

# MASON'S MINNESOTA STATUTES

1927

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STATUTE COMPILATION COMMISSION FOR THE PUBLICATION OF  
THE GENERAL STATUTES OF 1923

EMBRACING THE ORGANIC LAWS, THE CONSTITUTION, AND THE STAT-  
UTES CONTAINED IN THE GENERAL STATUTES OF 1923, EXCEPT  
THOSE WHICH HAVE BEEN REPEALED OR SUPERSEDED  
BY THE SUBSEQUENT LEGISLATION OF 1925  
AND 1927

AND ALSO EMBRACING LAWS OMITTED FROM THE GENERAL STATUTES  
1923, AND THE LAWS OF THE 1925 AND 1927 SESSIONS OF THE  
LEGISLATURE UNDER APPROPRIATE CLASSIFICATION.

COMPILED AND EDITED BY THE EDITORIAL STAFF OF THE  
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St. Paul  
1927

pending at the date of the approval of this act; and all proceedings for the acquirement of parks and parkways and the making of local improvements and the making and collecting of assessments therefor, which improvements have been finally ordered under the provisions of any law of this state, before the date of the approval of this act, shall be proceeded in as though this act has not been passed.

"Sec. 359. All general laws and parts thereof inconsistent with the provisions of this act are hereby repealed; provided, nothing in this section shall be taken or construed as in any manner changing the provisions of section twenty-one (21) of this act.  
"Sec. 360. This act shall take effect and be in force from and after its passage."

CHAPTER 10

PUBLIC INDEBTEDNESS

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1934. 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) [1847]

189-95, 165+880; 146-415, 178+1006; 189+932, 166-202, 207+309.

1935. 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) [1848]

1936. 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) [1849]

1937. 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) [1850]

1938. Limit of debt—Excess void—Subject to § 1937, no city of this 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) [1851]

See G. S. 1894 §§ 1639, 1090, 1092, 1095, 1096, 1441, 2771; 10-340, 268; 27-64, 64-111; 54-331, 56-49; 57-434, 59-488; 58-418, 59-1088, 523; 63-125, 65-115, 83-119, 85-933; 89-477, 95-310; 91-290, 97-1049; 93-290, 101-180; 94-397, 103-11; 87-381, 92-328; 82-202, 84-754; 189-933.

157-469, 196-465  
G. S. 1894 §§ 1095, 1639, limiting indebtedness, not applicable to city under home rule charter (102-329, 113-899).

1938-1. Interest rate on bonds in cities of first class in excess of rate fixed by charter—Any city of this state now or hereafter having a population of over fifty thousand inhabitants, and authorized by the terms of its charter to issue and sell the bonds of such city for any purpose, at a rate of interest limited to less than five per cent per annum, is hereby authorized and empowered, notwithstanding any such charter limitations, 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 its charter, bearing a rate of interest in excess of that limited by its charter, but not, however, exceeding a rate of five per cent per annum, payable annually or semi-annually. Provided that the provisions of this act shall not apply to any act of the legislature heretofore passed authorizing the issue and sale of bonds in which the rate of interest is fixed by the act. ('15, c. 53, § 1)

Explanatory note—Section 3 of Laws 1915, c. 53 repeals all inconsistent acts and parts of acts.

1938-2. Same—Cities under home rule charters—This act shall also apply to cities existing under a charter framed pursuant to Section 36, Article 4 of the Constitution. ('15, c. 53, § 2)

1938-3. Obligations of cities, villages, boroughs, counties, towns, and school districts—Definitions—As used in this act unless the context or subject matter otherwise requires:

(A) The word "municipality" shall mean any city of any class, village, borough, county, town or school district however organized.

(B) The word "obligation" shall mean any bond, certificate of indebtedness, warrant or order, author-

ized by law, issued by a municipality; provided, that the following obligations are excepted from the provisions of this act as to the issuance thereof;

(1) Those issued by any county under any present or future law for road or highway purposes to the extent to which such county shall be entitled to reimbursement out of the trunk highway fund of the State of Minnesota.

(2) Those authorized by the electors of any municipality to be issued and sold to the State of Minnesota.

(3) Those issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property especially benefited thereby including those which are the general obligations of the municipality issuing the same, if the municipality is entitled to reimbursement, in whole or in part, from the proceeds of special assessments levied upon property especially benefited by such improvements.

(4) Those maturing in less than one year from their date.

(5) Those issued for the creation or maintenance of a permanent improvement revolving fund.

