

Sec. 4. **Effective date.** This act shall become effective as to Mahnomen County and Clearwater County only after its approval by a majority of the members of the board of county commissioners of each county and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 13, 1963.

CHAPTER 645—H. F. No. 1809

[Not Coded]

An act relating to the special school district of the city of Minneapolis and amending Laws 1959, Chapter 462, as amended by Laws 1961, Chapter 565.

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

Section 1. Laws 1959, Chapter 462, Section 1, as amended by Laws 1961, Chapter 565, Section 1, is amended to read:

Section 1. **Minneapolis special school district.** The special school district now existing in the city of Minneapolis is hereby changed and converted into a special independent school district subject to the provisions of Laws 1959, Chapter 462, as amended by Laws 1961, Chapter 565, and this act. Upon the passage of Laws 1959, Chapter 462 and the subsequent conversion hereunder, the provisions of Extra Session Laws 1959, Chapter 71, Article 2, Section 10, relating to the conversion of special school districts, shall not be applicable to the special school district now existing in the city of Minneapolis. After the creation under the provisions of Laws 1959, Chapter 462 of the special independent school district for the city of Minneapolis. No provision of the Minneapolis home rule charter shall be applicable thereto, unless except as provided for in Laws 1959, Chapter 462 this act.

Sec. 2. Laws 1959, Chapter 462, Sec. 2 is amended to read:

Sec. 2. The governing body of such school district shall be a board of education as hereinafter set out, which board shall have the care, management, supervision, conduct and control of the school district and shall have all the powers and rights of independent school boards of independent school districts except as otherwise stated. After the conversion herein; The special independent school district shall continue to have the same representation upon the library board of the city of Minneapolis and upon the city

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planning commission as now or hereafter provided for under the Minneapolis home rule charter, but said special independent school district shall cease to *not* have any representation upon the board of estimate and taxation as now provided for by said Minneapolis home rule charter.

Sec. 3. Laws 1959, Chapter 462, Section 3, as amended by Laws 1961, Chapter 565, Section 2, is amended to read:

Sec. 3. ~~Such~~ ^{Such} special independent school district shall have all the powers, privileges, duties and obligations of independent school districts as provided by the state laws *as of April 20, 1961*, existing at the time of the adoption of this act, except as follows:

Subdivision 1. ~~2~~ ² The board of education of such district shall consist of seven directors, each of whom shall be elected at large for a term of six years, or until his successor has been elected and qualified. ~~Each of the directors holding office at the effective date of this act shall continue as such director until the expiration of the term for which said director was elected.~~ The directors shall receive no compensation.

Subd. 2. ~~3~~ ³ In case any vacancy occurs in the office of school director because of death, resignation or cessation of his residence in the district, *or any other cause*, so that after the next general school election following such vacancy there shall be remaining at least two years of his unexpired term, ~~then in that event a school director shall be chosen~~ *elected* at the next general school election to fill the place of ~~the~~ *such* director ~~so vacating~~, but until such election, or if no election is to be had under the foregoing provisions; or because of the lack of time to comply with the election requirements when an election is pending, the remaining directors shall fill such vacancy. ~~and the~~ *The* director so appointed shall hold office until the first Monday in July following the election of a successor, or until that successor qualifies.

Subd. 3. ~~4~~ ⁴ *The Board of Education shall, as soon as practicable after the close of each calendar year, cause to be printed, published and distributed a report of the condition of the public school program under its charge, and of all the property under its control, with full and accurate account of all receipts and of all expenditures of the school district during the preceding year including operating and maintenance expenses as well as all expenses for capital outlay and building site improvement. The report shall also include a full listing of the salary schedules for all school personnel, certificated and non-certificated in effect during the preceding year.*

Subd. 4 *Not later than December 15 of each calendar year*

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the board shall adopt and cause to be published two separate budgets, an operating budget and a capital budget for the subsequent calendar year. The board shall adopt and publish standards governing the content of its budgets and of its annual report.

Subd. 5. The school district shall develop a comprehensive long-range building plan to project forward school needs at any given time for at least the next fifteen years, such plan to include the needs of the district in connection with school sites, new schools and additions to existing buildings, retiring of obsolete facilities, and rehabilitating, remodeling, and equipping existing school buildings. Such plan shall be reviewed and updated by the school staff and the board yearly commencing in 1964. Such plan shall be submitted yearly commencing in 1963 by the board to the City Planning Commission for its review and recommendations.

