

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 3688**

(SENATE AUTHORS: RELPH)

DATE  
03/21/2018

D-PG  
6869

Introduction and first reading  
Referred to Local Government

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to local government; modifying town officer terms; modifying audit  
1.3 requirements for towns; amending Minnesota Statutes 2016, sections 367.03,  
1.4 subdivision 4; 367.25, subdivision 1; 367.36, subdivision 1.  
1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 367.03, subdivision 4, is amended to read:

1.7 Subd. 4. **Officers; November election.** Except as provided in subdivision 4a, supervisors  
1.8 and other town officers in towns that hold the town general election in November shall be  
1.9 elected for terms of four years commencing ~~on the first Monday in January~~ the day after  
1.10 taking the oath required under section 367.25 and until their successors are elected and  
1.11 qualified. The clerk and treasurer shall be elected in alternate years.

1.12 Sec. 2. Minnesota Statutes 2016, section 367.25, subdivision 1, is amended to read:

1.13 Subdivision 1. **Requirement, fee.** Every person elected at a March or November election  
1.14 or appointed to a town office, within ten days after receiving a certificate or notice of election  
1.15 or appointment, shall take and subscribe the oath required by law. ~~Persons elected at a~~  
1.16 ~~November election shall take their oath before assuming office.~~ If taken before the town  
1.17 clerk, the oath shall be administered and certified without fee.

1.18 Sec. 3. Minnesota Statutes 2016, section 367.36, subdivision 1, is amended to read:

1.19 Subdivision 1. **Transition; audit.** (a) In a town in which option D is adopted, the  
1.20 incumbent treasurer shall continue in office until the expiration of the term. Thereafter, or  
1.21 at any time a vacancy other than a temporary vacancy under section 367.03 occurs in the  
1.22 position, the duties of the treasurer prescribed by law shall be performed by the clerk who

2.1 shall be referred to as the clerk-treasurer. If option D is adopted at an election in which the  
2.2 treasurer is also elected, the election of the treasurer's position is void.

2.3 (b) If the offices of clerk and treasurer are combined and the town's annual revenue is  
2.4 more than the amount in paragraph (c), the town board shall provide for ~~an annual~~ a biennial  
2.5 audit of the town's financial affairs by the state auditor or a public accountant in accordance  
2.6 with minimum audit procedures prescribed by the state auditor. If the offices of clerk and  
2.7 treasurer are combined and the town's annual revenue is the amount in paragraph (c) or less,  
2.8 the town board shall provide for an audit of the town's financial affairs by the state auditor  
2.9 or a public accountant in accordance with minimum audit procedures prescribed by the state  
2.10 auditor at least once every five years, which audit shall be for a one-year period to be  
2.11 determined at random by the person conducting the audit. Upon completion of an audit by  
2.12 a public accountant, the public accountant shall forward a copy of the audit to the state  
2.13 auditor. For purposes of this subdivision, "public accountant" means a certified public  
2.14 accountant or a certified public accounting firm licensed in accordance with chapter 326A.

2.15 (c) For the purposes of paragraph (b), the amount ~~in 2004 is \$150,000, and~~ in 2005 and  
2.16 after, is \$150,000 adjusted for inflation using the annual implicit price deflator for state and  
2.17 local expenditures as published by the United States Department of Commerce.