

# GENERAL STATUTES OF MINNESOTA

1913

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COMPILED AND EDITED BY  
FRANCIS B. TIFFANY

ST. PAUL  
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age the same on forestry principles; the selection of such lands and the plan of management thereof shall have the approval of the state forester. Such city, village or town is authorized to levy and collect an annual tax of not exceeding five mills on the dollar of its assessed real estate valuation, in addition to all other taxes authorized or permitted by law, to procure and maintain such forests. ('13 c. 211 § 1)

## CHAPTER 10

### PUBLIC INDEBTEDNESS

**1847. Scope of chapter**—The provisions of this chapter shall not be construed as relating to the debt of the state, or to current and ordinary public expenses, but only to the authorized indebtedness, payable with interest at future and stated times, of cities, villages, boroughs, counties, towns, and school districts; and the terms "municipal corporation," "corporation," and "municipality," as herein used, shall embrace any or all of said bodies. (776)

**1848. Net indebtedness defined**—The words "net indebtedness," as used herein, shall mean the sum of all outstanding money obligations of the corporation referred to, after deducting:

1. Orders or warrants drawn upon the treasurer, and payable forthwith.
2. Certificates of indebtedness and bonds issued for the creation or maintenance of a permanent improvement revolving fund.
3. Obligations incurred in respect to the construction of public drainage ditches and in acquiring lands for streets, parks, or other public improvements, and payable from the proceeds of assessments levied upon property especially benefited by such ditches or other improvements.
4. Bonds issued for the purchase or construction of public waterworks, or for the enlargement, protection or distribution of the water supply, for the establishment of public lighting, heating, or power plants, and for the acquisition and equipment, by purchase or otherwise, of street railways, telegraph or telephone lines, or any other public convenience from which a revenue is or may be derived.

5. The amount of all money, and the face value of all securities, held as a sinking fund for the extinguishment of corporate debts other than those enumerated in this section. (R. L. § 777, amended '13 c. 145 § 1)

**1849. Assessed value defined**—The words "assessed value," as used herein, shall mean the latest valuation for purposes of taxation, as finally equalized, of all property taxable within the municipality referred to. (778)

**1850. Charter powers not modified**—Nothing herein shall be construed as abrogating any restriction imposed, or as modifying or extending any power conferred, upon a city, village, or borough, by any provision of its charter relating to corporate indebtedness. Except as so limited, all municipal corporations shall be governed in respect thereto by the provisions of this chapter. (779)

**1851. Limit of debt—Excess void**—Subject to § 1850, no city of the first class shall hereafter incur or be subject to a net indebtedness in excess of five per cent. of its assessed value, nor shall any other municipal corporation except school district become so indebted beyond ten per cent. of such value; and all contracts and promises made in violation hereof shall be void: Provided, that if the net indebtedness of any municipality, at the time when the Revised Laws take effect, shall exceed the limit herein fixed, or if any village thereafter organized as a city under a home rule charter shall be subject to such excess when so organized, either may issue and sell new bonds sufficient in amount to refund all or any part of such existing indebtedness, but the same shall not thereby be increased. (780)

See G. S. 1894 §§ 1639, 1090, 1092, 1095, 1096, 1441, 2771; 10-340, 268; 27-64, 6+411; 54-331, 56+49; 57-434, 59+488; 58-418, 59+1088, 49 Am. St. Rep. 523; 63-125, 65+115, 30 L. R. A. 281; 83-119, 85+933; 89-477, 95+310; 91-290, 97+1049, 1 Ann. Cas. 322; 93-290, 101+180; 94-397, 103+11; 87-381, 92+328; 82-202, 84+754.

G. S. 1894 §§ 1095, 1639, limiting indebtedness, not applicable to city under home rule charter (102-329, 113+899).

**1852. Bonds—Form—Execution—Interest—Maturity—**Except when otherwise expressly provided by law, all public indebtedness hereafter incurred or refunded shall be represented by the bonds of the debtor corporation, signed by the officers thereunto authorized by resolution of its governing body, and countersigned by the official charged with the keeping of its accounts. Such bonds shall express the amount and terms of payment, and have coupons attached for the several interest payments to be made, which interest shall in no case exceed the annual rate of six per cent., payable half-yearly. The bonds of cities of the first, second, and third classes shall be payable not more than thirty years after their issue, and those of all other municipal corporations not more than twenty years thereafter, and no bonds of either class shall be disposed of for less than their face value, with accrued interest. (781)

May be made payable in gold with semi-annual interest without authorization from electors (116-371, 133+962).

**1853. Coupon bonds registered—**If, however, the purchaser or holder of negotiable bonds issued by a city shall so request, the council of such city, by a resolution prescribing the method and terms of exchange, may authorize the proper city officers to issue registered bonds in lieu thereof, in such denominations as may be desired. But bonds so registered shall not extend the time of maturity, nor shall the indebtedness of the city be by such registration increased. (782)

**1854. Vote required—**No bonds of any municipality shall be issued without the approval, first obtained, of the majority hereinafter specified of the voters of such municipality, voting at a special election called for the purpose, or at a general election or town meeting in the notice whereof the proposed issue shall have been plainly submitted for approval or rejection: Provided, that such requirement shall not apply to the registered bonds mentioned in § 1853, nor to those authorized by this chapter for refunding purposes. The majorities required shall be as follows:

1. In the case of towns, counties, and cities a majority of those voting at the election.

2. In villages and boroughs, five-eighths of those voting on the question.

3. In school districts, two-thirds of those present and voting. (783)

See 116-371, 133+962, cited under § 1852.

**1855. Bonds, for what purposes—**When the governing body of any municipality shall have resolved that it is expedient to borrow money, for one or more of the purposes hereinafter named, and to an amount which will not increase its net indebtedness beyond the limit fixed by law, and a proposal so to do, if required by law, shall have been duly submitted to and approved by the voters thereof, the bonds of such corporation may be issued and sold, conformably to the provisions of this chapter, to the amount so authorized, as follows:

1. Cities, villages, and boroughs—In the case of a city, village or borough, for the acquisition, construction, maintenance, or improvement of any of the public conveniences mentioned in § 1848, subd. 4; for the purposes of a permanent improvement revolving fund; for the purchase or erection of needful public buildings; for establishing and maintaining garbage crematories, or other means of garbage disposal, hospitals, schools, libraries, museums, and art galleries; for the construction of sewers, subways, streets, sidewalks, pavements, culverts, and parks and parkways; and for changing, controlling, or bridging streams and other waterways within the corporate limits, and constructing and repairing bridges and roads within two miles of the corporate limits thereof.

2. Counties—In the case of counties, for the erection and furnishing of a court house and jail, or either of them; for the purchase of a poor farm and equipping the same with suitable buildings, tools and stock; for establishing morgues and hospitals; for laying out, opening, building and improving public highways in the nature of county roads; for laying out and opening steam traction roads or other special public highways authorized by law; and for the bridging of waters within the county or bordering thereon.

3. Towns—In the case of towns, for the erection and furnishing of a town hall, and for the laying out and opening of town roads, and the building of bridges thereon.

4. School districts—In the case of school districts, including special and independent districts, whether lying within a city or village or not, for the purchase of sites for school houses, and for defraying the expenses incurred and to be incurred in building, rebuilding, remodelling, repairing and furnishing school houses, and installing heating, ventilating and plumbing plants in the same, and equipping the same with libraries, apparatus and other school furniture.

5. Judgment—Refunding—In the case of all of the before-mentioned municipal corporations, for paying any judgment lawfully rendered against them, or for refunding outstanding bonds or floating indebtedness. (R. L. § 784, amended '07 c. 297; '09 c. 261)

As to powers of various municipalities to issue bonds for certain purposes, see § 1896 et seq. Cited (105-403, 117-611).

**1856. Advertisement for bids—Sale—**Before any such bonds are sold, at least two weeks' published notice shall be given of a meeting of the governing body to open and consider bids therefor. The time and place of said meeting shall be fixed, and the newspaper in which the notice shall be published, designated by a resolution duly passed and recorded, which may provide for additional notice. At the time and place so fixed, the bids shall be opened, and the offer complying with the terms of such sale, and deemed most favorable, shall be accepted: Provided, that the governing body may reject any and all such offers, and award said bonds to a lower bidder, or, upon like notice, it may invite other bids. (785)

73-225, 75-1050.

**1857. Delivery—Proceeds, how used—**Upon payment to the treasurer of the amount offered therefor by the successful bidder, the bonds shall be delivered, and the treasurer shall hold the proceeds thereof as a separate fund for the use named in the resolution under which the vote was taken. If the contemplated improvement be afterward abandoned, such fund may be devoted to any other public improvement authorized by law, and approved by vote taken in the same manner as the original vote. Any balance remaining after the improvement has been completed and paid for shall become a part of the general fund of the municipality. (786)

**1858. Tax levy for payment of bonds—**If the method of levying a tax for the payment of municipal indebtedness and interest be not otherwise provided for, and in all cases of failure on the part of municipal authorities to cause such levy to be made, the county auditor shall add to the other taxes charged upon the property taxable in the municipality an amount sufficient to meet such obligations as they mature, which additional levy shall be extended and collected with the other taxes of the year. (787)

**1859. Cities of first class—Interest rate—**Any city of this state now or hereafter having a population of over fifty thousand inhabitants, is hereby authorized and empowered to issue and sell, to the amount and in the manner and for the purposes provided for in and by its charter, any city bonds authorized by the terms of such charter, bearing a net rate of interest not exceeding four and one-half ( $4\frac{1}{2}$ ) per cent per annum, notwithstanding any limitation contained in any such charter in reference to the rate of interest that such bonds may bear. Such bonds shall not be sold for less than par and accrued interest, and then only to the highest responsible bidder therefor; provided, that this act shall not in any way affect the issuance of local improvement bonds of any such city authorized by its charter, nor the rate of interest thereon. ('13 c. 162 § 1)

**1860. Same—To what cities applicable, etc.—**This act shall also apply to cities existing under a charter framed pursuant to section 36, article 4 of the constitution, and all acts and parts of acts inconsistent herewith are hereby repealed. ('13 c. 162 § 2)

**1861. Bonds and indebtedness of independent school districts in or partly in cities of first class—**No independent school district situate wholly or in

part within any city having a population of more than fifty thousand, and now empowered to issue bonds, either with or without the approval of the voters of such district, shall have power to issue any bonds or any evidence of indebtedness, unless first thereunto authorized by a two-thirds vote of the legislative body of the city within which such school district is situate in whole or in part. ('11 c. 363 § 1)

**1862. Same—Limit of debt—**No such school district shall have power to issue bonds or any evidence of indebtedness running more than two years, whenever the aggregate of the outstanding bonds and evidences of indebtedness of such district equals or exceeds three and one-half per cent of the assessed value of all the taxable property within such school district. ('11 c. 363 § 2)

**1863. Failure to advertise in certain cities—Curative—**Whenever any city of the fourth class, operating under a home rule charter, shall have heretofore issued its bonds and shall have complied with all of the provisions of its charter as to the issuance of the same and with the laws of the state of Minnesota, applicable thereto, except that the governing body of such city neglected to advertise and offer such bonds for sale under the provisions of section 785, chapter 10, Revised Laws, 1905 [1856], and the same have been heretofore sold to purchasers at par, in good faith, and such city has received the avails thereof, such bonds and each thereof are hereby legalized and declared to be a just and binding obligation of each such city so issuing the same, to the same effect as if the sale of the same had been duly advertised, as provided by law; provided, however, that the provisions of this act shall not apply to any pending litigation. ('09 c. 28 § 1)

**1864. Selling bonds by popular subscription—**Any municipality in this state which may hereafter issue any bonds shall have the right to sell and dispose of the same or any part thereof by popular subscription from the citizens of the municipality issuing the same, for not less than par and accrued interest. The officers of any such municipality who are charged with the duty of selling such bonds shall have the right, upon giving published notice to that effect in the official paper of the municipality, to receive bids from its citizens for such bonds in amounts of one hundred dollars or any multiple thereof, and such officers shall also have the right to receive bids from any source for the whole amount of bonds so to be issued, and when all bids are received to award the bonds to any one or more of such bidders in accordance with what, in their judgment, will be for the best interests of the municipality; provided, that in no case shall any such bonds be sold at less than their par value and accrued interest thereon. ('07 c. 462 § 1)

