligations of such towns.

Approved April 25, 1941.

CHAPTER 447—S. F. No. 1096

An act relating to the financial affairs of certain towns, legalizing and validating expenditures and contracts, authorizing the funding of certain indebtedness and providing penalties for violations thereof.

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

Section 1. Certain organized towns on cash basis.—From and after January 1, 1942, no organized town in the state of Minnesota having a population of more than 3,000 inhabitants, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000, shall draw any order or warrant on any fund until there is sufficient money in such fund to pay the same, together with all orders previously issued against said fund.

Sec. 2. Application of law—how determined.—In determining the application of this law to any such town, the population thereof shall be determined by the last preceding state or federal census and the valuation shall be that used as a basis for spreading the 1940 taxes of the town.

Sec. 3. Not to create indebtedness.—Whenever, from and after January 1, 1942, the expense, and obligations incurred,

chargeable to any particular fund of such town in any calendar year, are sufficient to absorb 85 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 the prior year or years, no officer or board of such town shall have the power, and no power shall exist, to create any additional indebtedness, save as the remaining 15 per cent of said tax levy is collected, which shall be a charge against that particular fund or shall be in any manner a valid claim against such town, but the additional indebtedness attempted to be created shall be a personal claim against the officer or members of the board voting for or attempting to create the same.

Sec. 4. May issue certificates of indebtedness.—At any time after January 1, following the making of an annual tax levy, the town board of such town may, for the purpose of meeting the obligations of the ensuing 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 certificate shall be issued for any of the separate funds exceeding 60 per cent of the amount named in the tax levy as spread by the county auditor, to be collected for the use and benefit of the fund, and no certificate shall be issued to become due and payable later than December 31 of the year succeeding the year in which the tax levy certified to the county auditor as aforesaid, was made.

Sec. 5. Sale of certificates.—The 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 annually. Each certificate shall state upon its face for which fund proceeds of the certificate shall be used, the total amount of the certificates so issued, and the whole amount embraced in the 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. The proceeds of the tax assessed and collected, as aforesaid, on account of said fund, and the faith and credit of such town shall be irrevocably pledged for the redemption of the certificates so issued. The certificates shall be paid from the money derived from the levy for the year against which the certificates were issued, or if they be not sufficient for such purpose, from other funds of the town. The money derived from the sale of the certificates shall be credited to the fund or funds for

the calendar year immediately succeeding the making of the levy and shall not be used or spent until the 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 the certificates for any one year may, if necessary, be used to redeem unpaid certificates issued in a prior year.

Sec. 6. Acts legalized.—All expenditures made by any such town, all orders or warrants issued and payments made in payment of such expenditures and all contracts entered into prior to the date of this act are hereby legalized and made valid obligations of any such town.

Sec. 7. May transfer funds.—The board of supervisors of any such town, by the unanimous vote thereof, may transfer any surplus beyond the needs of the current year in any town fund to any other town fund to supply a deficiency therein.

Sec. 8. On cash basis after January 1, 1942.—From and after January 1, 1942, such town shall be deemed for all purposes to be on a cash basis and shall thereafter remain on a cash basis. All taxes levied in 1941 shall be considered as the tax revenues for the year 1942 and thereafter in any such town taxes shall be levied as now provided by law, but for the succeeding year.

Sec. 9. May issue bonds.—If any such town, prior to January 1, 1941, had incurred by proper authority an indebtedness, excluding bonds, in excess of its cash on hand not specifically set aside for the retirement of bonds and interest thereon, the town 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 the bonds may be issued on a vote of the town board thereof without a vote of the electors of the town; provided that bonds issued for that purpose shall be payable in annual installments as nearly equal in amount as conveniently may be, the first of which installment shall be due in not more than three years from the date of the issue and the last of which installment shall be due in not more than 18 years from the date of issue, and provided, further, that if the town board wishes to dispose of its bonds to private purchasers, the sale shall be conducted pursuant to the provisions of Mason's Minnesota Statutes of 1927, Chapter 1943.

Sec. 10. What may be included.—If any money received from taxes levied in 1940 and payable in 1941, or income from

local sources received since January 1, 1941, has been used prior to the passage of this act for the retirement of indebtedness existing January 1, 1941, such bond issue may include the amount of the payments for the purpose of reimbursing the funds from which such money was so paid.

Sec. 11. Tax levies.—The town board of any town issuing bonds pursuant to the authority of this act shall, at the time of the issuance thereof by resolution provide for a levy for each year until the principal and interest of the bonds are paid in full, of a direct annual tax in an amount sufficient to pay the principal and interest thereof when and as such principal and interest become due. The tax levy shall be irrevocable until all of the bonds are paid. The annual tax for the payment of the bonds shall be derived from two sources: (a) 22 per cent of the amount necessary to pay said funding bonds and interest and no more shall be levied as a special tax in addition to the annual tax levy now permitted in said town, under the provisions of Laws 1935, Chapter 133, and other laws, and: (b) 78 per cent of the amount necessary to pay said funding bonds and interest shall be raised by annual tax levies which shall be within the limitations provided by Laws 1935, Chapter 133, and other laws, upon the tax levies of said town.

Sec. 12. Violations a misdemeanor.—Any member of the town board of such town or any other town officer or employee knowingly participating in or 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 each 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 town, and no claim therefor shall be allowed by the town board of the town; nor shall the board of the town or any other town officer or employee issue or execute, nor shall the town treasurer pay, any warrant or certificate of indebtedness issued on account thereof. Every member of the town board present at a meeting of the board when any action is taken with reference to paying money or incurring indebtedness or entering into any contract, shall be deemed to have participated in and authorized the same, unless he shall have caused his dissent therefrom to be entered upon the minutes of the meeting.

Sec. 13. Contracts let to lowest bidder.— All contracts involving an expenditure of \$500.00 or more, if not to be paid

from the road or poll tax, shall be let to the lowest responsible bidder, after public notice of ten days, posted in the three most public places in the town, or published for two weeks in a newspaper generally circulated in the town, of the time and place of receiving bids. Provided, in case of special emergency, amounts in excess of \$500.00 may be expended without such notice being given.

Sec. 14. What towns come under provisions.—When a town 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. 15. Provisions severable.—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.

Approved April 25, 1941.

CHAPTER 448—S. F. No. 1153

An act relating to appeals from orders or interlocutory judgments in partition proceedings to the Supreme Court.

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

Section 1. Appeals.—Any party to any partition proceedings may appeal from any order or interlocutory judgment made and entered pursuant to Mason's Minnesota Statutes of 1927, Sections 9527, 9530, 9537 or 9544, to the Supreme Court within thirty (30) days after the making and filing of any such order or interlocutory judgment. Any appeal taken pursuant to the provisions hereof shall be governed by the rules and laws applicable to appeals in civil cases.

Sec. 2. Orders, etc., shall be final unless appeals are taken.—All matters determined by any such order or interlocutory judgment shall be conclusive and binding upon all parties to such proceedings, and shall never thereafter be subject to review by the Court unless appealed from as provided for herein.

Sec. 3. Inconsistent acts repealed.—All acts or parts of acts inconsistent herewith are hereby repealed so far as may