

Sec. 2. The sum of \$20,000 is appropriated from the general revenue fund in the state treasury to the department of business development for the biennium beginning July 1, 1965, in order to carry out the provisions of section 1.

Approved May 25, 1965.

CHAPTER 705—S. F. No. 2062

[Not Coded]

An act relating to the city of Saint Paul and to the school district of the city of Saint Paul, and establishing an independent school district therein.

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

Section 1. **St. Paul, city of; conversion of school district.** Subdivision 1. The special school district now existing in the city of Saint Paul is hereby changed, effective July 1, 1965, and converted into an independent school district subject to the provisions of this act, to be called Independent School District No. 625, hereinafter sometimes referred to as the converted district.

Subd. 2. The governing body of such converted district shall be a school board, hereinafter sometimes called the board, consisting of seven members elected at the same time as the municipal elections are held and the terms shall commence and terminate as of the same dates as for independent districts generally. All candidates for board members shall file for office in the manner provided for municipal officers and a number of candidates equal to twice the number of board vacancies shall be nominated at the municipal primary election. All provisions of law relating to such municipal elections shall apply to school elections. The present board of education of the city of Saint Paul shall continue as the governing body of such converted district under the name of the school board thereof and the members thereof shall continue in office until the new members of such school board are elected and qualify in accordance with the provisions of Minnesota Statutes, Section 122.26.

Subd. 3. The converted district shall contract with the city of Saint Paul for such facilities as are furnished by the civil service bureau, and unless the board and city governing body each adopt a resolution declaring that a particular function would be most efficiently and effectively handled separately, the board shall contract on a

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pro rata cost basis with the city for such facilities and services as are provided by the purchasing department, comptroller, legal department and election and other services supplied by the city, provided, however, that the board may contract for other legal services when the interests of the district and the city are in conflict in any legal matter and provided further that the board may contract for architectural services for the planning and construction of new school buildings when funds have been made available for construction of such school buildings.

Subd. 4. As of July 1, 1965, the organization, operation, maintenance and conduct of the affairs of the converted district shall be governed by general laws relating to independent districts, except as otherwise provided in Extra Session Laws 1959, Chapter 71, as amended, and all special laws and charter provisions relating only to the converted district are repealed. Where an existing pension law is applicable to employees of the special district such law shall continue to be applicable in the same manner and to the same extent to employees of the converted district. General laws applicable to independent school districts wholly or partly within cities of the first class shall not be applicable to the converted district. The provision of the statutes applicable only to teachers retirement fund associations in cities of the first class, limiting the amount of annuity to be paid from public funds, limiting the taxes to be levied to carry out the plan of such associations, and limiting the amount of annuities to be paid to beneficiaries, all as contained in Minnesota Statutes, Section 135.24, shall not be applicable to such converted district, but the statutes applicable to such special district prior to the conversion shall continue to be applicable and the pension plan in operation prior to the conversion shall continue in operation until changed in accordance with law, and the teacher tenure law applicable to the special district shall continue to apply to the converted district in the same manner and to the same extent to teachers in the converted district; provided further, where existing civil service provisions of any law or charter are applicable to special district employees, such provision shall continue to be applicable in the same manner and to the same extent to employees of the converted district. Notwithstanding any contrary provision of Extra Session Laws 1959, Chapter 71, as amended, if there was in the special district a teachers retirement fund association operating and existing under the provisions of Laws 1909, Chapter 343, and all acts amendatory thereof, then such teachers retirement fund association shall continue to exist and operate in the converted district under and to be subject to the provisions of Laws 1909, Chapter 343, and all acts amendatory thereof, to the same extent and in the same manner as before the conversion, and, without limiting the generality of the foregoing, such

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teachers retirement fund association shall continue, after the conversion as before the conversion, to certify to the same authorities the amount necessary to raise by taxation in order to carry out its retirement plan, and it shall continue, after the conversion as before the conversion, to be the duty of said authorities to include in the tax levy for the ensuing year a tax in addition to all other taxes sufficient to produce so much of the sums so certified as said authorities shall approve, and such teachers retirement fund association shall not be subject after the conversion to any limitation on payments to any beneficiary from public funds or on taxes to be levied to carry out the plan of such association to which it was not subject before the conversion.

