

The board of appraisers shall consist of three members, one of which shall be appointed by the terminated county, one by the remaining counties within the district, and the third by the other two members of the appraisal board. In the event that the two appraisers cannot agree as to the appointment of the third appraiser within a period of 30 days then and in that event the matter should be referred back to said commission and the commission should then have the authority to appoint the third appraiser. There shall be paid over to the treasurer of the terminated county an amount equal to that county's share in the net assets of the commission proportionate to its financial contribution to the metropolitan mosquito control fund. *In the event of the dissolution of the district all property of the commission shall be sold and the proceeds of such sale remaining after payment of all debts, obligations and liabilities of the district, along with any balance in the fund, shall be divided and paid over to the county treasurers of the respective counties which are then members of the district in proportion to their undivided interest computed as above specified.*

Sec. 7. *This act shall become effective only after its approval by a majority of all the members of the Metropolitan Mosquito Control Commission and upon compliance with the provisions of Minnesota Statutes, Section 645.021.*

Approved May 17, 1967.

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#### CHAPTER 552—S. F. No. 1273

*An act relating to retirement allowances for employees of cities of the first class, amending Minnesota Statutes 1965, Section 422.15.*

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

Section 1. Minnesota Statutes 1965, Section 422.15 is amended to read:

**422.15. Cities of first class; employees; retirement; 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; 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

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

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 bonds paying an equal or a less rate of interest.

In addition to other investments authorized by law, the board may invest in any one or all of the following:

(1) The preferred stocks of any domestic corporation, 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, provided such stocks are registered on a national securities exchange, except that the stock of banks, bank holding companies, trust companies and insurance companies need not be so registered, and such corporation shall have earned and paid cash dividends on its common stocks in each year for a period of ~~ten~~ *five* fiscal years next preceding the date of investment: *provided that the aggregate earnings of such corporation available for payment of dividends on the common stock during the last five years must have been at least equal to the aggregate of such cash dividends.* No investment shall be made in the common or preferred stock of any corporation with assets of less than ten million dollars.

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 ~~20~~ *30* percent of the assets of the fund, or if the total *common and preferred stock* 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 credits and purchases of obligations, representing loans and advances of credit, as are insured by the federal housing administration, and to obtain such insurance;

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

(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 for the joint handling of these securities;

(4) To provide for the prorating of part or all of 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 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 deducting 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 separation 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 con-

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sidered funds of the city 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 May 17, 1967.

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CHAPTER 553—S. F. No. 1274

*An act relating to retirement allowances for employees of cities of the first class, amending Minnesota Statutes 1965, Section 422.14.*

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

Section 1. Minnesota Statutes 1965, Section 422.14 is amended to read:

**422.14 Cities of the first class; employees; retirement; retirement board; members.** A retirement board of five members is hereby constituted which shall consist of the following:

- (1) Mayor;
- (2) The city comptroller or corresponding official;
- (3) The chairman of the ways and means committee of the city council or corresponding member of the chief governing body of the city; and
- (4) Two legally qualified voters of the city, residents thereof for the preceding five years, to be chosen by the employees ~~of the city~~ *as defined in this chapter* who are contributors to the retirement fund created by this chapter. ~~The employers~~ *employees* are hereby authorized to form an association for that purpose; ~~and the employing authorities are authorized to make payroll deductions for the payment of dues to said association.~~ The person first selected shall be chosen to serve for one year from the first of the next succeeding January after his appointment, the second for two years from the first

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