**1865. Sinking fund in counties—Investment in mortgages—**That the board of county commissioners of any county in this state, having a bonded indebtedness sinking fund, is hereby authorized and empowered to invest the money of the said fund not at any time necessary for use in paying the matured bonded indebtedness of the said county upon the security of first mortgages on improved real estate of the said county; provided that no loan or investment of the said funds shall in any case, be made for an amount greater than fifty per centum of the market value of the said real estate security at the time the said loan or investment is made, exclusive of the value of any structures situated thereon; also provided that no money or funds shall in any case, be loaned for a period of time extending beyond the time when the said funds shall be required for payment of the matured bonded indebtedness of the said county nor for a rate of interest to be paid annually, lower than five per cent per annum. ('05 c. 202 § 1)

**1866. Same—Proceedings to enforce—Assignment—**Whenever any such loan has been made, the board of county commissioners shall have the same rights in reference to the enforcement of any suit or proceeding for the collection of the same, or the foreclosure of any such mortgage, as any other lender or mortgagee, and if necessary may sell and assign any such note or mortgage at a discount of not more than two per cent of the interest unpaid. When authorized by resolution of the board, the chairman and county auditor may execute any such assignment. ('05 c. 202 § 2)

**1867. Sinking fund in school districts, how invested**—The treasurer of any school district in the state is authorized to invest any of the sinking funds in his hands belonging to such school district in bonds of the state of Minnesota, or of any other state, or in bonds of any county, school district, city, town or village of the state, but no investment shall be made in bonds issued to aid in the construction of any railroad; provided, however, that the net return of any such investment, taking into account the price paid for the bonds, the date when the same shall fall due and the rate of interest thereon, shall be at a rate not less than  $3\frac{1}{2}$  per cent per annum for the whole period elapsing before the maturity thereof; and provided further, that any such investment shall be made only after the same has been duly authorized at a general or special meeting of the board of directors or trustees of such school district. ('07 c. 354 § 1)

**1868. Same—Liability of treasurer**—For any loss occurring by reason of the depreciation of any securities purchased under the provisions of this act, or by reason of the failure to pay the same, or any part thereof, on the part of the public body or corporation issuing the same, the treasurer making the investment and the sureties upon his official bond as such shall not be liable. ('07 c. 354 § 2)

**1869. Purchase by counties of outstanding bonds**—Whenever any fund in the treasury of any county of this state having not more than 50,000 population is of such size that in the opinion of the board of county commissioners of said county the same would not be necessary to be expended for the purpose for which it was paid in within two or more years from the time of such determination, the board of county commissioners of such county may thereupon authorize the auditor and treasurer of said county to purchase out of such fund any outstanding bonds of said county, at not exceeding the face value thereof and accrued interest thereon to date of purchase, and the bonds so purchased shall be kept by the county treasurer as an asset of such fund. ('07 c. 214 § 1)

**1870. Same—Resale**—Any bonds so purchased may again be sold by such board of county commissioners, at not less than the face value thereof, whenever in their judgment it is deemed necessary to replenish the fund out of which such bonds were purchased. ('07 c. 214 § 2)

**1871. Apportionment of bonded indebtedness of divided town**—Whenever heretofore any town in this state has issued its bonds for any lawful purpose, and the proceeds thereof have been used for the benefit of such town as then constituted; and such town has thereafter been divided into one or more additional towns or villages, and one of said towns or villages has paid said bonds so issued with interest, or any part thereof or either of the same, the total amount so paid, together with interest thereon from the time of payment, shall constitute and be valid and subsisting debt against all such towns and villages, forming a part of said original town at the time of the issuance of the same; and the amount thereof that each of such town or village shall be liable for, shall be the proportion to the total amount so paid which the assessed valuation of all property in each such town or village, as fixed by the state board of equalization next preceding the time of the payment of said bonds and interest thereon bears to the assessed valuation of all property as then likewise equalized, in the entire territory comprising said town at the time of the issuance of said bonds, provided that nothing herein contained shall affect in any manner whatsoever any action or proceeding now pending in any of the courts of this state in relation to any bonds so issued. ('07 c. 273 § 1)

113-203, 129+381.

**1872. Same—Towns may sue to recover**—Any town which has paid any of said bonds or interest as hereinbefore provided, may maintain an action in any of the courts of this state to recover from any town or village the portion of the same for which said town or village is liable, as provided in section 1 [1871] of this act. ('07 c. 273 § 2)

**1873. Division of bonded indebtedness of townships and villages in certain cases**—That in any case where any township and village are jointly lia-

ble for the payment of any bonded indebtedness, or where all the property of any township or village is liable to taxation for the payment of any such indebtedness any such township or village at the time of the maturity of such bonds may assume and pay such proportion of the entire bonded indebtedness as the amount of the last assessment of real and personal property situate in such town or village bears to the total assessed valuation of both such township and village; provided, however, that if either such township or village deems such assessment to be inequitable the town board or village council, as the case may be, or a majority of either, may demand in writing that the Minnesota tax commission appoint a disinterested assessor, not a resident of either such township or village, to make a re-assessment of all the real and personal property situate in both such town and village, and thereupon it shall be the duty of such commission to appoint such assessor, and the valuation and assessment so made by such assessor shall govern in the division of the bonded indebtedness as between such township and such village. ('09 c. 254 § 1)

**1874. Same—Bonds for indebtedness assumed—**Any township or village jointly liable for any such indebtedness shall have authority to issue its bonds for the payment of the amount of the total bonded indebtedness for which it may be liable ascertained as provided in the foregoing section. ('09 c. 254 § 2)

**1875. School-fund loans, etc.—**If any municipality desires to dispose of its bonds to the state board of investment, application to such board may be made as hereinafter provided, and no advertisement for bids shall be necessary. A resolution shall be adopted by the governing body of the municipality, stating the amount and purpose of the loan desired, and authorizing its treasurer to apply to the board therefor. Such application shall be accompanied by a statement of the existing bonded and floating indebtedness of the municipality, and by a certificate of the county auditor showing the last assessed valuation of real and of personal property taxable therein. The application and accompanying documents shall be filed with the state auditor. (788)

This section and the two following sections appear to be superseded by §§ 1879-1888.

**1876. Loans, how made—**On the first Monday of each month, said board shall consider all applications then on file, any of which may be rejected. No such investment shall be made until the regularity of the application and the legality of the bonds have been approved by the attorney general. Such loans shall not be made for a period of less than five nor more than twenty years, nor at a rate of interest less than four per cent. per annum, nor when the net indebtedness of the municipality would be increased thereby beyond seven per cent. of the assessed value of the real property taxable therein. The principal and annual interest shall be payable on July 1. If accepted, bonds executed by the proper officers, in form satisfactory to the board of investment, shall be delivered to the auditor, who shall issue to the treasurer of the municipality his warrant for the proper amount, payable from the permanent school or university fund; but such warrant shall not be paid by the state treasurer until the bonds are delivered to him. (789)

See note under preceding section.

**1877. Limit of debt—Authorization—Period—Change of boundaries—**No loan shall be made which with all other indebtedness shall exceed the sum of fifteen per cent. of the assessed valuation of the taxable real property of such county, school district, city, village or township, nor until the county, school district, city, village or township shall have been authorized to issue bonds therefor in accordance with the provisions of law applicable thereto. No loan shall be made for a shorter period than five years, nor for a longer period than twenty years. No change of boundary lines shall in any way relieve such county, school district, city, village or township from any liability for taxation to pay such bonds. ('97 c. 83 § 7, amended '05 c. 8 § 1)

1897 c. 83, was repealed by § 9452; its provisions in part being incorporated in the preceding section. So far as this section differs from that section, it is to be construed, by virtue of § 9398, as amendatory or supplementary.

See notes under §§ 1875, 1876, 1879.

**1878. Special tax levy**—The annual tax levy for the payment of principal and interest on account of such bonds shall be for an amount fifty per cent in excess of the sum to be paid therefrom. The state auditor, at the time of certifying the state tax, shall also certify to each county auditor the amount necessary to pay such principal and interest. When collected so much of such tax as may be necessary shall be paid into the state treasury. The excess remaining shall be held over in the county treasury to be applied on the next future payment due on such bonds, and the amount of such excess shall be reported by the county auditor to the state auditor, on or before August first of each year, who shall deduct the same from his next annual tax levy for such purpose. The remainder, when such bonds are paid in full, shall be credited to the general fund of the municipality; and in case a portion of the territory embraced in such municipality at the time such bonds were issued, have since been set off to another municipality, or organized into a new municipality, such remainder shall be divided with such other municipality, using as a basis for such division the last assessed valuation of the territory affected by such bonds. Provided, that any such municipality which shall make payment to the state of the full amount of principal and interest due on account of such bonds prior to the extending of such tax therefor by the state auditor shall be exempt from the provisions of this section. (R. L. § 790, amended '09 c. 94 § 1)

1909 c. 94 § 2, repeals inconsistent acts, etc.

**1879. Sale of bonds to state—Municipality defined**—The word "municipality" as used herein shall be held to mean and include the respective counties, cities, villages, boroughs, towns and school districts of the state of Minnesota. ('07 c. 122 § 1)

The act contains no repealing clause, but it appears to supersede §§ 1875-1877.

**1880. Same—Power of municipality**—Whenever any municipality is authorized by law to issue its bonds and borrow money thereon, the same may be issued, negotiated, sold and delivered to the state of Minnesota by conforming hereto. ('07 c. 122 § 2)

**1881. Same—Where vote of electors is not required—Procedure**—Whenever any municipality desires to issue its bonds for any purpose not now, or hereafter, requiring a vote of the electors thereof, the governing body of such municipality at any regular meeting or at any regularly called special meeting, may adopt, by majority vote, a resolution stating the authority of law under which the right is claimed to issue such bonds, the purpose for which it is proposed to issue the same, the number, the face value of each thereof, the time when each bond, to be issued thereunder, shall mature, the rate of interest the same shall bear, and direct that the same be issued to the state of Minnesota in accordance therewith. Thereupon the treasurer of such municipality shall forthwith make application to the state board of investment to purchase the same, and upon the approval of such application by the attorney general, as to form and execution, and otherwise by the state board of investment, such bonds may be issued, executed by the officers of the respective municipalities, sold to and purchased by the state of Minnesota, and shall thereupon become and be the valid obligation of the municipality issuing the same. Money obtained upon bonds issued to refund indebtedness previously existing shall be used for that purpose and no other. Whenever the state board of investment shall so request, each municipality issuing refunding bonds by virtue hereof, shall file with the state auditor the bonds or other evidence of indebtedness so refunded. ('07 c. 122 § 3)

**1882. Same—Where vote of electors is required—Procedure—Submission to voters—Notice of election**—Whenever any municipality desires to issue its bonds to the state of Minnesota for any purpose now, or hereafter requiring a vote of the electors, the governing body of such municipality may adopt, by majority vote, a resolution stating that it is expedient, in the opinion of such governing body to issue to the state of Minnesota the bonds of such municipality for the purpose or purposes therein stated, to the amount therein mentioned, to mature, to bear the rate of interest and to be of the number and amount therein set forth, or whenever a petition is filed with the



clerk, or other like officer of such municipality, signed by ten or more freeholders, residents therein, stating that in the opinion of such persons signing the same it is expedient to issue to the state of Minnesota the bonds of such municipality for the purpose or purposes therein stated and to the amount therein mentioned, said clerk or other like officer shall furnish and give proper notice to said governing body which shall meet within ten days after such notice, and if the proposition contained in said petition be deemed by it expedient it shall adopt a resolution setting out the same facts as hereinbefore provided in case the initiative for such bond issue to the state is taken by said governing body; in either event the clerk or other like officer of such municipality shall submit the proposition or propositions therein contained to the electors thereof at a special election, to be held therein at a date not more than thirty days after the adoption of such resolution and shall give notice thereof by posting in three or more public places in said municipality, and in case of counties the same notice in each election precinct therein; and if there be one or more legal newspapers in said municipality, by publishing twice in not less than one such newspaper to be designated by the said clerk or other like officer, at least ten days before such election, the following notice:

NOTICE OF SPECIAL ELECTION

Notice is hereby given that a special election will be held in the ..... (village, city, town, county) of ..... (name) on the ..... (figures) day of ..... (month), 190..., for the purpose of voting upon the proposition of issuing to the state of Minnesota, the bonds of said municipality in the aggregate sum of \$..... (total amount), bearing interest at the rate of ..... (figures) per centum per annum, the proceeds thereof to be used for the purpose of ..... (describing it generally, as construction of electric light plant, water works, municipal building, naming it, or bridge, as the case may be), and to be numbered and to mature as set forth in the ..... (resolution), now on file in the office of the ..... (clerk or other like officer).