(6) Those issued for the construction, repair or maintenance of wharfs and docks.

(7) Warrants or orders having no definite or fixed maturity.

(C) The words "gross debt" shall mean as to any municipality the aggregate of the principal of the following items owing by it:

(1) All obligations as herein defined issued and outstanding, including those excepted from the provisions of this act as to the issuance thereof.

(2) Total amount of any unpaid judgments rendered against the municipality.

(D) The words "net debt" shall mean as to any municipality the amount remaining after deducting from its gross debt the aggregate of the principal of the following items so far as applicable to such municipality.

(1) Obligations issued by any county under its present or future law for road or highway purposes, to the extent to which such county shall be entitled to reimbursement out of the trunk highway fund of the State of Minnesota.

(2) Obligations issued for the acquisition, construction, maintenance, repair or improvement of public waterworks systems, and public lighting, heating or power systems, and of any combination thereof.

(3) Obligations issued for improvements which are payable wholly or partly from collections of special assessments levied on property benefited thereby including those which are the general obligations of the municipality issuing the same, if the municipality is entitled to reimbursement, in whole or in part, from the proceeds of special assessments levied upon property especially benefited by such improvement.

(4) Obligations issued for the creation or maintenance of a permanent improvement revolving fund.

(5) Warrants or orders having no definite or fixed maturity.

(6) Amount of all money and the face value of all securities held as a sinking fund for the extinguishment of obligations other than those deductible under this subsection "D."

Nothing herein contained, however, shall be construed to change the method, if any, of computing the limit of indebtedness of any municipality as prescribed by the special law or the home rule charter under

1938<sup>3</sup>  
Et seq.  
31 — 102

1938<sup>3</sup>  
29 — 183  
232nw 737  
29 — 41  
29 — 116  
29 — 121  
29 — 217  
29 — 227  
29 — 342

1938<sup>3</sup>  
33 — 145  
33 — 171  
33 — 296  
33 — 301  
1938<sup>3</sup>  
Et seq.  
33 — 275  
33 — 415

which it is organized. ('27, c. 131, § 1, effective Sept. 1, 1927)

1938-4. Same—Amount of limitation on net indebtedness—Special existing limitations not increased—Elections, where required—No municipality, except school districts, shall hereafter incur or be subject to a net debt beyond ten per cent of the last assessed valuation, as finally equalized, of all taxable property therein, including moneys and credits, and no school district shall incur or become subject to a net debt beyond twenty per cent of such assessed valuation; provided that no city of the first class shall be subject to a net debt beyond five per cent (5%) of such assessed valuation unless the Charter for such city contains a provision to that effect; provided that this act shall not be construed as increasing the limit of debt, if any, prescribed by the special law or home rule charter under which any municipality is organized; provided further, that no independent school district located wholly or partly within a city of the first class 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 situated in whole or in part; and 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 evidence 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; provided, further, however, that if the net indebtedness of any municipality shall exceed the limit applicable thereto as provided herein, at the time this act takes effect, but was not in excess of the limit of debt prescribed by law at the time the indebtedness was incurred, such municipality may issue and sell, pursuant to the provisions hereof, obligations to refund any of such indebtedness at the time of the maturity thereof, if there are not sufficient funds to pay the same. ('27, c. 131, § 2, effective Sept. 1, 1927)

1938-5. Same — Obligations — Maturity — All obligations as herein defined and subject to the provisions of this act as to the issuance thereof shall be payable serially in annual installments, as determined by the governing body of the municipality, the first thereof to become due and payable in not more than three years from the date of such obligations, and the last installment thereof to become due and payable as follows:

(A) Those issued for the acquisition, construction or extension of sewers or sewer systems and water-works or water systems; for the erection, furnishing and equipping of school houses, court houses, jails, hospitals, libraries, museums, art galleries, home for the poor, or other public buildings, and the purchase of sites therefor; for the construction of concrete or steel span bridges, garbage crematories or disposal plants, and subways; for the acquisition, extension or improvement of parks, parkways, playgrounds, or any combination thereof; not more than thirty years from their date.

(B) Those issued for the acquisition, construction or improvement of electric light plants or systems, or combination water and electric light systems, or heating plants and systems, or combination water, electric light and heating plants or systems, not more than thirty years from their date.

(C) Those issued for the purpose of funding or re-funding outstanding obligations not more than twenty years from their date.

(D) Those issued for any other purpose authorized by law not more than twenty years from their date.

