

Section 1. Laws 1927, Chapter 61, Section 5, is amended to read:

Sec. 5 Election, term of office. The qualified electors of the City of Mankato shall, at the general city election to be held on the first Tuesday after the first Monday in November, 1954, and on the day of the general city election every fourth year thereafter, elect a suitable person, with the qualifications mentioned, to the office of judge of said municipal court, to be called "Municipal Judge," who shall hold his office for the term of four years, and until his successor shall be elected and qualified. In case of any vacancy in the office of municipal judge, the governor of the State of Minnesota shall appoint some qualified person to said office until the next regular city election, occurring more than 30 days after the vacancy shall have happened, when a judge shall be elected for a full term of four years.

Approved March 20, 1953.

CHAPTER 139—H. F. No. 1407

An act relating to the payment of retirement allowances to employees of cities of the first class; amending Minnesota Statutes 1949, Section 422.15.

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

Section 1. Minnesota Statutes 1949, Section 422.15, is hereby amended to read as follows:

422.15 Retirement Board; trustee of funds. The members of the retirement board shall be the trustees of the several funds created by sections 422.01 to 422.23, 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 funds created by sections 422.01 to 422.23 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.

The board shall have authority:

- (1) To make such loans and advances of credit and pur-

chases of obligations, representing loans and advances of credit, as are insured by the federal housing administration, and to obtain such insurance;

(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 of Minneapolis for the joint handling of these securities;

(4) To provide for the prorating of part or all 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 sections 422.01 to 422.23 in the best interest of the funds.

The board shall, upon the 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 deductions from such employee's monthly compensation.

All payments from the funds created by sections 422.01 to 422.23 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 Minnesota Statutes 1941, 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 considered funds of the city of Minneapolis 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 sections 422.01 to 422.23 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 March 20, 1953.

CHAPTER 140—S. F. No. 116

An act relating to aid to dependent children; amending Minnesota Statutes 1949, Section 256.73, Subdivisions 1 and 4, as amended.

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

Section 1. Minnesota Statutes 1949, Section 256.73, Subdivision 1, as amended by Laws 1951, Chapter 229, Section 2, Subdivision 1, is amended to read:

256.73 Assistance, to whom given. Subdivision 1. **Dependent children.** Assistance shall be given under sections 256.72 to 256.87 to or on behalf of any dependent child who:

(1) has resided in the state for one year immediately preceding the application for such assistance; or who was born within one year immediately preceding the application, if the parent or other relative with whom the child is living has resided in the state for one year immediately preceding the birth; *provided, that the time during which a child has been an inmate of a hospital, a home of detention, a licensed boarding or foster home, or of any public or private institution, shall be excluded in determining the time of residence of such child*