Dated ..... 190...

Such notice shall be signed by the clerk or other like officer. ('07 c. 122 § 4)

1883. Same—Election—Form of ballot—Several propositions—Such special election may be held on a day separate, or on the day fixed for any other election, in which latter event the judges acting as such for the election then to be held shall act as the judges for said special election, but in either case a special ballot box shall be provided and the ballots cast on the proposition of issuing bonds shall be kept separate from all other ballots cast; such special election shall be by ballot and the ballot to be used thereat shall be in the following form:

BOND BALLOT

Shall the bonds of the ..... (town, city, village, county) of ..... (name) be issued to the state of Minnesota in the aggregate amount of \$..... (total amount), bearing interest at the rate of ..... (figure) per centum per annum, the proceeds thereof to be used for the purpose of ..... (describing it generally, as construction of electric light plant, water works, municipal building, naming it, or bridge, as the case may be), and to be numbered and to mature as set forth in the ..... (resolution) now on file in the office of the ..... (clerk or other like officer).

Yes ..... ☐  
No ..... ☐

More than one proposition may be submitted at such special election, in which event each proposition contained in such resolution or petition shall

be stated separately on the notice and on the ballot and shall be voted on separately, and the wording of any proposition to be voted for, as the same appears in the notice, shall also be the wording employed to state said proposition upon the ballot. Electors desiring to vote in favor thereof shall make their cross mark, thus X, opposite the word "Yes," and electors desiring to vote against the proposition shall make their cross mark, thus, X, opposite the word "No." ('07 c. 122 § 5)

**1884. Same—Election, how held, etc.—Application to state—**The special election shall be conducted, the ballots counted and canvassed and the result certified in the manner then fixed by law, for the conduct of general elections therein, and if it appears therefrom that a majority of the electors voting thereat have voted in favor of any proposition, then submitted, to issue bonds to the state of Minnesota, the governing body of such municipality shall forthwith adopt a resolution issuing said bonds to the state of Minnesota, in accordance with the terms of such proposition and directing its treasurer or other like officer to apply to the state for a loan thereon. Such application shall be directed to the state board of investment of which the state auditor shall be clerk and shall also state the law, or laws, under which authority is claimed to issue the bonds therein mentioned. ('07 c. 122 § 6)

**1885. Same—Approval of application—Limit of debt—Period—Duties of state and county auditor—**Upon the approval of such application by the attorney general, as to form and execution, and otherwise by said state board of investment, such governing body and the respective officers thereof shall have authority to issue, execute and deliver to the state of Minnesota the bonds of such municipality, in accordance with the vote of said electors, and said state board of investment shall have authority to purchase the same to an amount not exceeding 15 per cent. of the assessed valuation of the taxable real property of such municipality, according to the last preceding assessment. Such bonds shall not run for a shorter period than five years, nor for a longer period than twenty years. Forthwith upon the delivery to the state of Minnesota of any bonds issued by virtue thereof, the state auditor shall certify to the respective auditors of the various counties wherein are situated the municipalities issuing the same, the number, denomination, amount, rate of interest and date of maturity of each such bond, and each county auditor shall keep a record thereof in his office in a book to be furnished him by the state auditor, at the expense of the state. ('07 c. 122 § 7)

As to the exercise of the powers of the board by less than a unanimous vote, see § 5245.

**1886. Same—Statement to board of investment, etc.—**Any municipality issuing its bonds in accordance with the terms of this act shall also furnish a copy of the ballots used and such other information as may be required by the state board of investment, including a statement showing the valuation of the real and personal property situated therein at the last preceding assessment. ('07 c. 122 § 8)

**1887. Same—Blanks to be furnished by state—**The various forms of petitions, resolutions, notices, ballots, applications and bonds contemplated by this act shall be printed by and at the expense of the state, from forms prepared by the attorney general, and shall be furnished by the state auditor, without cost to any municipality applying for the same. ('07 c. 122 § 9)

**1888. Same—Validity of bonds not to be questioned, except—Change of boundaries—**The validity of any bond issued under the terms of this act shall never be questioned except on the ground that the same and the loan made thereon was not approved by the state board of investment; that the bonds in question made the entire bonded indebtedness exceed 15 per cent. of the assessed valuation of the taxable real property of the municipality issuing such bonds; that such bonds bear a lower rate of interest than 3 per cent.; that such bonds run for a shorter period than five years, or for a longer period than twenty years, or that the principal thereof was never paid by the state to, or received by the officers of the municipality issuing the same; and no change of the boundary lines of any such municipality shall relieve the real property therein at the time of the issuing of such bonds from any liability for taxation to pay for the same. ('07 c. 122 § 10)

**1889. Purchase by state of certain certificates authorized**—The state board of investment is hereby authorized and empowered to purchase with any surplus in the treasury of the state at any time, certificates of indebtedness issued in aid of construction or acquisition of public buildings or grounds, which certificates are held as part of the school fund of the state, and when so purchased said certificates shall be cancelled and destroyed in the manner provided by law. ('11 c. 52 § 1)

**1890. Same—Appropriation**—There is hereby appropriated for the purpose of purchasing such certificates of indebtedness the sum of \$500,000 or as much thereof as may be needed, the same to be paid out from time to time from any surplus in the state treasury not otherwise appropriated and not needed for state expenses. ('11 c. 52 § 2)

**1891. Certain bonds purchased by state validated**—Whenever the state board of investment shall have heretofore purchased with the funds of the state of Minnesota, the bonds of any municipality in this state, the validity of any such bond shall never be questioned except on the ground that the same and the loan made thereon was not approved by the state board of investment; that the bond in question made the entire bonded indebtedness exceed fifteen (15) per cent of the assessed valuation of the taxable real property of the municipality issuing such bonds; that such bonds bear a lower rate of interest than three (3) per cent; that such bonds run for a shorter period than five years, or for a longer period than twenty years; or that the principal thereof was never paid by the state to, or received by, the officers of the municipality issuing the same; and no change of the boundary lines of any such municipality shall relieve the real property therein at the time of the issuing of such bonds from any liability from taxation to pay for the same, and all such bonds so purchased are hereby declared to be the valid and subsisting indebtedness of each such municipality, respectively issuing the same. ('13 c. 363 § 2)

By section 1 "municipality" is defined as in § 1879.

For similar curative acts, see 1907 c. 102; 1909 c. 99; 1911 c. 270.

**1892. Certain school district proceedings for borrowing money legalized**—In all cases in which a school district has held an election for the purpose of borrowing money from the state of Minnesota, and in those proceedings the ballot and the notice of election did not specify the buildings to be erected and the exact disposition to be made of the money, and did not submit separately the propositions as to the use of the money which were required by law to be separately stated, the said proceedings are hereby legalized and made effective for the purpose of securing a loan to said school districts out of moneys of the state, provided that the proceedings had therein are in all other respects valid. ('13 c. 18 § 1)

**1893. Defaced bonds, etc., duplicates**—Whenever any bond or other obligation of a municipality shall become so mutilated or defaced as to be unfit for circulation, it may be surrendered and canceled, and a duplicate thereof, and of the unpaid coupons, if any, may be issued to the owner, marked with the word "duplicate" and the date of issue; such marking to be signed by the treasurer then in office. But no such duplicate shall issue unless authorized by vote of the governing body of the municipality. (791)

**1894. Lost instruments—Indemnity**—If any such obligation be destroyed or lost, another, upon a like vote, may be issued to the owner in its place, corresponding with the missing instrument in number, date, amount, and unpaid coupons, signed by the proper officials who are then in office, and marked and dated as provided in § 1893. But in such case the owner shall first give bond to the municipality, in a sum double the amount of the lost obligation, conditioned to save it harmless in the premises, which bond shall be approved by a judge of the district court. A record of all such reissues and duplicates shall be kept by the treasurer, showing the date of issue and the persons to whom issued. (792)

**1895. Laws as to outstanding bonds continued**—Notwithstanding the repeal by the Revised Laws of statutes relating to bonds theretofore issued by

any municipality, the obligations of such municipalities thereunder, and the duties of all public officers in any way relating thereto, shall continue in respect to such bonds until the same are fully paid. (793)

### POWER OF CITIES TO ISSUE BONDS FOR CERTAIN PURPOSES

The following curative acts, validate certain bonds issued by cities:

1905 c. 76, legalizing school bonds for graded school buildings, etc., under 1893 c. 204, and amendatory acts.

1905 c. 77, legalizing school bonds for high school buildings, etc., under 1893 c. 204, and amendatory acts.

1905 cc. 76, 77, are curative, and not special legislation (97-402, 106+477, 5 L. R. A. [N. S.] 327).

1911 c. 99, legalizing bonds issued for permanent improvement revolving fund.

**1896. Bonds for water works—Limit of amount—**In addition to the rights and powers heretofore conferred by any general or special law upon the several cities of this state, there is hereby granted to any city organized or which may hereafter be organized under or by virtue of any general or special law of this state and which now or shall hereafter own a system of water works, power and authority to extend and improve its system of water works including the installing of filters or other means for purifying the water furnished by such system, and for that purpose to borrow money on its negotiable coupon bonds in the manner and subject to the conditions hereinafter provided to an amount not exceeding in the aggregate outstanding at any one time the sum of one hundred and fifty thousand dollars in addition to all other indebtedness of such city. ('05 c. 19 § 1)

**1897. Same—Submission to voters—Notice of election—**Whenever the common council of any such city shall deem it advisable to issue the bonds of the city under the provisions of this act, it shall by resolution passed by a majority vote of all the members thereof, provide for the submission of the proposition of issuing such bonds to the qualified voters of the city at any general election or at any special election called by the common council in said resolution for that purpose. Such resolution shall distinctly state the amounts and purposes for which such bonds are proposed to be issued, the date or dates of their maturity, the rate of interest they shall bear, and the time of holding the election at which the proposition is to be submitted, and shall be published in the official newspaper of the city at least once each week for three successive weeks prior to such election; or if there be no newspaper published in such city, then said resolution shall be posted in five of the most public places in the city at least three weeks prior to such election. ('05 c. 19 § 2)

**1898. Same—Election, how held, etc.—**All elections provided for in this act shall be called and conducted in the manner provided by law for the holding and conducting of municipal elections. ('05 c. 19 § 3)

**1899. Same—Ballots—Votes, how counted, etc.—Bonds, when issued—Tax levy—**The ballot to be voted at all elections under this act shall read as follows:

"In favor of the proposition of issuing water works improvement bonds to the amount of \$——.—."

"Against the proposition of issuing water works improvement bonds to the amount of \$——.—."