No annual maturing installments of principal of any issue of such obligations shall be more than two and one-half (2½) times the amount of the smallest installment thereof maturing in any one year. ('27, c. 131, § 3, effective Sept. 1, 1927)

1938-6. Same—Obligations—Elections to determine issue—No obligations subject to the provisions of this act as to the issuance thereof, except obligations issued to pay judgments lawfully rendered or for re-funding obligations at maturity or at their optional or callable dates or to fund outstanding warrants heretofore issued shall be issued without the approval, first obtained, of the majority of the electors voting on the question of issuing such obligations, excepting that in the case of villages a five-eighths majority must be obtained, provided, that in the case of a municipality operating under a home rule charter, which permits the issuance of bonds without an election, then nothing herein shall be construed as requiring such municipality to obtain such approval.

A proposition to issue such obligations may be submitted at a general or special election or town or school meeting, in the notice of which election or meeting the purpose and the maximum principal amount of the proposed obligations shall be plainly stated. Such election or meeting shall be called and held in accordance with the provisions of law applicable thereto. ('27, c. 131, § 4, effective Sept. 1, 1927)

1938-7. Same—Tax levy for payment of obligations—Sinking funds—The governing body of any municipality hereafter issuing obligations subject to the provisions of this act as to the issuance thereof, shall, before the issuance thereof, levy for each year, until the principal and interest are paid in full, a direct annual tax in an amount not less than five per centum (5%) in excess of the sum required to pay the principal and interest thereof, when and as such principal and interest matures. After such obligations have been delivered to the purchaser thereof, such tax shall be irrevocable until all such indebtedness is paid, and after the issue of such obligation, no further action of the governing body of such municipality shall be necessary to authorize the extensions, assessments, and collection of such tax. The recording officer of such municipality shall forthwith furnish a certified copy of such levy to the County Auditor or County Auditors of the county or counties in which such municipality is situated, together with full information regarding the obligations for which the tax is levied, and such County Auditor or such County Auditors, as the case may be, shall enter the same in the register hereinafter provided for, and shall extend and assess the tax so levied. If such municipality is located wholly within one county, the County Auditor thereof shall annually extend and assess the amount of the tax so levied. If the boundaries of such municipality include property situated in more than one county, the county auditor of each such county shall annually extend and assess such portion of the tax levied as the assessed value of the taxable property, not including moneys and credits, located wholly within such municipality in such county bears to the total assessed value of the taxable property, not including moneys and credits, within such municipality. Any surplus resulting from the excess levy herein provided for shall be transferred to a sinking fund after such principal and interest for which the tax was levied and collected has been paid; provided, however, that the governing body may on or

1938<sup>4</sup>  
29 — 204  
  
1938<sup>5</sup>  
31 — 11  
31 — 154

1938<sup>7</sup>  
29 — 204  
  
1938<sup>7</sup>  
31 — 10  
31 — 96  
31 — 154  
31 — 239  
176m 389  
178m 480  
178m 552  
223nw 458  
227nw 658  
228nw 162  
223nw 861  
  
1938<sup>7</sup>  
34 — 44  
2640

before October 15 in any year, by appropriate action, cause its recording officer to certify to the County Auditor or Auditors, if in more than one county, the amount on hand and available in its treasury from earnings of waterworks, public lighting, heating or power plants, or otherwise, including the amount in such sinking fund, which it will use to pay principal or interest or both on each specified issue of its obligations and the County Auditor or Auditors shall reduce such levy for such year, herein provided for, by such amount. The amount of funds so certified shall be set aside by the governing body, and be used for no other purpose than for the payment of the principal and interest of such obligation. All taxes hereunder shall be collected and remitted to the municipality by the County Treasurer or County Treasurers in accordance with the provisions of law governing the collection of other taxes, and shall be used solely for the payment of such obligation where due. ('27, c. 131, § 5, effective Sept. 1, 1927)

**1938-8. Same—County auditor to keep register of obligations issued**—It shall be the duty of the County Auditor of each county to keep a register in which shall be entered as to each issue of such obligations by any municipality located in whole or in part in such county a record of the aggregate amount authorized, the aggregate amount issued, purpose for which issued, the number, denomination, date and maturity of each, the rate of interest, and time of payment thereof, and place of payment of principal and interest, and the amount of tax levied for the payment thereof in accordance with the provisions hereof. ('27, c. 131, § 6, effective Sept. 1, 1927)

