

in number to five percent of the number of such electors voting at the last preceding election of officers thereof, requesting a referendum on the resolution; in which case the same shall not become effective until approved by a majority of such qualified electors voting thereon at a regular municipal election or a special election which the governing body may call for said purpose. *Alternatively, any such resolution may be initiated by petition filed with the governing body of the city, village, or town, signed by at least ten percent of the qualified electors voting at the last general election, setting forth the text of the resolution proposed to be approved, and requesting an election thereon; in which case the governing body shall call a special election for such purpose, to be held within 30 days after the filing of such petition, or may submit the resolution to a vote at any regular municipal election which is to be held within said 30-day period, and the resolution shall become effective if and when approved by a majority of said qualified electors voting thereon at such election. Only one election shall be held within any given 12 month period, upon resolutions initiated by petition of at least ten percent of the qualified voters voting at the last general election. The notice of any such election and the ballot used thereat shall contain the text of the resolution, followed by the question: "Shall the above resolution be approved?"*

Approved March 24, 1961.

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CHAPTER 153—S. F. No. 362

*An act relating to retirement allowances for employees of cities of the first class; amending Minnesota Statutes 1957, Section 422.15.*

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

Section 1. Minnesota Statutes 1957, Section 422.15, is amended to read:

**422.15 Retirement board; trustee of funds.** The members of the retirement board shall be the trustees of the several funds created by this chapter and shall have exclusive control and management of these funds, and shall have power to invest the same, subject to all the terms, conditions, limitations, and restrictions imposed by law upon savings banks in the making and disposing of their investments;

**Changes or additions indicated by italics, deletions by ~~strikeout~~.**

and subject to like terms, conditions, limitations, and restrictions, these trustees shall have full power to hold, purchase, sell, assign, transfer, or dispose of any of the securities and investments in which any of the funds created by this chapter shall have been invested as well as the proceeds of the investments, and of the money belonging to these funds, except that any reserve built up from the city's contributions shall be invested in bonds of that city in preference to other bond paying an equal or a less rate of interest.

*In addition to other investments authorized by law, the board may invest in the following:*

(1) *The preferred stocks of any domestic corporation, except banks, bank holding companies and trust companies, provided the net earnings of such corporation available for its fixed charges for five fiscal years next preceding the date of investment shall have averaged per year not less than one and one-half times the sum of its annual fixed interest charges, if any, its annual maximum contingent interest, if any, and its annual preferred dividend requirements; and during either of the last two years of such period, such net earnings shall have been not less than one and one-half times the sum of its fixed interest charges, if any, contingent interest, if any, and preferred dividend requirements for such year.*

(2) *The common stocks of any domestic corporation providing electric utility, telephone or gas distribution service, provided such stocks are registered on a national securities exchange, and such corporation shall have earned and paid cash dividends on its common stocks in each year for a period of ten fiscal years next preceding the date of investment.*

*No investment shall be made by the board in the stock of any corporation if the total amount so invested by the board exceeds an amount equal to five percent of the assets of the fund, or if the total investment in any one corporation exceeds (1), in amount, one-half of one percent of the assets of the fund, or (2) in number of shares, one percent of the total issued and outstanding shares of stock of such corporation.*

The board shall have authority:

(1) To make such loans and advances of credit and purchases of obligations, representing loans and advances of

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credit, as are insured by the federal housing administration, and to obtain such insurance;

(2) To make such loans secured by mortgages on real property, which the federal housing administrator has insured or made a commitment to insure, and to obtain such insurance;

(3) To enter into any and all agency agreements necessary to enable it to invest its funds in loans, advances of credit, and obligations insured by the federal housing administrator, or which he has made a commitment to insure, and to enter into any agreement or arrangement with any other of the pension and retirement systems of the city of Minneapolis for the joint handling of these securities;

(4) To provide for the prorating of part or all the cost of making, handling or foreclosing of such mortgages against the earnings of such mortgages and to establish reserve accounts from such earnings to liquidate losses or future losses on such mortgages;

(5) To employ and dismiss agents, attorneys, appraisers, and others necessary for the proper handling or servicing of such mortgages and to fix their compensation or fee on such basis as it may see fit for such services rendered in connection with such mortgages; and

(6) To do any and all things necessary to carry out the provisions of this chapter in the best interest of the funds.

The board shall, upon the request of any contributing employee who has borrowed from the retirement fund under the federal housing administration insured mortgage system, provide for the repayment of such loan by deductions from such employee's monthly compensation.

All payments from the funds created by this chapter shall be made by the treasurer of the city only upon warrant signed by the executive secretary, or employee or other person appointed by the retirement board, and no warrant shall be drawn except by order of the retirement board duly entered in the record of its proceedings, except that the retirement board is hereby authorized and empowered to create a revolving fund in such amount as may be necessary to be used for the purpose of making expenditures for loans authorized under section 422.46; withdrawals from the fund of excess contributions; refunds to employees upon their sep-

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aration from the service and for such other purposes as may be determined by the retirement board. The revolving fund herein provided for shall be periodically reimbursed by warrant drawn and signed as set forth herein. It shall be kept in the same bank or trust company as the city treasurer keeps other retirement funds. It shall be subject to withdrawal upon check signed by the executive secretary, or employee or other person appointed by the retirement board. The revolving fund shall be considered funds of the city of Minneapolis insofar as it is necessary to bring them within any bond or security furnished by such bank or trust company to protect the city against loss.

The retirement board is hereby authorized and empowered in carrying out the provisions of this chapter to establish special funds supplementing individual contributions by the employees and to receive, invest, and disburse for such purpose all moneys in the form of donations, gifts, legacies, bequests, or otherwise which may be contributed by private individuals or corporations or organizations for the benefit of the city employees generally, or any special employee or class of employees of the city.

Approved March 24, 1961.

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CHAPTER 154—S. F. No. 429

[Not Coded]

*An act relating to Olmsted county, providing for adoption of a civil service system for the deputies and personnel in the sheriff's office.*

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

**Section 1. Olmsted county civil service personnel system.** Olmsted County may establish a civil service personnel system for the employees in the sheriff's office to include full-time deputies and office employees.

**Sec. 2. Resolution to establish system.** Subdivision 1. To establish such system the board of county commissioners may adopt a resolution and file a certified copy in the office of the county auditor.

Subd. 2. Upon filing of such resolution the civil service personnel system in the sheriff's office is established.

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