The voters voting in favor of such proposition shall mark a cross (X) opposite the words "In favor of the proposition of issuing water works improvement bonds to the amount of \$——.—" in the space provided for that purpose, and those voting against the proposition shall mark a cross (X) opposite the words "Against the proposition of issuing water works improvement bonds to the amount of \$——.—," on said ballot in the space provided for that purpose. The votes cast at such election shall be counted, returned and canvassed in the same manner as at other municipal elections, and the result certified to the city clerk or recorder by the canvassing board. If a majority of the qualified voters voting on the proposition at such election shall vote in favor of the issue of the bonds, then such city shall be deemed to be authorized to issue said bonds to the amount proposed, and its common council may, by resolution passed by a majority vote of all members thereof, provide for and direct the issuance of said bonds

and provide for the levy of a direct annual tax on all the taxable property of the city, in addition to all other city taxes, sufficient to pay the interest of said bonds when due and to provide a sinking fund for the payment of the principal thereof at maturity. ('05 c. 19 § 4)

**1900. Same—Terms of bonds—How executed and sold—Proceeds, how used—**All bonds issued under the provisions of this act shall run for not more than thirty years from their date, shall bear interest not to exceed five per cent per annum, principal and interest payable at such time or times and at such places as the common council may prescribe; shall have the seal of the city affixed thereto; shall be signed by the mayor and attested by the city clerk or recorder, and countersigned by the city treasurer or by the city controller if there be one, and the interest coupons thereon attached shall bear the signatures, or the lithographed fac-simile signatures, of the mayor and of the city clerk, or of the city controller if there be one. All such bonds shall be sold at not less than their par value and accrued interest to the highest responsible bidder after notice published once in each week for three successive weeks prior to the day fixed for such sale in the official newspaper of the city, and also at least once in some daily newspaper published and of general circulation in the city of St. Paul not less than one week prior to the day fixed for such sale; and if there be no newspaper published in said city, then and in that event such notice shall be posted in five of the most public places in said city at least three weeks prior to the date fixed for such sale. Such notice of sale shall specify the denominations of said bonds, their aggregate amount, the purpose for which issued, the interest they shall bear, and whether payable annually or semi annually, the times and place of payment of interest and principal and the time and place for receiving and opening the bids for said bonds. None of the proceeds of any of the bonds issued and sold pursuant to the provisions of this act shall be used for any purpose other than that for which they were directed and voted to be issued, and any member of the common council or any officer of said city who shall vote for or in any manner participate in the appropriation of any of such proceeds for any other purpose shall be deemed guilty of a misdemeanor and punished as by law in such cases made and provided. ('05 c. 19 § 5)

**1901. Same—Existing indebtedness—**This act shall be deemed and considered to confer powers in addition to and not as an abridgment of all other powers now existing by virtue of any general or special law of this state. And none of the bonds of any such city, issued pursuant to the terms and provisions of this act, shall be deemed or taken to be a part of the indebtedness of such city within the purview of any law limiting the amount of the indebtedness of any city, and the bonds provided for in this act may be issued without regard to the indebtedness of any such city. ('05 c. 19 § 6)

**1902. Bonds for certain purposes in cities having 20,000 or less inhabitants—**That in addition to the rights and powers heretofore granted by law to the several cities of the state of Minnesota, including cities having a home rule charter, which rights and powers shall not be abridged or affected by this act, there is hereby granted to all cities having a population of twenty thousand or less inhabitants that now or may hereafter be organized within the state of Minnesota, including cities having home rule charters, the right and power to issue bonds for municipal purposes, to-wit:

First: Permanent improvement fund bonds, which may be issued to defray the expenses of improving any street, avenue, alley, park, levee or other public ground within the corporate limits of any city within this state, or any part of such expense, and which shall include the construction of sewers, sidewalks, bridges, culverts, the paving of streets and alleys, changing of water courses and all improvements of a permanent nature.

Second: Bridge bonds, which may be issued by any city within this state for the purpose of bridging any natural or artificial stream, river, lake, canal, bay, harbor or other water within or partly within the corporate limits of any city within or partly within the state of Minnesota, or for the purpose of bridging any such water, or part thereof, bordering upon or forming the boundary line of the state of Minnesota or any such city within said state, and the use of the proceeds of any such bonds for the construction of any bridge, so as to accom-

moderate or facilitate the passage of any steam locomotives or cars, or electric cars, or street horse, cable or electric cars, whether alone, or in connection with teams, vehicles, and foot passengers, shall not invalidate, impair or affect the legality of any bridge bonds issued for the aforesaid purposes, provided that nothing herein contained shall be construed to prevent any city within this state from charging any railroad company using any such bridge a reasonable price for such use, and the making of such charge shall not be held to impair, affect or invalidate such bonds; and the authority herein given shall include the power to issue such bonds for the making of improvements to be used exclusively for steam or electric railway purposes.

Third: Shipping terminal bonds, which may be issued by any city within this state for the purpose of constructing, purchasing, acquiring, improving and maintaining boat dockage terminals, bridge terminals, or railroad terminals, provided that nothing herein contained shall be construed to prevent any city within this state from charging any railroad or boat company using such terminals a reasonable price for such use, and the making of such charge shall not be held to impair, affect or invalidate such bonds.

Fourth: Water and light bonds, which may be issued for the purpose of constructing, erecting, improving or purchasing water works, gas works, electric light and power plants, or other light and power plants for the use and benefit of the inhabitants of any city in this state.

Fifth: City hospital bonds, which may be issued for the purpose of erecting, maintaining, acquiring, or improving city hospitals.

Sixth: School bonds which may be issued for the purpose of constructing, erecting, acquiring, improving, repairing, furnishing, equipping and maintaining school houses.

Seventh: General fund bonds, which may be issued for the purpose of providing a general fund with which to meet and defray all contingent expenses, of whatever character, properly arising out of municipal matters, and not otherwise, and which shall also include the payment of all outstanding debts and bonds which are due or to become due, or are redeemable, together with interest thereon. ('13 c. 303 § 1)

1903. Same—Limit of debt—Submission to voters—Ballots, etc.—None of such bonds above described shall be issued whereby the aggregate bonded indebtedness of the city, excluding any funds, bonds or balances held in a sinking fund, shall be made to exceed ten per cent of the assessed valuation of the taxable property within the city, provided, however, for the purpose of determining this limitation bonds issued for the purpose of acquiring, constructing, improving, operating or purchasing water power or lighting plants shall not be included. All sums realized from the sale of city bonds shall be applied to the purpose for which they are issued, and no other, and such purpose shall be distinctly stated in the resolution or ordinance authorizing their issue.

No bonds authorized by this act shall be issued by any city, until the issuance thereof shall have been first authorized by a three-fifths vote of the legal voters of the city voting upon the question, and the question of the issuance of such bonds shall be submitted to the electors of the city proposing to issue the same at a general or special election, called and conducted in the manner prescribed for municipal elections in such city, and the notices of such election shall contain a statement of the amount and purposes for which such bonds are proposed to be issued, with the date of their maturity, and the rate of interest which they shall bear.

All elections provided for in this act may be called by resolution in writing, of the common council or corresponding body, passed by a majority vote, which resolution shall distinctly state the purpose for which such bonds are proposed to be issued, and the question to be submitted to the people.

The ballot to be voted at all elections under this act may read as follows:

"Shall the proposed issuance of bonds in the amount of \_\_\_\_\_ dollars for the purpose of \_\_\_\_\_ be authorized."

Yes \_\_\_\_\_

No \_\_\_\_\_

If three-fifths of the votes cast upon the question at such election shall be in favor of issuing the kind and amount of bonds designated in said ballot, the

city voting in favor thereof, shall, through its proper officers, without further act, be authorized to issue such bonds to the amount voted and to sell and negotiate the same.

The votes cast at such election shall be counted, returned and canvassed the same as in other municipal elections and the result certified to the city clerk, recorder or similar officer, by the canvassing board.

It shall be the duty of the common council or any body in a commission government corresponding thereto, to expend the moneys derived from the sale of said bonds in accordance with the directions of the voters, as shown by said election. ('13 c. 303 § 2)

**1904. Same—Terms of bonds—How executed and sold—**All bonds authorized by this act shall run not more than thirty years from the date of their issuance, bearing interest at not more than five (5) per cent per annum, principal and interest payable at such time and place as may be fixed by the common council, or corresponding body, of any city; said bonds shall be sealed with the seal of the city issuing them, and signed by the mayor and attested by the clerk or recorder or similar officer, and shall be sold at not less than par value and accrued interest, to the highest responsible bidder, after notice published once in each week, for three successive weeks, in a daily paper, if one there be, if not, then in a weekly paper, in the city where such bonds are to be issued, and also in a daily paper published in the city of St. Paul, in the state of Minnesota. ('13 c. 303 § 3)

**1905. Same—To what cities applicable, etc.—**Any city in the state of Minnesota, heretofore incorporated, may become subject to the provisions of this act, and the city council of such city, or corresponding body in a commission form of government, may effect by a resolution duly passed by a majority of all the members elect of such council or body, and a copy of such resolution, duly certified, accompanied by a statement of the vote thereon, with the names of the members voting for and against said ordinance shall be forwarded to and filed in the office of the secretary of state and such city shall thenceforth be deemed subject to the provisions of this act, and shall be governed, controlled and regulated by and under the provisions of this act, and the city officers of said city shall thereupon exercise the powers conferred therein, and all courts of the state take judicial notice of the fact of such city becoming subject to the provisions of this act; and all laws in such city in conflict with this act shall thereupon be no longer applicable, but all laws or parts of laws not inconsistent with the provisions of this act, shall continue in force the same as if such city had not become subject to the provisions of this act. ('13 c. 303 § 4)

#### POWER OF CITIES OF FIRST CLASS TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, empowering cities of the first class to issue bonds for certain purposes, or legalizing certain issues, have not been included:

1905 c. 58, authorizing bonds in aid of certain street improvements.

1905 c. 172, authorizing bonds to take up bonds which are lien on water or gas plant.

1905 c. 293, authorizing \$150,000 bonds for bridge across navigable stream forming part of boundary line of city.

1907 c. 20, as amended by 1909 c. 360, and 1911 cc. 119, 340, authorizing \$1,000,000 bonds for high schools. Not applicable to cities under home rule charters.

1907 c. 21, authorizing \$300,000 bonds for graded schools.

1907 c. 52, authorizing \$500,000 bonds for main sewers. Not unconstitutional as special legislation (105-178, 117+422).

1907 c. 93, authorizing \$300,000 bonds for parks and parkways.

1907 c. 147, validating sale of bonds for water and light plant, etc.

1907 c. 264, authorizing \$175,000 bonds for improvements in street intersections and in front of exempt property.

1907 c. 265, authorizing \$500,000 bonds for cost of local improvements in advance of special assessments.

1907 c. 271, authorizing \$1,000,000 bonds for streets leading to state buildings or institutions, etc.

1907 c. 283, authorizing city not under home rule charter to issue \$400,000 bonds, for bridge or bridges across navigable stream running through city.

1907 c. 287, authorizing \$100,000 bonds for engine houses and equipment for fire department.

1907 c. 376, authorizing \$2,000,000 bonds for purchasing and establishing gas works.

- 1907 c. 413, authorizing \$100,000 bonds for central police station.
- 1909 c. 47, authorizing \$100,000 bonds for bridges over railways.
- 1909 c. 89, authorizing \$60,000 bonds for street paving.
- 1909 c. 156, as amended by 1911 c. 208, authorizing \$1,000,000 bonds for graded schools. Not applicable to city under home rule charter.
- 1909 c. 185, as amended by 1911 c. 40, authorizing issue by cities not under home rule charters of \$850,000 bonds for constructing bridges over navigable streams running through such cities.
- 1909 c. 206, authorizing \$300,000 bonds for parks and parkways. Not applicable to city under home rule charter.
- 1909 c. 213, authorizing \$50,000 bonds for central police stations.
- 1909 c. 228, as amended by 1911 c. 189, authorizing \$1,000,000 bonds for waterworks.
- 1909 c. 231, authorizing \$400,000 bonds for wagon and foot passenger bridge over navigable stream within city. Not applicable to city under home rule charter.
- 1909 c. 284, authorizing \$100,000 bonds for refundments on over assessments made for local improvements, in accordance with R. L. § 772 [1793], as amended by 1913 c. 185.
- 1909 c. 357, authorizing \$100,000 bonds for playground sites.
- 1909 c. 367, authorizing \$200,000 bonds for improvements in street intersections and in front of exempt property. Not applicable to city under home rule charter.
- 1909 c. 370, as amended by 1911 c. 157, authorizing \$100,000 bonds for fire engine houses. Not applicable to city under home rule charter.
- 1909 c. 397, as amended by 1911 c. 41, authorizing cities under home rule charters to issue \$50,000 bonds for arching creek, etc.
- 1909 c. 399, authorizing \$150,000 bonds for bridge across navigable stream forming part of boundary line of city for traffic other than railways, street railways and tramways. Applicable to city under home rule charter.
- 1909 c. 402, as amended by 1911 c. 51, authorizing \$400,000 bonds for local improvements in advance of special assessments, etc. Not applicable to city under home rule charter.
- 1909 c. 406, authorizing \$50,000 bonds for main sewers and repealing inconsistent acts.
- 1909 c. 489, authorizing issue by cities not under home rule charters of \$200,000 bonds for main sewers, etc.
- 1911 c. 20, legalizing bonds issued by cities organized under 1895 c. 8, in certain cases, etc.
- 1911 c. 75, authorizing \$700,000 bonds for electric light, heat and power plant, etc. Applicable to city under home rule charter.
- 1911 c. 108, authorizing \$150,000 bonds for main sewers. Applicable only to city under home rule charter.
- 1911 c. 117, authorizing \$800,000 bonds for high school buildings, etc. Not applicable to city under home rule charter.
- 1911 c. 118, authorizing \$900,000 bonds for graded school buildings, etc. Not applicable to city under home rule charter.
- 1911 c. 137, authorizing \$25,000 bonds for artesian wells, etc. Not applicable to city under home rule charter.
- 1911 c. 146, authorizing cities not under home rule charter to issue \$400,000 bonds for hospital buildings, etc.
- 1911 c. 155, authorizing \$800,000 bonds for parks and parkways. Not applicable to city under home rule charter.
- 1907 c. 93, 1909 c. 206, and 1911 c. 155, each authorizing bonds for park purposes, are valid and cumulative (115-188, 131+1015).
- 1911 c. 164, authorizing \$80,000 bonds for public playgrounds, etc. Applicable also to cities under home rule charter.
- 1911 c. 230, authorizing \$450,000 bonds for main sewers. Not applicable to city under home rule charter.
- 1911 c. 231, authorizing \$250,000 bonds for street intersections. Not applicable to city under home rule charter.
- 1911 c. 232, authorizing \$80,000 bonds for developing and utilizing water power, etc. Not applicable to city under home rule charter.
- 1911 c. 262, authorizing cities under home rule charter to issue bonds to defray damages, costs and expenses in condemnation and taking of slaughtering or rendering establishments.
- 1911 c. 294, authorizing \$75,000 bonds for additional fire engine house, etc. Not applicable to city under home rule charter.
- 1911 c. 307, authorizing \$50,000 bonds for electric light, heat and power plant in connection with crematory, etc. Not applicable to city under home rule charter.
- 1912 c. 5, authorizing \$600,000 bonds for public library buildings. Also applicable to cities under home rule charter.
- 1913 c. 45, authorizing \$50,000 bonds for arching creek, etc. Applicable only to cities not under home rule charters.
- 1913 c. 382, authorizing \$50,000 bonds for arching creek, etc. Applicable only to cities not under home rule charters.
- 1913 c. 46, authorizing \$300,000 bonds for hospitals and workhouses, etc. Applicable only to cities not under home rule charters.
- 1913 c. 117, authorizing \$50,000 bonds for improving certain streets.
- 1913 c. 138, authorizing \$50,000 bonds for public playgrounds. Applicable to cities under home rule charters.
- 1913 c. 149, authorizing \$500,000 bonds for waterworks system, etc. Applicable to cities under home rule charters.



