CHAPTER 824—H. F. No. 1917

An act relating to the salaries of the judges of the municipal court of the city of Minneapolis; amending Minnesota Statutes 1961, Section 488A.02, Subdivision 9.

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

Section 1. Minnesota Statutes 1961, Section 488A.02, Subdivision 9, is amended to read:

488A.02 **Minneapolis municipal court; judges.** Subd. 9 **Salaries.** Each judge shall be paid an annual salary of $14,250 in semimonthly installments out of the treasury of the city of Minneapolis~~.~~, *except that the salaries of two of the judges shall be paid by the county of Hennepin.* If a judge dies while in office, the amount of his salary remaining unpaid for the month in which his death occurs shall be paid to his estate.

Approved May 22, 1963.

CHAPTER 825—H. F. No. 1935

An act relating to the maturities and redemption of obligations evidencing municipal indebtedness; authorizing the establishment of serial maturities for multiple issues and the provision of funds for the redeption of obligations before maturity and before the earliest redemption date, from proceeds of refunding obligations and other funds placed in escrow for this purpose; amending Minnesota Statues 1961, Section 475.54.

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

Section 1. Minnesota Statutes 1961, Section 475.54, is amended to read:

475.54 **Public indebtedness; maturities; redemption.** *Subdivision 1.* All obligations authorized under this chapter shall mature serially in annual or semiannual installments. The first installment shall mature not later than three years from the date of the obligations and the last installment shall mature not more than 30 years from such date. No amount of principal of any obligations payable in any calendar year shall exceed five times the amount of the smallest amount payable in any preceding calendar year ending three years or more after date of issue~~, provided that in the case of the issuance of bonds by a school district this requirement shall be applied to the aggregate maturities of the bonds to be issued and of all other~~

~~bonds of the district outstanding at the time of such issuance, considered as a single issue, and the first installment of the additional bonds need not mature within three years from their date of issue if the aggregate maturities of all the bonds conform to the provisions of this section.~~

Subd. 2. A serial maturity schedule conforming to subdivision 1 may be established for each new issue of obligations of a municipality, or the governing body may in its discretion adjust such schedule so that the combined maturities of the new issue and any other designated issue or issues will conform to subdivision 1, provided that all such issues are general obligations or all are payable from a common fund.

Subd. 3. Any obligation may be issued reserving the right of redemption and payment thereof prior to maturity, at par and accrued interest or at such premium and at such time or times and upon such notice as shall be determined by the governing body. When any such obligation has been validly called for redemption and the principal thereof and all interest thereon to the date of redemption have been paid or deposited with the paying agent, interest thereon shall cease.

Subd. 4. Obligations and interest thereon may be refunded if and when and to the extent that for any reason the taxes or special assessments, revenues, or other funds appropriated for their payment are not sufficient to pay all principal and interest due or about to become due thereon. Obligations but not interest thereon may be refunded before maturity, if consistent with covenants made with the holders thereof, when determined by the governing body to be necessary or desirable for the reduction of interest cost to the municipality or the extension or adjustment of the maturities in relation to the resources available for their payment.

Subd. 5. In any case where refunding obligations are issued and sold six months or more before the earliest date on which all obligations to be refunded thereby mature or are called for redemption in accordance with their terms, the proceeds of the refunding obligations shall be deposited~~,~~ together with any other funds available and appropriated by their governing body for the purpose, in escrow with a suitable banking institution within or without the state, whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than $1,000,000, and shall be invested in securities maturing or callable at the option of the holder on such dates and bearing interest at such rates as shall be required to provide funds sufficient, with any cash retained in the escrow account, to pay when due the interest to accrue on each obligation refunded *to its maturity or, if prepayable, to an earlier designated date on which it may be called for redemption, and to pay the principal amount of each such obligation at maturity or, if prepayable, at its designated earlier redemption date, and to pay any premium required for redemption on such date; and before the refunding obligations are delivered, the governing body shall by resolution or ordinance irrevocably appropriate for these purposes the escrow account and all payments of principal and interest on the securities held therein, and shall provide for the call of all bonds directed to be prepaid, in accordance with their terms, on the redemption date or dates designated. Securities purchased from the escrow account shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following agencies of the United States: Banks for Cooperatives, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association. Such securities shall be purchased simultaneously with the delivery of the refunding obligations. No refunding obligations shall be issued more than ten years before the last date on which the obligations to be refunded thereby mature or are directed to be prepaid in accordance with their terms.*

Approved May 22, 1963.

CHAPTER 826—H. F. No. 1981

[Not Coded]

An act relating to the city of Minneapolis; authorizing the payment of compensation under an annual pay plan in certain cases.

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

Section 1. **Minneapolis; annual pay plan.** Notwithstanding any provision in the city charter of the city of Minneapolis, any department of the city of Minneapolis that has an annual pay plan may pay an employee for such time, not to exceed 30 days, as the services of the employee are not required, in anticipation of any accumulated vacation time or any compensatory time off that the employee may accumulate.

In order to be eligible to receive the compensation as provided in this section, the employee, or group of employees, or any association to which such employee belongs shall post a bond to reimburse the city for any compensation paid which is not earned.