Subd. 3: 6. All primary and general school elections of the school district shall be held at the same time and place as the Minneapolis municipal primary and general elections. All candidates for school director shall file for office in the manner provided for municipal officers in the city of Minneapolis and a number of candidates equal to twice the number of board vacancies shall be nominated at the municipal school primary election. All provisions of law relating to municipal Minneapolis elections shall apply to all school elections, except that elections shall be called by resolution of the board of education and the school clerk shall cause notice of election to be published in a daily newspaper of general circulation in the city once each week for three consecutive weeks prior to the date of election. All school elections shall be canvassed by the board of education. The school district is authorized and empowered to contract with the city of Minneapolis for the payment of its proportionate share of the cost of holding said all school district elections.

Subd. 4: 7. The school district shall contract with the city of Minneapolis for such facilities and services as are furnished by the Civil Service Commission, and unless the Board of Education and city governing body each adopts a resolution declaring that a particular function would be most efficiently and effectively handled separately, the board shall contract on a pro-rata cost basis with the city for such facilities and services as are provided by the purchasing department, comptroller, treasurer, legal department, and City Planning Commission. The school district may also contract with the city for other services supplied by such city, provided, however, that the board may contract for other legal services when the interest of the school district and the city are in conflict in any legal matter.

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Subd. 5- 8. The civil service provisions of the Minneapolis home rule charter or of any law applicable to the city of Minneapolis shall be applicable to employees of the special independent school district, except employees not now under civil service.

Subd. 6- 9. The tenure, pension and retirement provisions of any law applicable to employees of the special school district of Minneapolis, including employees belonging to the municipal employees retirement fund and those belonging to the Minneapolis Teachers' Retirement Fund Association shall continue to be applicable in the same manner and to the same extent to employees of the special independent school district. The provisions of any general law or laws which are applicable only to independent school districts wholly or partially within cities of the first class, shall not be applicable to the special independent school district of Minneapolis ~~hereby established~~, and the provisions of Minnesota Statutes, Section 135.24 applicable only to teachers retirement fund association 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 beneficiaries, shall not be applicable to the special independent school district of Minneapolis ~~hereby established~~. The powers, duties, and corporate structure of the Minneapolis Teachers' Retirement Fund Association, and the laws applicable thereto, shall be and remain the same in the special independent school district of Minneapolis as at the time of enactment of the within law, until changed in accordance with law.

Subd. 7- 10. *As used in this act the word "project" shall mean any proposed new or enlarged school building site, any proposed new school building or any proposed new addition to a school building, and "undertaking" shall mean any other purpose for which bonds may be issued as authorized in this subdivision. Subject to the limitations of subdivision 8 11, the special independent school district of Minneapolis may issue and sell bonds with the approval of 53 percent of the electors voting on the question at a general school district election, or at a school district election held at the same time and place within the district as a state general or primary election, as determined by the board of education. Subject to the provisions of subdivision 11, the school district may also, by a two-third majority vote of all the members of its board of education and without any election by the voters of the district, may issue and sell in each calendar year bonds of such district payable in not more than twenty years in an amount not to exceed one-half of one percent of the assessed value of the taxable property in such district provided however, that the board shall submit the list of projects and under-*

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takings to be financed by such proposed issue to the city planning commission as provided in Subd. 11 (c) prior to the issuance of such bonds. All bonds of the school district shall be payable in not more than 20 years. The proceeds of the sale of such bonds shall be used only for the rehabilitating, remodeling, expanding and equipping of existing school buildings and for the acquisition of sites, construction and equipping of new school buildings, or and for acquisition and betterment purposes, and no part of which such proceeds shall be used for maintenance. The provisions of this subdivision act shall apply to the issuance and sale of such bonds and to the purposes for which the same may be issued notwithstanding any provisions to the contrary in any other existing law relating thereto. No bonds in excess of one half of one percent of the assessed value of the taxable property in such districts shall be issued and sold in any calendar year unless authorized by a majority vote of those voting at a general city election or by a majority vote of those voting at a state primary or general election.