**1938-9. Same—Certificates of registration of obligations before delivery to purchaser**—Before any obligation, as herein defined, subject to the provisions of this act as to the issuance thereof, shall be delivered to the purchaser thereof, the governing body of the municipality issuing the same shall obtain from the County Auditor or County Auditors, as the case may be, a certificate or certificates to the effect that said issue has been entered on his register, and that a tax has been levied by the municipality as required herein provided, however, that this Section shall not apply to cities of the first class. ('27, c. 131, § 7, effective Sept. 1, 1927)

**1938-10. Same—Tax levies not limited**—This act shall not be construed as limiting the power of a municipality to levy taxes to pay its obligations issued hereunder, but the governing body of every municipality shall have the authority and it shall be its duty to levy any taxes necessary to provide revenue to pay such obligations. ('27, c. 131, § 8, effective Sept. 1, 1927)

**1938-11. Same—Sinking funds—Investment of surplus**—Taking care that enough cash is always retained in a sinking fund to provide for the annual payments of principal and interest on the obligations for which such fund was instituted, the surplus, if any, in any sinking fund heretofore or hereafter created in any municipality may be invested under the direction of the governing body as follows:

(A) In any interest bearing bond or other evidence of indebtedness of the United States.

(B) In any interest bearing bond or other evidence of indebtedness of the State of Minnesota.

(C) In any bond certificate of indebtedness, warrant, order or interest bearing obligation issued pursuant to law by such municipality or by any other municipality in the State of Minnesota; provided, how-

ever, that no municipality shall invest any moneys in any sinking fund in its own warrants or orders which have no definite or fixed maturity.

The obligations representing investments under this section may be sold or hypothecated by the governing body at any time, but the money so received shall likewise remain a part of such fund until used for the purpose for which the fund was created:

In the words "sinking fund" as used herein are included any and all funds or moneys held in the treasury of any municipality which have been appropriated or set aside for the payment of the principal and interest, or either of them, of any of its obligations. ('27, c. 131, § 9, effective Sept. 1, 1927)

**1938-12. Same—Violations of law a misdemeanor**—Any officer of a municipality as herein defined, who shall knowingly fail to comply with any of the provisions of this act, shall be guilty of a misdemeanor. ('27, c. 131, § 10, effective Sept. 1, 1927)

**1938-13. Same—Laws repealed—Time of taking effect of law**—The provisions of all laws pertaining to the issuance and payment of obligations that are subject to the provisions of this act as to the issuance thereof, in so far as the provisions of said laws are inconsistent with the provisions hereof, are hereby repealed. None of the provisions of this act relating to the issuance or to the payment of bonds shall apply to bonds issued by counties on account of which they shall be entitled to reimbursements out of the trunk highway fund of the state, nor to the refunding of such bonds heretofore or hereafter issued. Except and to the extent of such repeal, all such laws shall continue to be in force and effect. Nothing in this act contained shall confer power upon any municipality to issue obligations for any purpose other than those now authorized by law.

This act shall take effect and be in force from and after September 1, 1927, but in all cases where the issuance of obligations shall have been duly authorized prior to September 1, 1927, the proceedings therein and the issuance of obligations so authorized may be completed under the provisions of law existing prior to the going into effect of this act, and the provisions of such law shall continue for all purposes of completing such unfinished proceedings and the issuance of such obligations notwithstanding the amendments and repeals contained in this act. ('27, c. 31, § 11, effective Sept. 1, 1927)

**1938-14. Reports of outstanding bonds and warrants issued by cities, villages, townships, and school districts**—On or before February 1 of each year it shall be the duty of the clerk or recorder of each city or village, and the clerk of each township or school district to report to the county auditor of each county in which such municipality or school district is situate, the total amount of outstanding bonds, and the purpose for which issued and the amount of outstanding warrants as of December 31 of the preceding year. ('27, c. 163, § 1, effective from and after Jan. 1, 1928)

**1938-15. Same—Reports kept by county auditors—Reports thereof to Tax Commission**—Such report shall be kept by the county auditor of each county in a suitable record. On March 1 of each year it shall be the duty of the county auditor of each county to make report to the Minnesota Tax Commission of such indebtedness as reported to him by the officers of said municipalities, together with the amount and character of all outstanding bonds issued by the county of which he is the county auditor. ('27, c. 163, § 2, effective from and after Jan. 1, 1928)

1938<sup>13</sup>  
174m 509  
219nw 872

1938<sup>10</sup>  
31 - 154

**1939. Bonds**—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) [1852]

May be made payable in gold with semi-annual interest without authorization from electors (116-371, 133+962; 123-514, 144+161).

