

SEC. 35. This act shall take effect and be in force from and after Tuesday the fourth day of April, A. D. 1876.

Approved March 6, 1876.

CHAPTER CCI.

AN ACT TO PROVIDE FOR COMMISSIONERS OF THE INTEREST AND SINKING FUND OF THE CITY OF STILLWATER.

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

SECTION 1. The mayor, the president of the city council and the chairman of the finance committee of said city council shall constitute and be denominated "The commissioners of the interest and sinking fund of the city of Stillwater."

SEC. 2. Any two of the officers above named are hereby authorized and required to discharge the trusts and duties vested in them in the succeeding sections of this chapter, but shall not be entitled to receive any additional salary or compensation for such services.

SEC. 3. The said commissioners shall from time to time invest the moneys which shall constitute the sinking fund for the redemption of the city debt or any surplus of interest to the credit of the interest fund or as much as they can in the purchase of bonds issued by said city, or the school bonds of the Stillwater city school district at the market price, not exceeding the par value thereof, and the said commissioners shall be authorized to invest the said moneys or such part thereof as they see fit, either in the purchase of said bonds or in the bonds of the state of Minnesota or in United States bonds, notwithstanding the said state or United States bonds may be above the par value thereof, or deposit the same in a designated depository, as hereinafter provided; *Provided*, That they shall at all times give the preference to the purchase of city bonds if the same can be procured at reasonable rates, and in the purchase of such city bonds preference is to be given to the bonds of said city first falling due.

SEC. 4. In case said city bonds cannot be purchased at par value and said commissioners shall deem it desirable, they may deposit a part or all of said sinking and interest fund in one or more designated national banks, savings banks, state or private bank or banks in the name of the city of Stillwater, such bank, banks or banker shall be designated by the said commissioners after advertising in one or more newspapers published in the city of Stillwater for at least one week for proposals, which proposals shall state that security will be given to the said city for such funds as deposited, and what interest will be paid on the amount so deposited, and said funds with the accrued interest shall be held subject to draft and payment from and after a time to be designated by said commissioners at the time of depositing said funds.

SEC. 5. Before any national, state, private or savings bank, or bankers shall be designated as such depository, such bank or banker shall deposit with the city treasurer of the said city, a bond payable to the said city of Stillwater and signed by not less than six freeholders of said city as sureties, which bond shall be approved by the city council of said city and shall be in such an amount as said council shall direct, which amount shall be at least double the amount of funds to be deposited with such bank or banker.

SEC. 6. Whenever the said commissioners shall have invested any part of said funds in the purchase of the bonds of the state or of the United States, and shall at any time thereafter be enabled to purchase any of the city bonds at such prices as they may deem best for the public interest, they shall forthwith sell and dispose of the said state or United States bonds and invest the proceeds thereof in city bonds, if in their opinion such disposition would be beneficial to the public interest, and the said commissioners may at any time they deem it best for the public interest, withdraw said funds deposited in the designated depositories, and invest the same in the bonds of said city or in state or United States bonds; *Provided, however,* That when said funds are deposited in said designated depository for stipulated length of time not to exceed two years, said commissioners shall not withdraw said funds until said time shall have elapsed.

SEC. 7. Whenever said commissioners shall have invested any part of the said fund in the purchase of city bonds, and shall at any time thereafter be enabled to purchase any of the city bonds, which shall by the terms thereof be redeemable at an earlier date, they may forthwith sell the same and invest the proceeds in other city bonds, if in their opinion such exchange shall be desirable and beneficial to the public interest; *Provided,* Said commissioners shall not sell the bonds of said city at less than par value.

SEC. 8. Whenever any of the moneys constituting the sinking fund for the redemption of the city debt shall be required for any such purchase, investment, deposit or for the redemption of city bonds at their maturity, the amount of money so required shall be paid by the city treasurer upon the warrant of said commissioners or any two of them, the mayor being one, the city clerk shall also attest said warrant and affix the seal of the city thereto.

SEC. 9. Whenever any of the moneys constituting said sinking fund is on deposit in a designated depository, the same shall be paid by said depository upon the warrant of the said commissioners or any two of them, the mayor being one, the city clerk shall also attest said warrant and affix the seal of the city thereto.

SEC. 10. All moneys constituting the fund for the payment of the bonds of the city, whenever required to meet such bonds, shall be drawn from the treasury or designated depository in the manner provided in the foregoing sections.

SEC. 11. It shall be the duty of the city clerk to attend all of the meetings of said commissioners, and to keep a correct journal of all their proceedings, which said journal shall be verified by at least two of said commissioners, and attested by said clerk, and once in each year, and oftener if required by the city council, said commissioners shall render to the said city council a full and detailed report of the

proceedings of said commissioners, and all investments or other acts of said commissioners shall be based upon resolutions duly entered in said journal.

SEC. 12. In the event of a vacancy in office or inability of any of said commissioners to attend to the trust hereby imposed, it shall be the duty of the city council to designate one or more of their number to supply the place of such commissioner, for the time being, by resolution. The said commissioners shall meet upon the call of the mayor or of the president of the city council; the mayor shall preside at such meeting.

SEC. 13. All bonds and securities purchased by said commissioners shall be held in safe keeping by the city treasurer. Whenever city bonds are paid by the warrants of said commissioners, a record thereof shall be made in the books of said commissioners, and the said bonds shall be carefully cancelled and burned by said commissioners in the presence of the city council.

SEC. 14. It shall be the duty of said commissioners to protect the credit of the city, and direct and superintend the remission of funds for the payment of interest, and the bonded indebtedness of the city, to the cities of New York, Saint Paul, or wherever said bonds or interest may be payable, and if at any time said commissioners shall find that the interest fund for the payment of the interest upon the bonded indebtedness of said city, shall not be sufficient to meet and pay such interest, the commissioners may by resolution to be entered upon their records, and signed by any two of said commissioners recommend to the city council that any surplus balance to the credit of the sinking fund, or so much thereof as may be necessary to meet and pay said interest, may be transferred to the credit of said interest fund, or in case of a surplus of the interest fund for any one year, they may recommend in like manner that said surplus be transferred to the credit of the sinking fund. *Provided*, That before the said resolution and recommendation shall become operative, the same shall be reported to the city council, and shall be approved by a resolution thereof, and the said resolution shall be certified by the city clerk to the commissioners, and entered upon the records of said commissioners, and the same shall authorize said commissioners to make said transfers. *Provided further*, That this section shall not be so construed as to permit the transfer of funds from the interest and sinking fund to the credit of any other funds of said city, and that any other transfer of said funds is hereby forbidden.

SEC. 15. This act shall take effect and be in force from and after its passage.

Approved March 2, 1876.