Subd. & 11. The special independent school district shall not be subject to any charter limitations with respect to bonded indebtedness but shall be subject *only* to the limits on bonded indebtedness of independent school districts under Chapter 475, Minnesota Statutes, Section 475.53, Subdivision 4, and shall be subject to the following additional limitations:

(a) *Such* The school district shall not be subject to a net debt in excess of 10 percent of the assessed value of all taxable property therein. *The net debt of the school district for the purpose of this limitation is the amount of bonds less the amount of all money and the face value of all securities then held as a sinking fund for the payment of such bonds, and shall not include school aid and tax anticipation certificates of indebtedness not in default.*

(b) *No election shall be held on a proposed issue of bonds unless the board has submitted to the city planning commission a statement of the location and general description, so far as then known, of any project proposed to be constructed or acquired from the proceeds of such bonds with a request for preliminary approval of each such project as being in accordance with the comprehensive plan of the city of Minneapolis. The commission may state its preliminary approval or disapproval of the projects included in such statement within 60 days after receipt thereof, and failure so to do shall be deemed to signify preliminary approval of such projects. In the event the commission shall disapprove any proposed project included in the statement, a vote of at least six members of the board of education shall be required for the adoption of a resolution submitting the proposed bond issue to the electors. Notwithstanding*

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the preliminary approval of any project as herein provided, such project shall be resubmitted to the city planning commission at the time and in the manner specified in part (c) of this subdivision. The location and nature of each project shall be determined by the board of education and reviewed by the city planning commission at the time, with reference to the circumstances then existing. Nothing herein shall prevent the revision or elimination of any project previously given preliminary approval or the substitution of another project therefor, by the procedure specified in part (c), if considered necessary by the board to fulfill its responsibilities for public education, and for the construction of school facilities so far as possible in accordance with the comprehensive city plan, provided however no such revision, elimination or substitution shall be made unless approved by unanimous vote of all members of the board of education. Notwithstanding anything to the contrary contained in this act no election shall be held on a proposed issue of bonds on a date earlier than 60 days after preliminary approval or disapproval by the city planning commission.

~~(b) (c) Such~~ *The school district shall not issue and sell expend the proceeds of bonds authorized by Subdivision 7 on the construction of any new school building or addition for any purpose provided for in Subdivision 10 unless a proposed resolution stating the purpose or purposes location and general description of the proposed issue thereof project or undertaking shall have been submitted to the city planning commission for approval consideration of the proposed project or undertaking as being in accordance with the comprehensive plan of the city of Minneapolis. The Commission shall may state its approval or disapproval of the proposed project or undertaking within 60 days thereafter. A failure on the part of the commission to take action state its disapproval within 60 days after receipt of such resolution shall be deemed an approval. In the event the commission shall disapprove the any proposed project or undertaking, a unanimous vote of the members of the board of education shall be required for the adoption of the authorizing resolution. In the event a unanimous vote of all the members of the board of education is not attained; a majority of the members of said board may by resolution submit the question of the issuance and sale of the bonds to the people for their approval or rejection. Such bonds may be issued and sold if approved by a majority of those voting on the question at a general city election or at a state primary or general election. If such an election shall not occur within the six-month period, next succeeding the resolution of submission by the board, the board may call a special election for the purpose of submitting the question; at which election the approval of a majority of those voting on the questions shall be deemed necessary for the issuance and sale of the bonds.*

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Subd. 9 12. The *special independent* school district of *Minneapolis* shall ~~assume and be responsible liable~~ for all of the ~~existing and outstanding~~ bonded indebtedness and interest thereon which is attributed to and connected with the acquisition of sites, construction, maintenance, rehabilitation and operation of schools of the city of Minneapolis including any school bonds that have been refunded, which prior hereto have been issued by the city council or the board of estimate and taxation of the city of Minneapolis. ~~The determination of the amount of said existing and outstanding bonded indebtedness and interest thereon shall be fixed by mutual agreement between the governing bodies of the city and school 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 school district unless set aside by an action by a taxpayer or other interested party brought within 30 days of the date of such publication.~~

Subd. ~~10~~ 13. The provisions of any statute requiring the publication of official proceedings of the board of an independent school district shall not be applicable to the special independent school district of Minneapolis established under the provisions of this act.

Subd. ~~11~~ 14. The provisions of ~~Extra Session Laws 1959, Chapter 74, Article 4, Section 15, Minnesota Statutes, Section 123.33, Subdivision 8,~~ concerning the removal of a board member or officer of an independent school district, shall not be applicable to the special independent school district of Minneapolis, established under the provisions of Laws 1959, Chapter 462.

Sec. 4. Laws 1959, Chapter 462, Section 4 is amended to read:

Sec. 4. Upon the adoption of this act and upon its becoming effective, the special independent school district of *Minneapolis* ~~created by this act~~ shall become vested with such title to all property and property rights, real, personal, or otherwise, owned by or in which the predecessor special school district has any right, title or interest.