1913 c. 231, authorizing \$125,000 bonds for street lighting equipment, etc. Applicable only to cities under home rule charters.

1913 c. 256, authorizing \$250,000 bonds for sewers, etc. Applicable also to cities under home rule charters.

1913 c. 262, authorizing \$350,000 bonds for sewers, etc. Applicable only to cities not under home rule charters.

1913 c. 268, authorizing \$1,500,000 bonds for grade school buildings, etc. Applicable only to cities not under home rule charters.

1913 c. 274, authorizing \$325,000 bonds for parks and parkways, etc. Applicable only to cities under home rule charters.

1913 c. 292, authorizing \$150,000 bonds for cost of local improvements in advance of collection of special assessments. Applicable only to cities not under home rule charters.

1913 c. 300, authorizing \$150,000 bonds for sewers, etc. Applicable only to cities not under home rule charters.

1913 c. 304, authorizing \$375,000 bonds for parks and parkways, etc. Applicable only to cities not under home rule charters.

1913 c. 311, authorizing \$275,000 bonds for cost of certain local improvements not paid out of special assessments. Applicable only to cities not under home rule charters.

1913 c. 349, authorizing \$30,000 bonds for municipal baths, etc. Applicable only to cities not under home rule charters.

1913 c. 351, authorizing \$50,000 bonds for plant for manufacture of street paving materials, etc. Applicable only to cities under home rule charters.

1913 c. 382, authorizing cities not under home rule charters to issue \$50,000 bonds for arching creek, etc.

1913 c. 383, ratifying investments in city bonds and authorizing resale. Applicable only to cities not under home rule charters.

1913 c. 461, authorizing \$150,000 bonds for public markets, etc. Applicable only to cities not under home rule charters.

1913 c. 577, authorizing \$150,000 bonds for fire houses, etc. Applicable only to cities not under home rule charters.

### POWERS OF CITIES OF SECOND CLASS TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, empowering cities of the second class to issue bonds for certain purposes have not been included:

1913 c. 16, authorizing \$145,000 bonds for high school buildings, etc.

1913 c. 242, authorizing \$25,000 bonds for hospitals. Applicable to cities under home rule charters.

1913 c. 243, authorizing \$75,000 bonds for city halls and lockups, etc. Applicable also to cities under home rule charters.

### POWER OF CITIES OF THIRD CLASS TO ISSUE BONDS FOR CERTAIN PURPOSES

1906. Bonds for local improvements where no assessments are levied—Any city in this state now or hereafter having more than ten thousand and not more than twenty thousand inhabitants, in addition to all the powers now possessed by such city, is hereby authorized and empowered, acting by and through the city council or common council of such city, by ordinance duly enacted by an affirmative vote of not less than two-thirds of all members-elect of such city council or common council, to issue and sell not exceeding twenty-five thousand (\$25,000.00) dollars par value in and of the bonds of such city and use the proceeds thereof for the purpose of paying for local improvements now, or hereafter to be made, for which no assessments against real estate have been or shall be levied to defray the cost of such improvements. ('13 c. 394 § 1)

1907. Same—Limit of debt—Sinking fund—The bonds authorized by section one (1) of this act [1906] or any portion thereof, may be issued and sold by any such city notwithstanding any limitation contained in the charter of such city or in any law of this state, prescribing or fixing any limit upon the bonded indebtedness of such city, but the full faith and credit of any such city shall at all times be pledged for the payment of any bonds issued under this act and for the current interest thereon, and the city council or common council of such city shall each year include in the tax levy for such city a sufficient amount to provide for the payment of such interest and for the accumulation of a sinking fund for the redemption of such bonds at their maturity. ('13 c. 394 § 2)

1908. Same—Terms—How executed and sold—No bonds shall be issued by any city for the purposes hereinabove mentioned to run for a longer term

than thirty years, or bearing a higher rate of interest than five per cent per annum, but the place of payment of the principal and interest thereof and the denominations in which the same shall be issued shall be such as may be determined upon by the city council or common council of such city, and may be in the form of coupon bonds, or registered certificates, so-called. All such bonds shall be signed by the mayor and attested by the city clerk, and shall be sealed with the seal of such city, except that the signatures to the coupons attached to such bonds, if any, may be lithographed thereon, and none of such bonds shall be sold at less than their par value and accrued interest; and then only to the highest responsible bidder therefor. ('13 c. 394 § 3)

**1909. Same—To what cities applicable—**This act shall not include or apply to cities now or hereafter governed under a charter adopted pursuant to section 36, article 4, of the constitution of this state, and the several acts of the legislature authorizing cities to adopt their own charters. ('13 c. 394 § 4)

### POWER OF CITIES OF FOURTH CLASS TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, empowering cities of the fourth class to issue bonds for certain purposes or legalizing certain bonds or indebtedness, have not been included:

1905 c. 20, authorizing bonds to take up floating indebtedness, the provisions of which must be availed of within six months.

1905 c. 28, authorizing cities having less than 2,500 inhabitants to issue bonds for water-works and electric light plants, to be issued prior to January 1, 1906.

1905 c. 152, legalizing certain floating indebtedness and authorizing bonds to pay same.

1907 cc. 6, 7, legalizing bonds voted or issued by cities under home rule charter.

1907 c. 62, authorizing bonds to take up floating indebtedness, and limited to eight months.

1907 c. 64, legalizing bonds issued in certain cases.

1909 c. 35, legalizing bonds voted or issued for water plant system, and for purchasing fire engine, etc.

1913 c. 338, approved April 17, 1913, authorizing bonds to take up overdue bonds, within 8 months after approval of act.

**1910. Bonds for water works or light plants—Works or plant, how acquired—Condemnation—**Whenever at any general or special election, held in any city in the class hereinafter mentioned, the electors thereof by an affirmative vote of three-fifths of the legal voters, voting thereat, so determine, each city in the state of Minnesota having ten thousand inhabitants or less, whether organized or existing under special or general law, or under and by virtue of the provisions of chapter three hundred and fifty-one of the General Laws of Minnesota for the year eighteen hundred and ninety-nine, as amended, is hereby authorized and empowered, in addition to all powers to issue bonds conferred upon it by its city charter or by virtue of any general or special law, and in addition to all other bonds that it is by law authorized to issue, to issue its bonds in the aggregate amount hereinafter mentioned to be determined as hereinafter set forth, and to dispose of the same as hereinafter provided, and to use the proceeds thereof for the purpose of constructing, extending, enlarging, improving or purchasing municipal water works or light plants or either or all thereof, but in each case the said city may either acquire such existing water works system or electric light plant by purchase at such price, not exceeding its fair value, and on such terms as may be agreed on between said city and the owner thereof, or if such arrangement as to price and terms cannot be arrived at, may acquire such system by condemnation thereof. The procedure in the event of condemnation, shall be that prescribed by chapter 41, Revised Laws of 1905, or that prescribed by such city's charter, and the purchase price of said plant or system as so fixed by agreement or condemnation may be paid out of the proceeds of the bonds by this act authorized to be issued. ('05 c. 334 § 1, amended '07 c. 59)

The provisions of R. L. 1905 c. 41 are included in chapter 41 hereof.

**1911. Same—Submission to voters—Notice of election—**Whenever the city council of any such city, at a regular called meeting thereof, determine by resolution, duly adopted by a three-fourths majority vote of all the members thereof, entered upon the minutes of its proceedings, that it is necessary either to purchase water works or light plants already in existence, or con-

struct, extend, enlarge or improve a municipal water or light plant or either or all thereof, as the case may be, and that the funds in the treasury of said city available therefor, are not sufficient for such purpose, and that it is necessary to issue the bonds of such city in an amount to be determined by such city council in such resolution, not exceeding in the aggregate seven per cent of the assessed valuation of the taxable property of such city according to the last preceding assessment thereof, such city council may cause the proposition of issuing such bonds, in such an amount, to be submitted to the electors of such city at any general or special election to be held, therein. Such resolution shall fix the time of said voting, if the same be submitted at a special election, which shall be not less than ten days after the date of the adoption of said resolution, and said special election shall be conducted as provided by law for general elections. The notice of such election at which said proposition is to be submitted, whether general or special, shall contain a statement, of the total amount of the principal of said bonds, and the purpose to which it is proposed to put the same. ('05 c. 334 § 2)

1912. **Same—Ballots—Votes, how cast, etc.**—In voting upon such proposition, those in favor of issue of bonds, shall have written or printed, or partly written and partly printed on the ballots used, the words, "Issue of Bonds," "Yes," "No," and each elector voting on such proposition shall make a cross mark thus: (X) in one of the two spaces left for the purpose, upon the margin of the ballot used as provided in section twenty-eight, chapter four, General Laws of Minnesota for 1893. The elector desiring to vote in favor of issuing bonds shall make a cross mark thus: (X) in the place left opposite the word "Yes," and the elector desiring to vote against the issuing of bonds, shall make a cross mark thus: (X) in the place so left opposite the word "No," and no ballot shall be counted on said proposition except those having said cross mark (X) opposite one only of said words "Yes," "No." The voting shall be conducted in the same manner as provided by law for the election of city officers and shall be counted, returned and canvassed in the same manner as provided by law for the election of city officers, and if upon such canvass it appears that a three-fifths majority of all the votes cast upon said proposition, shall be in favor of issuing bonds, the same may thereafter be issued in accordance with the provisions of this act, but not otherwise. ('05 c. 334 § 3)

1913. **Same—Bonds, how issued—Proceeds, how used**—Whenever the electors of any such city at any such election shall declare in favor of issuing the bonds of such city hereunder, such city, and the city council thereof, is hereby authorized and empowered by an affirmative vote of three-fourths of the members of such city council, to issue the bonds of said city, in an amount to be determined by said city council, not exceeding in the aggregate the amount contained in the said proposition, adopted by the electors at said election, and such city council may dispose of the same, as hereinafter provided, and may use the same and the proceeds thereof for any of the purposes which the resolution provided for in section two [1911] of this act shall specify, but not otherwise. ('05 c. 334 § 4)

1914. **Same—Terms of bonds—How executed**—Such bonds shall be of such denomination as the city council may determine; shall be payable at such place as the city council may designate; at such times, not less than ten nor more than thirty years from the date of issue; shall be made payable to bearer, or to the order of the person or corporation to whom they may be delivered, as such city council may deem best, and shall draw interest payable semi-annually, at such place as the city council may determine, at a rate not exceeding five per cent per annum, to be represented by coupons attached to said bonds. Said bonds and coupons shall be signed by the mayor and attested by the clerk, or similar officer, or recorder of such city, and the corporate seal of the city shall be imprinted upon said bonds. ('05 c. 334 § 5, amended '07 c. 178 § 1)