Subd. 5. In the event the city of Saint Paul has outstanding bonded indebtedness incurred for school purposes, the amount thereof which is properly attributable to the converted district shall be fixed by mutual agreement between the governing bodies of the city and the converted district and shall be assumed by the converted district and a statement of the amount thereof shall be published once in the official newspaper of the city. The determination shall be binding on both city and district unless set aside by an action by a taxpayer or other interested party instituted within 30 days of the date of such publication.

Subd. 6. The converted district may borrow money upon negotiable tax anticipation warrants or certificates of indebtedness, in the manner and subject to the limitations set forth in this section, for the purpose of anticipating general taxes theretofore levied by the district for school purposes, but the aggregate of such borrowing remaining unpaid at any time shall never exceed 50 percent of such taxes which are due and payable in the calendar year, and as to which taxes no penalty for nonpayment or delinquency has attached.

Subd. 7. The converted district may also borrow money, in the manner and subject to the limitations hereinafter set forth, in anticipation of receipt of state aids for schools as defined in Minnesota Statutes and of federal school aids to be distributed by or through the state department. The aggregate of such borrowings remaining unpaid at any time shall never exceed 75 percent of such aids which are receivable by said converted district in the calendar year in which the money is borrowed, as estimated and certified by the commissioner.

Subd. 8. The board may authorize and effect such borrowing, and may issue such warrants or certificates of indebtedness of the converted district, upon passage of a resolution specifying the amount and purposes for which it deems such borrowing is necessary, which

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resolution shall be adopted by an affirmative vote of at least five of its members. The board shall fix the amount, date, maturity, form, denomination, and other details thereof, not inconsistent herewith, and shall fix the date and place for receipt of bids for the purchase thereof, and direct the clerk to give notice thereof.

Subd. 9. The proceeds of the current tax levies and future state receipts or other school funds which may become available, shall be applied to the extent necessary to repay such certificates or warrants and the full faith and credit of the converted district shall be pledged to their payment. They shall mature not later than the anticipated date of receipt of school taxes for the current year or of the aids so anticipated as estimated by the commissioner of education but in no event later than the last day of the calendar year in which issued. The certificates shall be sold at not less than par. The certificates shall bear interest after maturity until paid at the rate they bore before maturity, and any interest accruing before or after maturity shall be paid from any available school funds.

Subd. 10. The clerk of the board shall give notice of the proposed sale, as required by Minnesota Statutes, Chapter 475. At the time and place so fixed, such certificates may be sold by the board or its officers if authorized by the board to the bidder who will agree to purchase the same on terms deemed most favorable to the district. Such certificates shall be executed and delivered as required by Minnesota Statutes, Chapter 475. The money so received shall be disbursed solely for the purposes for which such taxes are levied or aids are receivable. None of the provisions of this section shall be construed so as to prohibit the board from borrowing in anticipation of taxes and state aids as authorized by the provisions of Laws 1963, Chapter 371, as amended or modified, if the board determines that it is more advantageous for the district to borrow pursuant to the provisions of such law.

Subd. 11. The net debt of the converted district, as such net debt is defined in Minnesota Statutes, Chapter 475, including that assumed pursuant to subdivision 6 of this section 1, shall not be in excess of 20 percent of the assessed value of all taxable property in the converted district, and that portion of Minnesota Statutes 1961, Section 475.53, Subdivision 5, as amended, which provides that no independent school district lying wholly or partly within a city of the first class shall issue any obligations running for more than two years, whenever the aggregate of the outstanding obligations of the district equals or exceeds seven and one-half percent of the assessed value of the taxable property within the school district, shall be inapplicable to the converted district.

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Subd. 12. The board of the converted district may not levy taxes on real and personal property for school purposes in any year at a mill rate to exceed the mill rate of the district or the predecessor district or on behalf of the district for the preceding year, except as authorized by this section. The amount of taxes from which the first mill rate of the new district is calculated shall include the estimated or agreed cost of all services which may have previously been furnished by the municipality without cost to the school district. This limitation shall not apply to the levy for pensions, employee benefits, and debt service which shall continue to be levied separately as now provided by law.

Subd. 13. If the board desires to increase the tax limitation imposed by subdivision 12, it shall adopt a resolution which shall contain the following information:

(a) The then current mill rate limitation imposed upon the district by subdivision 12,

(b) The increase recommended by the board, together with a statement that it is the recommendation of the board to so increase the tax rate,

(c) Setting a date and place for a public hearing on the recommendation of the board. The date shall be not less than 20 nor more than 60 days from the date of the resolution.