Sec. 5. Laws of 1959, Chapter 462, Section 5 as amended by Laws 1961, Chapter 565, Section 3, is amended to read:

Sec. 5. Subdivision 1. The school district by its board of education of *the special independent school district of Minneapolis* may borrow money upon negotiable promissory notes or certificates of indebtedness, in the manner and subject to the limitations set forth in this section, for the purpose of anticipating general taxes

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theretofore levied by the school 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 and remaining unpaid in the calendar year the borrowing is made, and as to which no penalty for nonpayment or delinquency has attached.

Subd. 2. The school board may also borrow money in the manner and subject to the limitations hereinafter set forth in anticipation of receipt of state aid for schools and of federal school aids to be distributed by or through the state department of education, but the aggregate of such borrowings remaining unpaid at any time shall never exceed 75 percent of such aids which are receivable by said school district in the calendar *school year (from July 1 to the following June 30)* in which the money is borrowed, as estimated and certified by the state commissioner of education.

Subd. 3. Upon the passage of a resolution adopted by a vote of at least two-thirds of its members, which resolution specifies the amount and purposes for which it deems such borrowing is necessary, the board may authorize and effect such borrowing as provided for in Section 5, Subdivisions 1 and 2, and may issue certificates of indebtedness for the same. The board shall fix the amount, date, maturity, form, denomination, and other details of such certificates, 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. *Such certificates not in default shall not be deemed net debt under any law limiting indebtedness.*

Subd. 4. The proceeds of the current tax levies and future state aid receipts or other school funds which may become available; shall be applied to the extent necessary to repay such certificates and the full faith and credit of the school district shall be pledged to their payment. They shall mature not later than the anticipated date of receipt *in full* of school taxes for the current year or of the aids so anticipated as estimated by the state commissioner of education, but in no event *shall tax anticipation certificates mature later than the last day three months after the close of the calendar year or school aid anticipation certificates later than three months after the close of the school year in which they are issued, respectively.* 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 school funds as is provided for in section 5, subdivisions 1 and 2.

Subd. 5. The clerk of the board shall give notice of the proposed sale, calling for bids thereon at the time and place so

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specified, by at least one publication in a daily newspaper published in the school district, at least three days before such date of sale. At the time and place so fixed, such certificates may be sold by the chairman, clerk and treasurer to the bidder who will agree to purchase the same on terms deemed most favorable to the school district. Such certificates shall be signed in behalf of the school district by the chairman and clerk and countersigned by the treasurer and delivered by the treasurer upon receipt of the purchase price thereof.

Subd. 6. The moneys so received shall be disbursed solely for the purposes for which such taxes are levied or aids are receivable. The purchaser of such certificates shall not be obligated to see to such application of the proceeds.

Subd. 7. The school board may invest any funds not currently needed by the district in bonds of the State of Minnesota, or in bonds of any county, city, village, or school district in Minnesota, or in bonds of the United States, or in United States Treasury bills, certificates of indebtedness, or Treasury notes, all of which must mature within one year from the date of purchase.

Sec. 6. Laws 1959, Chapter 462, Section 6 is amended to read:

Sec. 6. Subdivision 1. ~~The school district by its Board of Education of the special independent school district of Minneapolis may not levy taxes on real and personal property; but the school district may not levy taxes on real and personal property for school purposes in any year at a mill rate to exceed exceeding the mill rate limitation in effect in such district, or any 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 special independent school 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. The levy under subject to this limitation shall not include levy for pensions, employee benefits and debt service, which shall continue to be levied separately as now provided by law. Nothing herein shall authorize a levy in excess of the limitation contained in Minnesota Statutes 1957, Section 275.12.~~

Subd. 2. If the board desires to increase the tax limitation imposed by Subdivision 1, it shall adopt a resolution which shall contain the following information:

(a) ~~The then current mill rate limitation imposed upon the district by Subdivision 1.~~

(b) ~~The increase recommended by the board, together with~~

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a statement that it is the recommendation of the board to so increase the tax rate *new mill rate limitation proposed by the board and the amount of the increase.*

(c) *Setting a The date and place for a of public hearing on the recommendation of the board matter, which date shall be not less than 20 45 nor more than 60 days from after the date of the adoption of said resolution.*

Subd. 3. *The board school clerk shall give two weeks' published cause notice of the public hearing to be published in a daily newspaper of general circulation in the city at least once each week for three consecutive weeks prior to the date of hearing. The notice shall contain a copy of the initial resolution and state that all interested parties shall have the right to appear and testify at such hearing.*