1915. **Same—How sold, etc.**—The city council of any such city shall have authority by a majority vote of all its members to dispose of such bonds in

such manner as in the judgment of said city council shall best subserve the interest of the city, but it shall not negotiate the sale, dispose of, nor sell said bonds, nor any of them, at less than their par value and accrued interest, and neither the said bonds or the proceeds of the sale thereof shall be used for any other purpose than specified in said resolution contemplated by section two hereof, and such purpose shall be again distinctly stated in said resolution of said council authorizing the issuance thereof. ('05 c. 334 § 6)

**1916. Same—First lien on works or plant—**The principal and interest of any such bonds so issued is hereby declared to be a first lien upon the municipal water works or light plants respectively constructed or purchased by means of said bonds or the proceeds of the sale thereof, and the faith and credit of such city issuing the same is hereby irrevocably pledged to the payment thereof, any provision of the law of this state, whether general or special, or by virtue of said chapter three hundred and fifty-one, as amended, of the General Laws of Minnesota for the year eighteen hundred and ninety-nine, to the contrary notwithstanding. ('05 c. 334 § 7)

**1917. Bonds for water works—Power to acquire plant—**In addition to the rights and powers heretofore granted by law to the several cities of the state of Minnesota, which rights and powers shall not be abridged or affected by this act, there is hereby granted to all cities that are or may be hereafter organized within the state of Minnesota, having a population of ten thousand inhabitants, or less, according to the last officially promulgated state or United States census, the right and power to issue bonds for the purpose of installing, purchasing or otherwise acquiring a system of water works, and constructing, enlarging, extending and improving such water works, now owned by any such city or acquired under this act, and such cities are hereby authorized and empowered, subject to the approval of the legal voters of such city as is hereinafter provided, to purchase, acquire, install and construct any such water works system and plant and extend, enlarge and improve the same. ('07 c. 67 § 1)

**1918. Same—Submission to voters—Limit of issue—Terms—How executed and sold—**The bonds of any city issued pursuant to the terms of this act may be issued from time to time by a majority vote of the electors of such city, as hereinafter provided, but the total amount of such bonds outstanding shall not at any time exceed in the aggregate the sum of fifty thousand dollars. All bonds authorized by this act shall run not more than thirty years from the date of issuance, bearing interest at not more than five per cent per annum, principal and interest payable at such time and place as may be fixed by the common council of such city, such bonds to be sealed with the seal of the city issuing them and signed by the mayor and attested by the clerk or recorder and countersigned by the comptroller, if there be one, and shall be sold at not less than par value and accrued interest to the highest responsible bidder, after notice published once in each week for two successive weeks in a daily paper, if one there be, if not, then in a weekly paper in the city where such bonds are to be issued, and also in a daily paper published in the city of St. Paul. A failure to publish said notice, however, shall not invalidate said bonds. ('07 c. 67 § 2)

**1919. Same—Election—**Bonds issued under or pursuant to the provisions of this act shall be so issued only when authorized by the voters of such city at a general or special election called for that purpose in the manner hereinafter provided. ('07 c. 67 § 3)

**1920. Same—Notice—Resolution—Ballots—Proceeds, how used—**All elections provided for in this act shall be called and conducted in the manner prescribed for municipal elections in such cities and the notices of election shall contain a statement of the amounts and purposes for which such bonds are proposed to be issued with the date of their maturity and the rate of interest they shall bear. All elections provided for in this act may be called by resolution of the common council, passed by a majority vote of all members thereof, which resolution shall distinctly state the purpose of the election and the question to be submitted to the vote of the people. The ballot

to be voted at all elections under this act may read as follows: "In favor of the proposition of issuing water works bonds to the extent of \$. . . . ., Yes, . . . . ., No." Those voting for such proposition shall mark a cross (X) opposite the word "Yes," and those against such proposition shall mark a cross (X) opposite the word "No" on said ballot in a space provided for that purpose. If a majority of votes cast at any such election shall be in favor of issuing the kind and amount of bonds designated in the ballot, the city voting in favor thereof, through its proper officers without further act is authorized to issue such bonds to the amount voted and to issue and sell the same. The votes cast at such election shall be counted, returned and canvassed the same as at any other municipal elections and the result certified to the clerk or recorder by the canvassing board. It shall be the duty of the common council to expend the moneys derived from the sale of said bonds in accordance with the directions of the voters as shown by said election. None of the proceeds of any of the bonds issued pursuant to the provisions of this chapter shall be used, or any part thereof, for any purpose except such as is designated in the resolution and vote of the electors cast at any election authorizing the issuance of said bonds and any member of the common council or officer of said city who shall vote for or in any manner participate in the appropriation or expenditure of any of the proceeds of any of such bonds for any other purpose shall be deemed guilty of a misdemeanor and punished as by law provided. ('07 c. 67 § 4)

**1921. Same—Limit of debt**—None of the bonds of any such city, issued pursuant to the terms and provisions of this act, shall be deemed or taken to be a part of the indebtedness of such city within the purview of any law limiting the amount of the indebtedness of any city, and the bonds provided for in this act may be issued without regard to the indebtedness of any such city. ('07 c. 67 § 5)

**1922. Same—Not to apply to cities under home rule charters**—This act shall not be construed as in any manner superseding, repealing, amending or qualifying the provisions of any home rule charter heretofore adopted by any city or village, under the laws of this state, and this act shall not in any manner apply to any such city or village. ('07 c. 67 § 6)

**1923. Bonds for water works**—That in addition to the powers heretofore granted by law, all cities in the state of Minnesota at any time having a population of less than ten thousand inhabitants, according to the last officially promulgated United States census, are hereby authorized and empowered to issue and sell bonds for the purpose of purchasing waterworks or extending waterworks. ('09 c. 205 § 1)

**1924. Same—Power of council—Terms of bonds, etc.**—The bonds hereby authorized shall be ordered to be issued by an ordinance duly passed by the council of such city. All bonds issued under the authority of this act, shall become due not later than thirty years after date and bear interest at not exceeding five per centum per annum, payable semi-annually. Such bonds shall be signed by the mayor, attested by the city clerk or recorder with the seal of the city thereto affixed, and the coupon evidencing the interest upon such bonds may be executed with the fac-simile signatures of said officers. ('09 c. 205 § 2)

**1925. Same—No election unless petition—Submission to voters**—No election shall be required before the issuance of said bonds unless a petition signed by not less than three citizens of any such city, asking for the submission of the question of the issuance of said bonds shall be filed with the city clerk or recorder within twenty days after the ordinance directing the issuance of the bonds is published in the official newspaper, and in the event a petition shall be so filed asking for the submission of the question, the city council shall call a special election for the submission of the question of the issuance of such bonds to the voters of said city, giving at least fifteen days' notice thereof, in which shall be stated the polling places, the amount of bonds proposed to be issued and the purpose of issue, which said notice

shall be published at least twice in the official newspaper. Whenever such petition signed by three citizens as aforesaid is filed with the city clerk or recorder, as required under and by this section 3 [1925] and in that event the question of the issuance of such bonds shall be submitted to the vote of the people of such city, and unless so submitted such bonds shall be void and of no force. ('09 c. 205 § 3)

**1926. Same—Limit of issue—**No bonds in excess of eighty thousand dollars shall be issued under the authority of this act. ('09 c. 205 § 4)

**1927. Same—Tax levy—Sinking fund—**Every city issuing bonds under the authority of this act is hereby required to annually levy taxes upon all the taxable property in such city sufficient to pay the interest on such bonds and to provide a sinking fund for the payment of the principal of such bonds at maturity. ('09 c. 205 § 5)

**1928. Bonds in aid of steam and electric railroads—Limit of amount—Submission to voters—Ballots—**The common council of any city in this state, of the fourth class is hereby authorized and empowered to issue, negotiate and dispose of the bonds of such city in a sum not exceeding thirty thousand dollars, and not exceeding the limitations hereinafter provided, for the purpose of aiding the construction of any steam or electric railroad which may originate, pass through or terminate in such city. Such bonds to be in denominations of from one hundred to one thousand dollars. Provided, that such bonds shall bear interest at a rate not exceeding six per cent and shall not be negotiated or disposed of at less than par value, nor until the road or roads in the aid of which they are issued shall be actually constructed from such city to some point of connection with a railroad giving an outlet, or connecting such city with another city or cities of the same or higher class. But when the permanent survey has been made such bonds may be issued and placed in escrow to be negotiated and disposed of only as hereinbefore provided. Provided further, that no bonds shall be issued, under the authority of this act, which taken together with the other legal indebtedness of any such city, as such indebtedness is defined by the General Laws of this state, will cause the total indebtedness to exceed ten per cent of the assessed valuation of the taxable property of such city. Provided further, that no such bonds shall be issued under the authority of this act until the following requirements have been fully complied with.

(1) That the common council of such city has, at a regular meeting thereof, determined by resolution, duly adopted by a majority vote of its members, entered upon the minutes of its proceedings, that it will issue the bonds of said city to aid a certain steam or electric railroad therein named and described in an amount not exceeding a certain sum therein specified upon an approval of such action by the legal voters of such city; that the funds of such city available therefor are not sufficient; that in order to render such aid it will be necessary to issue bonds of such city in such amount as therein specified; that an election will be held at a time and place therein specified, to determine upon such bond issue, and notice thereof given reciting the time and place of the election, the amount and purpose of such bond issue and the interest thereon.

(2) That a majority of the legal voters voting at a general or special election, of which such notice has been given both by publication and posting, the former by publishing once in all of the newspapers published in such city, and the latter by posting in three conspicuous places in each ward in such city at least ten days before such election, shall vote in favor of said bond issue. Such election to be conducted and returns made as provided for the holding of general or special elections, as the case may be, by law or the charter of such city. The vote at such election shall be by ballot prepared by the city authorities and shall be substantially in form as follows:

Shall the city of ..... issue its bonds in the sum of \$..... with interest at a rate not exceeding ..... per cent per annum, for the purpose of aiding the construction of a ..... railroad, which is to originate, pass through or terminate in said city. Designate your choice by marking

an "X" opposite the word "Yes" if you vote for the bond issue, or opposite the word "No" if you vote against the bond issue.

In favor of issuing bonds	Yes	
Against issuing bonds	No	

('07 c. 244)

**1929. Certain bonds legalized**—In all cases where propositions to issue bonds of a city of the fourth class organized or existing either under a home rule charter or under a general or special law where submitted to the electors of such city in the year 1912, at any general or special election and which propositions received at such election three-fifths of the votes of the electors voting thereon at such election, such bonds are hereby declared to be, when issued and sold legal and binding obligations of said city as against the objection that said bonds or any thereof exceed any debt limit fixed either by the city charter or by the statutes of the state and as against the objection that warrants of said city have been heretofore or shall be hereafter issued and delivered for the purposes for which said bonds or any thereof are authorized or designed.

Provided, that when issued and sold, said bonds do not make the net indebtedness of the city exceed 10 per centum of its assessed value, such net indebtedness to be calculated and determined as provided by section 777 Revised Laws Minnesota 1905 [1848]. ('13 c. 60 § 1)

**1930. Same—Application**—This act shall apply to and legalize all of such bonds as are issued and sold, regardless of whether issued and sold at the same time or at different times. ('13 c. 60 § 2)

**1931. Bonds for certain purposes in cities under home rule charters—Curative**—That in all cases where the electors of any incorporated city of the fourth class, operating under a home rule charter, shall have heretofore voted at any general or special election held therein for the issuance of bonds of such city for the purpose of funding outstanding floating indebtedness of the city, or for waterworks, water extension or sewers, or for any or all of said purposes, and such proposition or propositions have been adopted or attempted to be adopted by a majority in favor thereof of all the votes cast thereupon at such election or elections, then in every such case all bonds of such city which have been so voted and issued, or which have been so voted and shall be hereafter, and within sixty (60) days from the approval of this act, issued in pursuance of such election or elections, are hereby declared to be legal, valid and binding obligations of said city, whether such bonds were or were not, at the time of such election or elections, specifically authorized by the terms of its charter or not; provided, however, that the bonds so issued, together with all other bonded indebtedness of the city, shall not exceed the debt limit prescribed in and by such home rule charter; and providing further that this act shall not apply to any suit now pending involving the legality of any bonds voted or issued. ('13 c. 277 § 1)

#### POWER OF VILLAGES TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, legalizing certain bonds or indebtedness of villages, have not been included:

1905 c. 111, legalizing bonds issued in certain cases.

