
CHAPTER 20—H.F.No.2331**[Not Coded]**

An act relating to education; authorizing Independent School District No. 625 to issue bonds for the purpose of correcting cash flow problems and for other purposes; requiring a tax levy in certain years to eliminate the operating debt of the district; removing certain persons from the application of Minnesota Statutes, Section 125.17 and removing their tenure rights granted thereunder; appropriating money.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. INDEPENDENT SCHOOL DISTRICT NO. 625; ST. PAUL, CITY OF; BOND AUTHORIZATION. Subdivision 1. Independent School District No. 625 is hereby authorized to issue not to exceed \$6,400,000 of general obligation bonds for the purpose of establishing a special reserve account for the district to permit the district to segregate adequate tax receipts and aid receipts for the repayment of tax and aid anticipation certificates respectively. These obligations shall be issued and sold in accordance with the further provisions of Minnesota Statutes, Chapter 475 except that no election shall be required to authorize their issuance and that the total principal and interest requirements of said issue in any year shall not exceed 1.5 mills times the adjusted assessed valuation of the taxable property of the district for calendar year 1975 as determined by the equalization aid review committee. The full faith and credit of the district shall be pledged for the payment of the principal of and interest on the bonds and the district is hereby authorized and required to levy taxes upon all taxable property in the district without limitation as to rate or amount for the payment of the principal of and interest on said bonds.

Subd. 2. The debt service levy to be made by the district in 1976, collectible in 1977, shall be reduced by up to \$1,500,000, provided that at the time its levy is certified in 1976 there exists in its sinking funds for its outstanding general obligation bonds a surplus equal to the amount of such reduction. To the extent that this debt service levy is reduced, the district may levy additional taxes in an amount equal to such reduction and the amount of the additional levy shall, when received, be deposited in the sinking fund for the obligations authorized in subdivision 1. The levy made at the time of the sale and issuance of the bonds authorized in subdivision 1 shall not be reduced by reason of the availability of the proceeds of such additional levy in the sinking fund for said bonds, until such time as there is on hand in said sinking fund an amount sufficient to pay all then outstanding bonds of said issue and the interest thereon.

Sec. 2. ACCOUNTING SYSTEM MONITORED BY LEGISLATIVE AUDITOR. Subdivision 1. The legislative auditor shall perform an audit

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of the finances of Independent School District No. 625 for fiscal year 1976 in accordance with the principles of the uniform financial accounting and reporting system which has been developed in accordance with the requirement of Laws 1973, Chapter 683, Section 22. The legislative auditor and his employees may personally conduct this audit and examination or may, at his discretion, contract with certified public accountants or public accounting firms to provide this service.

The legislative auditor shall also restate, in accordance with the uniform financial accounting and reporting system, the audit of the district which was performed for fiscal year 1975.

The legislative auditor shall report the results of the audit and the restatement to the appropriate committees of the legislature by October 15, 1976.

Subd. 2. On or before July 1, 1976, the school district shall adopt a system of accounting, budgeting, and reporting in accordance with the principles of the uniform financial accounting and reporting system. The legislative auditor shall monitor and assist in the implementation of this system by the school district. The legislative auditor shall report to the legislative audit commission and other appropriate committees of the legislature at the times he deems necessary, but not less than twice each year. He shall make his initial report on or before January 15, 1977. Nothing in this section shall be construed to limit the existing powers of the legislative auditor.

Subd. 3. Independent School District No. 625 shall provide cooperation and assistance as necessary to the legislative auditor to allow him to perform his duties pursuant to this section.

Sec. 3. **STATUTORY OPERATING DEBT.** Subdivision 1. The "statutory operating debt" of Independent School District No. 625 means the net negative fund balances in all school district funds, other than the capital expenditure and building construction, debt service, trust and agency, and post-secondary vocational-technical education funds, calculated as of June 30, 1976 in accordance with the principles of the uniform financial accounting and reporting system.

Subd. 2. The legislative auditor shall certify the amount of statutory operating debt of the district as of June 30, 1976. He may adjust this amount on the basis of corrected figures until June 30, 1978.

Sec. 4. **EXCESS LEVY.** In addition to all other levies permitted by law, in 1976 and each year thereafter, Independent School District No. 625 shall make an additional levy to eliminate its statutory operating debt for the school year ending June 30, 1976 as certified by the legislative auditor pursuant to section 3. Each year the commissioner of education shall certify to the county auditor and Independent School District No. 625 the correct amount of this levy. This levy shall in each year be an amount which is equal to the amount raised by a levy of 1.5

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mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee, less any amount necessary for the payment of principal and interest on bonds sold pursuant to section 1. When the cumulative receipts from the levies made pursuant to this section and the earnings in the reserve account established under section 5 equal an amount equal to the statutory operating debt, the levy shall be discontinued.

Sec. 5. RESERVE FUND FOR REDUCING STATUTORY OPERATING DEBT. Subdivision 1. The district shall establish a special reserve account, which shall be designated "reserve account for purposes of reducing statutory operating debt" on its books and records into which the proceeds of the bonds authorized in section 1 and the levies made under section 4 shall be placed. The funds in this account shall be used only for the payment of district operating expenses, but the amount in this account shall never supplement district revenues or income for the purposes of increasing the district's capital or operational expenditures or budgets, or for any purpose, other than to meet temporary cash needs. Earnings on sums in this account may be used for paying interest expenses on tax and aid anticipation certificates and for the purposes for which funds in this account may be used. The funds in this account may be invested and reinvested in accordance with the further provisions of Minnesota Statutes, Section 475.66, as amended.