Subd. 14. The board shall give two weeks' published notice of the public hearing. The notice shall contain a copy of the resolution.

Subd. 15. Not less than 10 days nor more than 30 days after this special meeting, the board may establish a new limitation not in excess of that contained in the notice of hearing on the maximum tax levy that can be imposed, expressed in dollars per resident pupil unit as used in Minnesota Statutes 1961, Section 124.17, as amended. This new limitation shall take effect 60 days after the date of said resolution unless the people take action to reject the limitation in the manner provided by subdivision 16.

Subd. 16. If, within 60 days after the adoption of a resolution setting a new limitation, a petition is filed with the board signed by qualified voters of the city equal in number to not less than five percent of those voting at the last previous school district election, which petition shall contain upon each page on which the signatures appear a statement that the signers oppose the limitation established by the board, and requesting that the proposed new limitation be submitted to the people, for their approval or rejection, the board

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shall have the question submitted at the next election or at a special election called for that purpose. The board shall cause a notice of election to be published once each week for three consecutive weeks prior to the date of election in a daily newspaper of general circulation in the city announcing the forthcoming election and its purpose. The first publication shall be made not more than 30 days before the election. The ballot used at the election shall have printed thereon the following:

“Shall the maximum tax levy for school purposes proposed by the school board of (\$_____per capita) or (\$_____per resident pupil unit) in accordance with the resolution of the board dated_____be approved?

Yes_____

No_____”

Subd. 17. If a majority of those voting on the question vote in the affirmative, the proposed new limitation shall take effect; otherwise the same shall be rejected.

Subd. 18. Title to all of the property, real and personal, of the special district shall pass, on July 1, 1965, to the converted district, and all current outstanding contractual obligations, including, as determined by subdivision 6 of this section 1, the bonded indebtedness of the special district, together with any legally valid and enforceable claims against the special district, are imposed on the converted district.

Sec. 2. The remaining unissued \$4,140,000 school bonds of the \$23,500,000 school bonds authorized to be issued at an election held in the city of Saint Paul on November 3, 1959 may be issued by the board, without any additional election but pursuant to other applicable provisions of Minnesota Statutes, Chapter 475, as bonds of the converted district and shall not be issued as bonds by or of the city of Saint Paul, and the \$1,500,000 of bonds authorized to be issued by Laws 1963, Chapter 544 may also be issued by the board, without an election but pursuant to other applicable provisions of Minnesota Statutes, Chapter 475, as bonds of the converted district and shall not be issued as bonds by or of the city of Saint Paul, and all such bonds so issued shall be general obligations of the converted district, for the payment of the principal and interest of which the full faith and credit of the converted district shall be pledged.

Sec. 3. This act shall be deemed to be complete and controlling with respect to all matters set out herein, notwithstanding and without regard to proceedings heretofore taken for the creation of an independent school district in the city of Saint Paul pursuant

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to the provisions of Minnesota Statutes, Section 122.26; provided, however, that the provisions of Minnesota Statutes now or hereafter existing pertaining to independent school districts and the issuance of bonds and other obligations of such districts shall be applicable to Independent School District No. 625 insofar as they are not in conflict with the provisions of this act.

Sec. 4. This act shall not become effective prior to July 1, 1965.

Sec. 5. This act shall become effective only after its approval by a majority of the governing body of the city of Saint Paul and the board of education of the city of Saint Paul and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved May 25, 1965.

CHAPTER 706—S. F. No. 2064

[Not Coded]

An act relating to the salaries of officials in Ramsey county; amending Laws 1961, Chapter 677, Section 1.

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

Section 1. Laws 1961, Chapter 677, Section 1, is amended to read:

Section 1. **Ramsey county; salaries of officials.** ~~Effective January 1, 1962,~~ The annual salary of the following listed officers and officials of Ramsey county shall be in such amount as may be fixed by the county board of said county, but not to exceed the following amounts, and to be payable monthly *in the same manner as other county employees:*

Attorney	\$14,500	<i>\$17,000</i>
Auditor	12,800	<i>15,000</i>
Sheriff	12,000	<i>13,500</i>
Register of Deeds	11,000	<i>12,500</i>
Clerk of District Court	10,000	<i>11,500</i>
Treasurer	10,000	<i>11,500</i>
Coroner	6,300	

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