Subd. 4. *Not less than 10 days nor more than 30 days after this the public hearing, the board may, by resolution, establish a new mill rate limitation not in excess of that contained in the notice of hearing on the maximum tax levy that can be imposed expressed in mills proposed in the initial resolution. This The new limitation shall take effect and become permanent sixty days after the date of the adoption of said resolution unless the people take action to reject the limitation in the manner provided in subdivision 5 or the school board by majority vote directs the limitation be submitted to the electors for their approval or rejection takes action to secure the approval of the limitation in the manner provided in subdivision 5. If the new limitation is submitted to the people in the manner provided in subdivision 5 and is approved, the new limitation shall become permanent. If the new limitation is not submitted to the people in the manner provided in subdivision 5, said new limitation shall be in effect only for a two year period, and within 60 days of the expiration of said two year period the voters may petition for the submission of the question of the continuation of the new limitation by the procedure provided in subdivision 5. If the voters fail to so petition, the new limitation shall become permanent.*

Subd. 5. *If within 60 days after the adoption of a the resolution setting a new limitation, a petition is filed with submitted to the school board signed by qualified registered voters of the city equal in number to not less than five percent of those voting at the last previous regular school district election, or 5,000, whichever is the lesser, which petition shall contain upon each page on which signatures appear a statement that the signers request the proposed new limitation be submitted to the people for their approval or rejection and the certificate of the person circulating the petition that the petition was signed in his presence, within 30 days after the petition is*

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submitted to the school board, the board shall by resolution determine the sufficiency of the petition and if it determines that the petition is sufficient in form and number of signatures or if within 30 days after the petition is submitted to the school board, the board by a majority vote directs the new limitation to be submitted to the people electors for their approval or rejection, the school board shall submit the question to a vote. The question shall be submitted at a general or primary school district election or at a school election held at the same time and place within the district as a state general or primary election if any such school or state election occurs within six months and not less than two months after the date of the board resolution. the board shall have the question submitted at the next general city election or a state primary or general election. If such an election shall not occur within the six month period succeeding the resolution of submission by the board or the filing of the voters petition, Otherwise, the board may call a special election for the purpose of submitting the question. The board shall notify the city clerk that the matter is to be submitted to vote not less than 30 days prior to the election date. Upon the adoption of the board's resolution submitting the matter to vote, all proceedings to increase the tax shall be stayed until the new limitation has been approved by the electorate 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 the purpose. The first publication shall be made not more than 30 days before the election. Any interested party may appeal from the determination of the board to the district court of Hennepin County within 20 days after the adoption of the resolution determining the petition was sufficient or insufficient. Said matter shall be heard summarily on the records of the district and affidavits and stipulations as to the facts, or de novo at the court's discretion, and the court shall affirm the board's action or direct the board to adopt the proper resolution. 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 _____ mills (an increase of _____ mills) in accordance with the resolution of the board dated _____ be approved?
 Yes _____
 No _____”

Subd. 6. If a majority of those voting at the election or 53

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percent of those voting on the question; ~~whichever is the lesser~~, vote in the affirmative, the proposed new limitation shall take effect; otherwise, the same shall be rejected.

Sec. 7. Laws 1959, Chapter 462, is amended by adding a new section to read:

Sec. 8. *The special independent school district of Minneapolis may call one school bond election in accordance with the provisions of Section 3, subdivisions 10 and 11, at a date to be determined by the board but not later than May 31, 1964. Any bond question submitted at this election must be approved by a vote of 55 percent of the electors voting on the question. No bond elections shall be held after May 31, 1964, except at the times specified in Section 3, subdivision 10.*

Sec. 9. *The only governmental unit to which this act applies is the special school district created by Laws 1959, Chapter 462, heretofore designated Special School District No. 1 and this act shall become effective when approved by a resolution adopted by a majority vote of the members of the board of education of that district, and upon compliance with Minnesota Statutes, Sec. 645.021.*

Approved May 13, 1963.

CHAPTER 646—H. F. No. 1834

An act relating to cities of the fourth class organized under Minnesota Statutes, Chapter 411; amending Minnesota Statutes 1961, Sections 411.06, 411.08, 411.16, 411.36 and 411.50.

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

Section 1. Minnesota Statutes 1961, Section 411.06 is amended to read:

411.06 **Fourth class cities; wards; aldermen.** Subdivision 1. *Except as provided in Subdivision 2, each ~~Each~~ city governed by this chapter shall be divided into not less than two wards and each ward shall contain as nearly as practicable an equal number of legal voters.*

Subd. 2. At any time not less than 60 days prior to the biennial city election, the council may by ordinance provide that thereafter the city shall have four aldermen who shall be elected at large.

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