Subd. 2. When the funds in the special reserve account equal the total amount of the statutory operating debt as certified pursuant to section 3, but in no event later than December 31, 1997, the full amount in the special reserve account shall be used to eliminate the statutory operating debt of the district. Upon elimination of the statutory operating debt, the district shall recognize all tax receipts in the year required by the uniform financial accounting and reporting system.

Sec. 6. AUTHORIZATION FOR AID ANTICIPATION BORROWING. The provisions of Minnesota Statutes, Section 124.781 shall not apply to or limit in any way the aid anticipation borrowing of the district, and the district shall be permitted to borrow in anticipation of aids to the full extent permitted by the provisions of Minnesota Statutes, Sections 124.71 to 124.78.

Sec. 7. GENERAL FUND EXPENDITURE LIMITATION. In the 1977 fiscal year or in any fiscal year thereafter, Independent School District No. 625 shall not spend any amount in that fiscal year which the district receives from the foundation aid in Minnesota Statutes, Section 124.212, plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 2a, plus the levy allowable under Minnesota Statutes, Section 275.125, Subdivision 6, which exceeds the amount which the district would otherwise be entitled to receive from these same sources if it were not using tax anticipation certificates or other methods of borrowing to borrow against tax revenues for the

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next fiscal year or if it were not using tax receipts intended for the next fiscal year in the prior fiscal year.

Sec. 8. LIMITATION AND REDUCTION OF TAX ANTICIPATION BORROWING. Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 124.781, Subdivision 2, in the fiscal year 1977, Independent School District No. 625 shall not issue tax anticipation certificates pursuant to Minnesota Statutes, Sections 124.71 to 124.78 in an amount to exceed \$23,250,000. In fiscal year 1978 or any year thereafter, the district shall not issue tax anticipation certificates in an amount to exceed \$23,250,000, less the amount by which the balance in the reserve account for purposes of reducing statutory operating debt exceeds \$6,400,000 as of December 31 of the previous year.

Subd. 2. The legislative audit commission may, upon application of the district, authorize a waiver of the limitation contained in subdivision 1, in the event of an emergency. If the legislative audit commission authorizes such a waiver, it shall report this fact prior to the effective date of the waiver to the appropriate committees of the legislature.

Sec. 9. PROHIBITION OF CERTAIN FUND TRANSFERS. Independent School District No. 625 shall not for any purpose borrow or temporarily transfer funds from its building construction account, its debt service account, or from any sinking fund for outstanding bonds issued for building construction or any other purpose.

Sec. 10. Subdivision 1. Notwithstanding the provisions of Minnesota Statutes, Section 125.17, Subdivision 1, Clause (a), the definition of "teacher" as used in the application of Minnesota Statutes, Section 125.17 to individuals employed by Independent School District No. 625 shall not include any person regularly employed to superintend or supervise classroom instruction, or any person who comes within the definitions of Minnesota Statutes, Section 179.63, Subdivision 9. However, the definition of "teacher" in Minnesota Statutes, Section 125.17, shall include any person who comes within the definition in Minnesota Statutes, Section 179.63, Subdivision 14.

Subd. 2. As of June 30, 1976, any individual excluded from the provisions of Minnesota Statutes, Section 125.17 by the operation of subdivision 1 of this section shall forfeit tenure rights in the district previously granted pursuant to Minnesota Statutes, Section 125.17; provided, any such excluded individual shall retain any tenure rights held as a teacher in the district at the time he assumed a position within the exclusionary definition of subdivision 1 and shall retain his date of first employment as a teacher for purposes of section 125.17, subdivision 11. Thereafter, such individuals shall have annual contracts with the district which the school board may or may not renew as it sees fit; provided, however, that the school board shall give any such individual whose contract it declines to renew for the following school year written notice to that effect. Moreover, the school board may dis-

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charge or demote any such individual during the term of an annual contract for any cause specified in Minnesota Statutes, Section 125.17, Subdivision 4. A written statement of the cause of the discharge or demotion shall be given to the individual by the school board at least 30 days before the removal or demotion shall become effective.

Subd. 3. In terminating personnel because of financial limitations or any other reason, the school board of Independent School District No. 625 is encouraged to give first priority to the terminations of central office personnel, administrative and supervisory personnel, and other personnel whose duties do not include day to day instructional contact with the students of the district. No cuts in programs shall be made by the district without the express approval of the board.

Sec. 11. **APPROPRIATION.** There is appropriated from the general fund in the state treasury to the legislative auditor the sum of \$100,000. Notwithstanding the provisions of Minnesota Statutes, Section 16A.28, or any other provision relating to the lapse of appropriations, the appropriation made pursuant to this section shall not lapse but shall continue until expended.

Sec. 12. Nothing in this act shall be construed to limit the existing powers of the legislative auditor.

Sec. 13. The provisions of this act shall be severable, and if any provision thereof, or the application of any such provision under any circumstances is held invalid, it shall not affect any other provision of this act or the application of any provision thereof under different circumstances.

Sec. 14. **EFFECTIVE DATE.** This act shall become effective only after its approval by a majority of the board of Independent School District No. 625 and upon compliance with the provisions of Minnesota Statutes, Section 645.021.

Approved March 1, 1976.

CHAPTER 21—S.F.No.806

[Coded]

An act relating to control of noxious weeds; authorizing towns or cities to control noxious weed growth on state lands; providing reimbursement of certain expenses incurred to control weeds on state lands.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[18.315] CONTROL OF WEEDS ON STATE LANDS.** A town or city may cut or otherwise act to control noxious weeds as

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