1907 c. 306, legalizing orders or other evidences of indebtedness to defray cost of purchasing electric light or waterworks plant.

1909 c. 227, legalizing certain floating indebtedness and authorizing issue of refunding bonds.

1909 c. 166, legalizing bonds issued or voted for refunding floating indebtedness.

1913 c. 225, legalizing bonds issued for refunding floating indebtedness.

**1932. Bonds for refunding floating indebtedness—Limit of debt**—Any village in this state having a floating indebtedness may issue the bonds of such village for the purpose of refunding such indebtedness in the manner hereinafter provided; but no such bonds shall be issued or sold by said village, which, with bonds already issued, shall exceed fifteen per cent of the assessed valuation of real estate of said village. Such bonds shall bear in-

terest at a rate not to exceed six per cent per annum, payable annually or semi-annually, as may be determined by said village council, and may run for a period not exceeding fifteen years. Such bonds shall not be sold for less than their par value and the proceeds thereof shall be used exclusively for the payment of such outstanding floating indebtedness of said village. ('05 c. 123 § 1)

**1933. Same—Submission to voters—Ballots—**Before bonds shall be issued pursuant to section one [1932] of this act, the village council, by resolution duly passed and recorded, shall authorize the issuance thereof, subject to the approval of the legal voters of said village, and by such resolution the village council shall determine the amount of bonds to be issued, the rate of interest which they bear and the time of their maturity, and shall fix a time, either at the annual village election or a special election to be called for that purpose, when the voters of such village shall vote upon the question of the issuance of such bonds. The form of ballot therefor shall be as follows:

Shall the village of _____ issue its bonds in the sum of \$_____,	Yes	No
bearing interest at the rate of _____ per cent per annum, matur-	Ballot.	
ing _____ years after date hereof, pursuant to resolutions of the		
village council passed on the _____ day of _____, 190—.	Form of	

Voters who desire to vote for the issuance of such bonds shall place a cross (X) opposite the word "Yes" on said ballot, and those who desire to vote against the issuance of such bonds shall place a cross (X) opposite the word "No" on said ballot. The said election shall be conducted, and the votes cast thereat shall be canvassed and counted, and the result thereof certified in like manner as in the case of an election for village officers. If five-eighths of the voters who vote upon said question shall vote for the issuance of said bonds then the same shall be issued by said council and sold, but not otherwise. ('05 c. 123 § 2)

### POWER OF COUNTIES TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, empowering counties to issue bonds for certain purposes, or legalizing certain bonds or indebtedness, have not been included:

1905 c. 23, authorizing bonds for building court house, prior to September 1, 1905.

1905 c. 24, legalizing acts of commissioners in creating indebtedness for poor house in certain cases.

1905 c. 65, authorizing refunding bonds in certain cases, prior to January 1, 1906.

1907 c. 130, authorizing certificates of indebtedness to aid in erection, construction and furnishing of court house, jail and other county buildings in counties having property of assessed valuation of not less than \$100,000,000 and bonded indebtedness of not more than \$700,000. Constitutional (105-403, 117+611).

1907 c. 461, authorizing refunding bonds by certain counties prior to January 1, 1908.

1909 c. 16, authorizing certificates of indebtedness to aid in erection, construction and furnishing of court house, jail and other county buildings in counties having property of assessed valuation of not less than \$200,000,000, and bonded indebtedness of not more than \$1,400,000.

1909 c. 245, authorizing bonds to pay floating indebtedness.

1909 c. 405, authorizing counties having 275,000 inhabitants to issue \$1,000,000 bonds for roads and bridges. Unconstitutional (110-98, 124+635).

1911 c. 375, authorizing bonds to pay floating indebtedness.

1913 c. 100, authorizing bonds for improving lakes prior to May 15, 1913.

**1934. Bonds for building court house—Limit of amount—**The board of county commissioners of any county of the state of Minnesota which does not already own a county court house, is hereby authorized and empowered to issue the bonds of said county to such an amount as, in its judgment, may be necessary, but not exceeding one per cent of the assessed valuation of its real and personal property, as fixed by the last preceding assessment for general taxation, for the purpose of building a county court house in said county. ('05 c. 175 § 1)

"Already" does not limit the operation of the act to counties that had no courthouse at the time of its passage, but refers also to any future time (109-328, 123+930).

**1935. Same—Terms—**The said bonds shall be in such sums as the board of county commissioners shall determine, and shall bear interest at a rate, not exceeding six per cent per annum, payable semi-annually, such interest to be



evidenced by interest coupons to be attached to such bonds. The principal shall become due and payable at such time or times as the said board of county commissioners may by resolution determine, not less than five or more than twenty years from the date of issue of said bonds respectively. ('05 c. 175 § 2)

**1936. Same—How executed—Record—**The bonds and interest coupons attached shall be signed by the chairman of the board of county commissioners, and attested by the auditor and sealed with his official seal, and made payable at such place within the state as the said board may determine. The auditor shall keep a record of all bonds issued under the provisions of this act, which record shall show the date, number and amount of each bond, the rate of interest, the time when due, the place where payable, and the name of the party to whom issued. ('05 c. 175 § 3)

**1937. Same—Tax levy—**The board of county commissioners shall annually after the date of issuance of said bonds, levy a tax upon the taxable property of said county, in addition to all other taxes levied, sufficient to pay the interest accruing yearly upon the bonds issued in pursuance of this act, and when any of the principal is about to become due, it shall in like manner levy a sufficient amount of taxes to pay such principal when due. ('05 c. 175 § 4)

**1938. Same—Authority to negotiate—**The board of county commissioners shall have authority to negotiate said bonds, but for not less than their par value. ('05 c. 175 § 5)

**1939. Same—Proceeds, how used—**The board of county commissioners of any county issuing such bonds shall use the proceeds thereof for the purpose of building a county court house in such county, and for no other purpose. ('05 c. 175 § 6)

**1940. Same—Powers additional—**The powers by this act conferred are additional to all other powers conferred by law. ('05 c. 175 § 7)

**1941. Certificates of indebtedness for heating plant in court house in certain counties—**The county board of any county of the state which does not already have a heating plant in its court house, is hereby authorized and empowered to issue certificates of indebtedness of said county in a sum not to exceed two thousand and five hundred dollars for the purpose of installing a heating plant in such court house; provided, that this act shall not apply to counties that are permitted to pay for such heating plant out of the county revenue fund, without exceeding the legal limit of expenditures for the current year. ('07 c. 126 § 1)

**1942. Same—Terms—**The said certificates shall be in such sums and denominations as the county board shall determine, subject to the limitations contained in section 1 [1941], and shall bear interest at a rate not exceeding 6 per cent per annum, payable annually, such interest to be evidenced by interest coupons attached to such certificates. The principal shall become due and payable at such time or times as the said county board shall, by resolution, determine, not more than six years from date of issue of said certificates, respectively. ('07 c. 126 § 2)

**1943. Same—How executed, etc.—Record—**The certificates and interest coupons attached shall be signed by the chairman of the county board, and attested by the auditor, and sealed with his official seal, and made payable at such place within the state as the said board may determine. The auditor shall keep a record of all certificates issued under the provisions of this act, which record shall show the date, number and amount of each certificate, the rate of interest, the time when due, the place where payable, and the name of the party to whom issued. ('07 c. 126 § 3)

**1944. Same—Tax levy—**The county board shall annually after the date of issuance of said certificates levy a tax upon the taxable property of said county, in addition to all other taxes levied, sufficient to pay the interest accruing yearly upon the certificates issued in pursuance of this act; and when any of the principal is about to become due, it shall in like manner levy a sufficient amount of taxes to pay such principal when due. ('07 c. 126 § 4)

**1945. Same—Authority to negotiate**—The county board shall have authority to negotiate said certificates, but for not less than their par value. ('07 c. 126 § 5)

**1946. Same—Proceeds, how used**—The county board of any county issuing such certificates shall use the proceeds thereof for the purpose of installing a heating plant in the court house in such county, and for no other purpose. ('07 c. 126 § 6)

**1947. Same—Powers additional**—The powers by this act conferred are additional to all other powers conferred by law. ('07 c. 126 § 7)

**1948. Bonds or certificates for destroyed bridges**—Whenever any bridge or bridges in any county are destroyed by floods or cyclones and there are not sufficient funds available in the county road and bridge fund of such county, to replace such bridge or bridges, the county board may issue and sell the bonds or certificates of indebtedness of the county for such sum as may be necessary to replace any such bridge or bridges. ('11 c. 161 § 1)

**1949. Same—How to be sold**—Said bonds or certificates of indebtedness shall not be sold for less than par nor shall they bear a higher rate of interest than six per cent. They shall be sold upon competitive bids after two weeks published notice in the official paper of the county and after such other public notice as the county board shall direct. ('11 c. 161 § 2)

**1950. Same—Tax levy**—The county board may levy an annual tax upon the taxable property of the county to pay such bonds or certificates of indebtedness as they shall mature. ('11 c. 161 § 3)

**1951. Aid to railroads in counties not having railroad connections with county seats**—Any county in this state wherein the county seat may have no railroad connection with any other part of the county is hereby authorized and empowered, in the manner herein provided, to aid in the construction of any railroad in such county to be constructed by any railroad company for public use and for such purpose by authority of any law of this state, in the manner hereinafter provided. But no bonds shall be issued by any county to any amount that shall exceed five per cent of the value of the taxable property therein, the amount of such taxable property to be ascertained and determined by the last assessment of said property made, for the purpose of state and county taxation, previous to the incurring of such indebtedness; nor shall such bonds be issued to an amount in excess of five per cent of the assessed valuation of the taxable property in such county. ('13 c. 207 § 1)

**1952. Same—Bonds**—The aid to be contributed to the construction of any such railroad by any such county shall be by the bonds of such county to be issued to or for the use of such railroad company. ('13 c. 207 § 2)

**1953. Same—Mutual agreement**—No such bonds shall be issued to or for the use of any such railroad company until a mutual agreement in relation thereto shall have been arrived at as hereinafter specified; and when such mutual agreement shall have been arrived at, the county commissioners of such county shall be authorized and required to issue and deliver such bonds in conformity with such agreement. ('13 c. 207 § 3)

**1954. Same—Railroad company to make proposition**—Whenever any such railroad company specified in the first section of this act, shall desire aid in the construction of its railroad from any county specified in said first section, it shall make and deliver to the county auditor of such county, a definite proposition in writing, signed by the president and secretary of said railroad company, and sealed with its seal, which proposition shall contain a statement of the amount of bonds desired, the time when payable, whether payable before maturity at the option of such county, and the rate of interest which they shall bear; and such proposition shall contain a statement specifying when said bonds are to be delivered with reference to the time of the entire or partial construction of said railroad, and may contain a statement that such bonds may be deposited in escrow prior to delivery to the railroad company; and in that case the proposition shall set forth the full name and residence of the trustee who shall be the custodian of the bonds of said county. The county auditor with whom any such proposition shall be

filed, shall immediately endorse thereon the date of its receipt by him, and transcribe the same into the record book of the county. ('13 c. 207 § 4)

**1955. Same—Mode of arriving at agreement—Submission to voters—**The mode of arriving at such mutual agreement as is hereinbefore specified shall be as follows:

1. Upon receiving such proposition, the county auditor of such county, when directed by the board of county commissioners of said county, shall immediately publish a notice of an election to be held by the legal voters of such county at the usual place or places of holding elections therein and at such time as such auditor may designate, not less than fifteen days or more than thirty days from the date of such order of the county commissioners, which notice shall contain a substantial statement of the proposition by said railroad company for the issue of the bonds of such county. Such notice shall be posted in three public places in each election precinct in such county at least ten days before the day of such election and shall also be published at least twice before such election in one newspaper in each village and city in such county in which a newspaper is published and if there is no newspaper published in such county, then such notice shall be so published in a newspaper published in the nearest place thereto in which one is published.

