amount of benefits payable under laws applicable to such relief association. Nothing contained in this subdivision shall prevent the escalation of the pension of any retired member of the policemen's relief association upon the retirement of the last member of the association. The amount of any such pension shall be based on the then current prevailing base pay of the highest ranking patrol officer who is within the scope of subdivision 1 of this section less the compensation paid in lieu of benefits which would have been attributable to membership in the police relief association.

- Sec. 3. When every member of the policemen's relief association retires from active duty, the funds of the association shall become a trust fund managed for the benefit of the recipients of such funds by a board of trustees composed of five members selected by the recipient beneficiaries of the fund.
- Sec. 4. This act is effective upon its approval by the governing body of the city of New Ulm and compliance with Minnesota Statutes, Section 645.021.

Approved March 26, 1974.

CHAPTER 252—H.F.No.1489 [Coded]

An act relating to education; providing for establishment and operation of cooperative centers by independent school districts.

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

Section 1. [123.351] VOCATIONAL EDUCATION; COOPERA-TIVE CENTERS. Subdivision 1. ESTABLISHMENT. Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last annual school election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a special election. This election shall be conducted and canvassed in accordance with Minnesota Statutes, Section 123.32. If a majority of the total number of votes cast on the question within the district is in favor of the proposition, the board may

thereupon enter into an agreement to establish the center for purposes herein described.

- Subd. 2. NAME. A public corporation so created shall be known as(insert name).... cooperative center no. and shall have an identification number assigned pursuant to Minnesota Statutes, Section 122.03.
- Subd. 3. GOVERNING BOARD. (a) The center shall be operated by a center board of not less than five members which shall consist of members from school boards of each of the participating school districts within the center, appointed by their respective school boards. Each participating school district shall have at least one member on the board. The board shall choose an administrative officer to administer board policy and directives who shall serve as an ex officio member of the board but shall not have a vote.
 - (b) The terms of office of the first members of the board shall be determined by lot as follows: one-third of the members for one year, one-third for two years, and the remainder for three years, all terms to expire on June 30 of the appropriate year; provided that if the number of members is not evenly divisible by three, the membership will be as evenly distributed as possible among one, two and three year terms with the remaining members serving the three year term. Thereafter the terms shall be for three years commencing on July 1 of each year. If a vacancy occurs on the center board, it shall be filled by the appropriate school board within 90 days. A person appointed to the center board shall qualify as a board member by filing with the chairman a written certificate of appointment from his school board.
 - (c) The first meeting of a center board shall be at a time mutually agreed upon by board members. At this meeting, the center board shall choose its officers and conduct any other necessary organizational business. Thereafter the center board shall meet on the first of July of each year or as soon thereafter as practicable pursuant to notice sent to all center board members by the chief executive officer of the center.
 - (d) The officers of the center board shall be a chairman, vice chairman, clerk and treasurer, no two of whom when possible shall be from the same school district. The chairman shall preside at all meetings of the center board except in his absence the vice chairman shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer shall be the custodian of the funds of the center. Insofar as applicable, Minnesota Statutes, Sections 123.33 and 123.34, shall apply to the board and officers of the center.
 - (e) Each participating school district shall have equal voting power with at least one vote. A majority of the center board shall be a quorum. Any motion other than adjournment shall pass only upon receiving a majority of the votes of the entire center board.

- Subd. 4. POWERS AND DUTIES. (a) The center board shall have the general charge of the business of the center and the ownership of facilities. Where applicable, Minnesota Statutes, Section 123.36, shall apply. The center board may not issue bonds in its behalf. Each participating district may issue its bonds for the purpose of acquisition and betterment of center facilities in the amount certified by the center board to such participating district in accordance with Minnesota Statutes, Chapter 475.
- (b) The center board (1) may furnish vocational offerings to any eligible person residing in any participating district and (2) may provide special education for the handicapped and disadvantaged.
- (c) In accordance with subdivision 5, clause (b), the center board shall certify to each participating district the amount of funds assessed to the district as its proportionate share required for the conduct of the educational programs, payment of indebtedness, and all other proper expenses of the center.
- (d) The center board shall employ and contract with necessary qualified teachers and administrators and may discharge the same for cause pursuant to section 125.12. The board may employ and discharge other necessary employees and may contract for other services deemed necessary.
- (e) The center board may provide an educational program for high school and adult vocational phases of instruction. The high school phase of its educational program shall be offered as a component of the comprehensive curriculum offered by each of the participating school districts. Graduation shall be from the student's resident high school district. Insofar as applicable, Minnesota Statutes, Sections 123.35 to 123.40, shall apply.
- (f) The center board may prescribe rates of tuition for attendance in its programs by adults and nonmember district secondary students.
- Subd. 5. FINANCING. (a) Any center board established pursuant to this act is a public corporation and agency and may receive and disburse federal, state, and local funds made available to it. No participating school district shall have any additional individual liability for the debts or obligations of the center except that assessment which has been certified as its proportionate share in accordance with subdivision 5, clause (b) and subdivision 4, clauses (a) and (c). A member of the center board shall have such liability as is applicable to a member of an independent school district board. Any property, real or personal, acquired or owned by the center board for its purposes shall be exempt from taxation by the state or any of its political subdivisions.
- (b) The center board may, in each year, for the purpose of paying any administrative, planning, operating, or capital expenses incurred or to be incurred, assess and certify to each participating school dis-

trict its proportionate share of any and all expenses. This share shall be based upon an equitable distribution formula agreed upon by the participating districts and approved by the state commissioner of education with approval by the state board of vocational education. Each participating district shall remit its assessment to the center board within 30 days after receipt. The assessments shall be paid within the maximum levy limitations of each participating district.

- Subd. 6. STATE BOARD APPROVAL. Prior to the commencement of the operation of any center the agreement entered into by participating districts shall be approved by the state board of education.
- Subd. 7. LAWS GOVERNING INDEPENDENT SCHOOL DISTRICTS APPLICABLE. As of the effective date of the creation of any center as contained in the agreement establishing the center, the organization, operation, maintenance, and conduct of the affairs of the center shall be governed by the general laws relating to independent school districts of the state unless provided otherwise herein or by statute passed hereafter.
- Subd. 8. ADDITION AND WITHDRAWAL OF DISTRICTS. Upon approval by majority vote of a school board, of the center board, and of the state board of education, an adjoining school district may become a member in the center and be governed by the provisions of this act and the agreement in effect.

Any participating district may withdraw from the center and from the agreement in effect by a majority vote of the full board membership of the participating school district desiring withdrawal and upon compliance with provisions in the agreement establishing the center. Upon receipt of the withdrawal resolution reciting the necessary facts, the center board shall file a certified copy with the county auditors of the counties affected. The withdrawal shall become effective at the end of the next following school year but the withdrawal shall not affect the continued liability of the withdrawing district for bonded indebtedness it incurred prior to the effective withdrawal date.

Subd. 9. **EXISTING CENTERS.** Centers operating pursuant to Minnesota Statutes, Section 471.59 which have been approved by the state board of education prior to the effective date of this act shall be subject to its provisions except section 1, subdivision 1. Any changes in center agreements necessary to comply with this act shall be completed within twelve months after the effective date of this act and filed with the state board by the administrator of each center. Centers operating pursuant to Laws 1967, Chapter 822, as amended, Laws 1969, Chapter 775, as amended, and Laws 1969, Chapter 1060, as amended shall not be subject to the provisions of this act.

Approved March 26, 1974.