The vote at such election shall be by ballot prepared by the county auditor of such county and shall be substantially in the form as follows:

"Shall the county of \_\_\_\_\_ issue its bonds in the sum of \_\_\_\_\_ with interest at a rate not exceeding \_\_\_\_\_ per annum for the purpose of aiding the construction of a railroad which is to originate at \_\_\_\_\_ and to terminate at \_\_\_\_\_ in said county? Designate your choice by making an 'X' opposite the word 'Yes' if you vote for the bond issue, or opposite the word 'No' if you vote against the bond issue."

In favor of issuing bonds	Yes		
Against issuing bonds	No		

2. Such election shall be held and conducted in the same manner that general elections in such counties are by law required to be held and conducted, and the votes cast at such election shall be counted, canvassed and returned in the same manner as the votes at such general elections, and the canvassers shall make, certify, sign and deposit with the county auditor a statement of the result of such election; and such certified statement shall be prima facie evidence of the number of votes cast for or against such proposition, and also of the fact that such election was regularly held and conducted according to law.

3. If in any of such counties any election shall fail to be held on the day appointed therefor, or if the majority of votes cast at any such election shall be against the railroad proposition, such county auditor shall, at the written request of the president of such railroad company, at any time thereafter, when so directed by the board of county commissioners, call another election or elections in the manner provided in this act, upon the same or different propositions of such railroad company; and such other election or elections shall be conducted in like manner and upon like notice as is provided in this act for the first election; provided, that not more than one election authorized by this act shall be held in any one calendar year in the same county.

4. If a majority of the legal voters in any such county, who shall vote upon the question in pursuance of the provisions of this act, shall, as indicated by the official returns of any such election, vote "In favor of issuing bonds" then such mutual agreement for the issue of bonds of such county as provided in this act, shall be deemed and considered to have been arrived at and perfected and thereupon such bonds shall be issued and delivered by the proper officials in conformity with the true intent of such proposition and with the provisions of this act. ('13 c. 207 § 5)

**1956. Same—Bonds when to be delivered—**No bonds shall be delivered to such railroad company under such proposition until the road, branch or extension thereof for the construction of which the aid has been granted

shall have been completed and ready for the passage of cars from the county seat of such county to the point of termination named in such proposition. ('13 c. 207 § 6)

**1957. Same—Bonds how executed—**All bonds issued under this act by any such county, shall be officially signed by the chairman of the board of county commissioners and by the county auditor and sealed with its corporate seal. ('13 c. 207 § 7)

#### POWER OF TOWNS TO ISSUE BONDS FOR CERTAIN PURPOSES

The following acts, empowering towns to issue bonds for certain purposes, or legalizing certain bonds or indebtedness, have not been included:

1905 c. 244, legalizing certain bonds issued by organized towns for building roads, bridges or town halls.

1907 c. 154, legalizing bonds issued by organized townships in certain cases.

1909 c. 44, legalizing town or village orders and certificates of indebtedness and expenditures on account of drainage of wet lands for benefit of highways and streets. Application of act (112-1, 127+420).

1909 c. 446, authorizing refunding bonds to take up and refund bonds issued and sold prior to 1903 for building roads and bridges, whether or not bonds have been declared illegal, etc.

**1958. Bonds for roads, bridges or town halls—**Every organized town in this state is hereby authorized to issue its bonds for the purpose of raising money to be used in building or aiding in building of a town hall, or any road or bridge within such organized town or wholly or partly within any incorporated village situated within such organized town by conforming to the provisions of this act. Provided that any town hall to be erected under authority of this act shall be of such dimensions only as may be reasonably necessary for the use of said town, and shall in no case cost more than three thousand dollars. ('05 c. 11 § 1)

So far as the act relates to roads and bridges, it appears to be superseded by 1905 c. 64. See note under § 1960.

A city and town may unite in buying land and constructing a city and town hall (116-371, 133+962).

**1959. Same—When to be issued—Submission to voters—**Whenever the board of supervisors of any organized town shall determine by resolution to raise the amount of money stated therein by issuing the bonds of said town for the purpose of building or aiding in the building of any such roads, bridge or town hall as is described in section 1 [1958] of this act, giving the location and definitely describing the same and shall file such resolution in the office of the town clerk, or where a petition signed by at least ten legal voters who are freeholders in said town asking that such town shall issue its bonds for the purpose of raising money to build or assist in building any such road, bridge or town hall as is described in section 1 [1958] of this act, which petition shall give the location of said proposed road, bridge or town hall, and the amount of money it is proposed to spend thereon shall be filed with the town clerk, it shall in either such case be the duty of the town clerk to cause the proposition contained in such resolution or petition to be submitted to the legal voters of such town and if such petition or resolution shall be so filed within thirty days of the date fixed by law for the annual town meeting such proposition shall be submitted to the legal voters of such town at such annual meeting; but if said resolution or petition be filed more than thirty days before the time fixed for the next annual town meeting such proposition shall be submitted to the legal voters of the town at a special town meeting to be called at a date to be fixed by said town clerk not more than twenty days after the filing of such resolution or petition, of which special meeting he shall give not less than ten days' notice by posting such notice the same as in other cases of special town meetings, which notices shall be signed by him and in all cases when such proposition is to be submitted the notice of the meeting shall state fully the substance of such proposition and the amount of bonds proposed to be issued. ('05 c. 11 § 2)

**1960. Bonds for roads and bridges—**Every organized town of this state is hereby authorized to issue bonds to build roads and bridges within such organized town by conforming to the provisions of this act. ('05 c. 64 § 1)

Section 9 repeals inconsistent acts, etc.

So far as it relates to roads and bridges, 1905 c. 64, appears to have superseded 1905 c. 11. See note under § 1958.

**1961. Same—When to be issued—Submission to voters—Notice of election—**Whenever the town supervisors of any organized town in this state shall determine by resolution duly passed and recorded, to raise the amount of money stated in such resolution by issuing the bonds of the town to build roads and bridges in said town and for the purchase of material and apparatus therefor or when a petition addressed to the town supervisors of any organized town, and signed by at least ten of the voters and freeholders residing in such town, setting forth in such petition that it is the desire of such petitioners that such town shall issue its bonds for the purpose of building roads and bridges within said town and for the purchase of material and apparatus therefor, the amount of such proposed bond to be named in said petition, it shall be the duty of such town supervisors to cause the proposition expressed in such resolution or petition to be submitted to the electors of such town at the next following annual town meeting to be held therein or at such special election as the said town supervisors shall by resolution designate. Notices of such election shall be posted by the town clerk or deputy town clerk of such town in at least five public places within the said town not less than ten days before such annual or special town meeting is held, the said notices to state definitely the purpose and amount of the proposed bonds. ('05 c. 64 § 2)

**1962. Same—Election, how conducted—Ballots—**There shall be provided by the town in case of such election a suitable box in which ballots cast at such election for or against such proposition, shall be deposited. The ballots used at said election on said bonding proposition shall have printed thereon: For road and bridge bonds—"Yes," for road and bridge bonds—"No," and each elector voting on said proposition shall place a cross mark, thus (X) in a space to be left opposite, either the word "yes" or the word "no." The said election shall be conducted and the votes cast thereat shall be canvassed and counted and the result certified in like manner as in the case of an election for town officers. ('05 c. 64 § 3)

**1963. Same—Bonds, how issued—Terms—Limit of debt—**If a majority of the votes cast at such election be in favor of such proposition, the said town supervisors may issue and negotiate bonds of such town to the amount stated in the election notice, which bonds shall not be negotiated or sold for less than their par value, and shall be made due and payable within twenty years from the date of issue thereof and shall not bear more than six per cent interest per annum. No town shall issue or sell its bonds to such an amount that the aggregate bonded indebtedness thereof shall at any one time exceed fifteen per cent of the assessed valuation of the taxable property of such town as indicated by the last preceding assessment. ('05 c. 64 § 4)

**1964. Same—Notice of sale—Publication—**Before any such town shall be authorized to issue its bond as hereinbefore provided, the town supervisors shall give notice by publication for three consecutive weeks in a legal newspaper in the county in which said town is situated, and when the aggregate amount of such bonds shall exceed the sum of five thousand dollars, then additional notice shall be given by a similar publication for the same length of time in a weekly or daily newspaper printed at the capital of the state, all of which said newspapers shall be designated therefore by resolution of such town supervisors, duly made and recorded, that the said supervisors will receive bids for the sale of said bonds at the time and place to be named in such notice. Provided, that in case application is made to the state for the sale of such bonds, notice of the sale of such bonds shall not be necessary. ('05 c. 64 § 5, amended '07 c. 63 § 1)

1907 c. 63 § 2, repeals inconsistent acts.

**1965. Same—Opening bids—Sale—**At the time and place named in such notice, the said town supervisors shall open and consider said bids, and may thereupon sell said bonds to the person, company or corporation offering the most advantageous terms for the interest of such town; provided, that said town supervisors may reject any and all bids offered for the purchase of such bonds if they deem it necessary for the best interests of the town so to do. ('05 c. 64 § 6)

1966. **Same—Proceeds, how used**—The money realized upon the sale of such bonds shall be placed in the town treasury, and devoted as far as may be necessary to the purpose named in the aforementioned resolution or petition; and the residue thereof, after the cost and expense of building such roads and bridges shall have been paid and discharged, shall be paid into the road and bridge fund of such town. ('05 c. 64 § 7)

1967. **Same—Tax levy—Sinking fund**—Said board of supervisors and their successors are hereby authorized, on or before the first day of October next after the date on said bonds, and in each and every year thereafter on or before the first day of October until the payment of said bonds and interests is fully provided for, to levy and in due form certify to the auditor of the county in which such town is situated, a tax upon the taxable property of said town equal to the amount of principal and interest maturing next after such levy, and in the discretion of said board of supervisors such further sum as it shall deem expedient, not exceeding fifteen per cent of such maturing bonds and interest, which taxes shall be payable in money and shall constitute a fund for the payment of said bonds or interest thereon. ('05 c. 64 § 8)

### POWER OF SCHOOL DISTRICTS TO ISSUE BONDS FOR CERTAIN PURPOSES

The following act has not been included: 1913 c. 73, authorizing any special school district created under special act passed prior to January 1, 1867, the boundaries of which are coterminous with any city of the fourth class, to issue \$10,000 bonds to pay current indebtedness and certain expenses, etc., until July 1, 1914.

1968. **Bonds of district—Amending G. S. 1894, § 3688**—The trustees or board of education of any school district in this state, whether such district be organized by or under any special law of this state, or otherwise, are hereby authorized and fully empowered to issue the orders or bonds of their respective districts, with coupons, in such amounts and at such periods as they may be directed by a vote of a majority in favor thereof of the legal voters present and voting at any annual meeting, or at any special meeting, called for the purpose, of the district; said orders or bonds to be payable in such amounts and at such times, not exceeding fifteen years, as the legal voters thereof at such meeting shall determine, with interest not to exceed seven per cent per annum; which orders or bonds and coupons shall be signed by the directors and countersigned by the clerk of said district, or by the president of (the) board of education and the clerk of the board of education. (G. S. 1894 § 3688, amended '05 c. 272 § 1)

G. S. 1894 § 3688, was 1877 c. 74 subc. 2 § 8, as amended by 1881 c. 41 § 4, 1885 c. 80, and 1887 c. 21, all of which were repealed by §§ 9440, 9443, 9446, 9447. So far as 1905 c. 272, is inconsistent with the Revised Laws, it is to be construed, by virtue of § 9398, as amendatory or supplementary.

**Curative**—See 1913 c. 176, legalizing bonds issued by any independent school district for expenses incurred and orders issued in connection with erecting a high school building, etc., under 1905 c. 272.

## CHAPTER 11

### TAXES

#### GENERAL PROVISIONS

1969. **Property subject to taxation**—All real and personal property in this state, and all personal property of persons residing therein, including the property of corporations, banks, banking companies, and bankers, is taxable, except such as is by law exempt from taxation. (794)

1. **General rules**—All property within the state and subject to its jurisdiction is taxable unless expressly exempted (23-280; 24-251; 72-200, 75+210; see Const. art. 9 § 3). The taxing power of the state has no extraterritorial force (56-24, 57+313; see 72-87, 91, 75+108, 42 L. R. A. 639). The state cannot tax property unless it has jurisdiction over the owner or the property (35-215, 28+256; 76-155, 78+962, 1117). Corporeal personal property is taxable wherever it has a fixed situs, regardless of the domicile of the owner (35-215, 28+256; 94-320, 102+721). If such property is within one state and its owner is domiciled in another it may be taxed in the former, although it is also taxed in the latter (56-24, 57+313. But see § 2011).