**1940. Registered bonds**—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. The governing body of any municipal corporation may, by a resolution prescribing the method and terms of registration, authorize the proper officer of such municipal corporation designated in such resolution to register as to the payment of principal only any negotiable bonds heretofore or hereafter issued by such municipal corporation when requested by the purchaser or holder thereof, such registration to be by endorsement on such bonds of a certificate of registration which shall recite that the principal thereof will be payable only to such person as by such registration appears to be the owner thereof or to his legal representatives, and such resolution shall provide for the keeping of a permanent record of bonds so registered. But bonds so registered shall not extend the time of maturity, nor shall the indebtedness of the municipal corporation be by such registration increased. (R. L. '05 § 782; G. S. '13 § 1853; amended '23 c. 313)

**1941. 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 Section 1853, nor to those authorized by this chapter for funding or 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. (R. L. '05 § 783; G. S. '13 § 1854; amended '21 c. 209 § 1)

Section 1853 referred to is § 1940, herein. 156-268, 194+756.

Chapter 209, Laws 1921, was in effect a reenactment of sections 1854, 1855, Gen. St 1913, and did not repeal by implication sections 1932, 1933, Gen. St. '913. 157-469, 196+465.

116-371, 133+962; 146-413, 178+1006; 188+429.

**1942. 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. 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 for funding floating indebtedness provided, however, that bonds hereafter issued for the purpose of funding floating indebtedness under authority of this act shall be payable in annual installments, as nearly equal in amount as conveniently may be, the first of which installments shall be due in not more than three years from the date of the issue, and the last of which installments shall be due in not more than fifteen years from the date of the issue. (R. L. '05 § 784, amended '07 c. 297; '09 c. 261; '21 c. 209 § 2) [1855]

§ 1848 referred to is § 1935, herein.

156-268, 194+756; 157-469, 196+465, note under § 1941.

As to powers of various municipalities to issue bonds for certain purposes. Cited (105-403, 117+611). 188+429, 188+932.

**1943. Sale of bonds**—Before any municipal corporation, as defined by Section 1847, General Statutes of 1913, shall sell or enter into any contract for the sale of any bonds or certificates of indebtedness, however authorized, and for whatever purpose issued, unless a different method of sale is specifically provided in the act or charter authorizing the same, at least two weeks' published notice shall be given of a meeting of the governing body to open and consider bids therefor.

1942  
29 — 112  
29 — 114  
29 — 127  
  
1942  
31 — 100  
31 — 194  
  
1942  
33 — 43  
33 — 72  
33 — 131  
33 — 338  
See 3160  
See 3165

1943  
29 — 41  
  
1943  
Et seq. — 131  
33 — 227  
33 — 258  
33 — 290  
  
1943  
34 — 20  
34 — 24  
1972 Note

The time and place of said meeting shall be fixed, and the newspaper in which the notice shall be published, if other than the official newspaper, designated by a resolution or motion 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. Such bonds or certificates shall not be sold or disposed of for less than their face value with accrued interest, except when specifically provided by law. Any officer of any municipality having bonds or certificates of indebtedness for sale which are required by the provisions hereof to be so advertised, that shall enter into or approve any contract or agreement for the sale of such bonds or certificates contrary to the provisions hereof, or tending to prevent competitive bidding therefor, shall be guilty of a misdemeanor. (R. L. '05 § 785; G. S. '13 § 1856; amended '23 c. 299)

73-225, 75+1050; 190+597.

**1944. Delivery—Proceeds—**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) [1857]

See '23 c. 90 legalizing bonds.

**1945. 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) [1858]

**1946. 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) [1864]

**1946-1. Refunding bonds of municipal corporations—Municipal corporation defined—**"Municipal corporation," as used herein means any of the corporations

enumerated in Section 1847, General Statutes 1913. ('21, c. 185, § 1)

**Explanatory note—**For § 1847, Gen. St. 1913, see § 1934, herein.

**1946-2. Same—Validity need not be inquired into—**No purchaser or owner of bonds already or hereafter issued by a municipal corporation for the purpose of refunding its outstanding floating indebtedness under any law of this state, shall be obligated to inquire into the validity of the debts by such bonds refunded, but the determination by resolution of the governing body of any such municipal corporation to issue its bonds for such purpose, shall be conclusive evidence as to such purchaser or owner of the validity of the debts thereby refunded. Provided, that nothing herein shall be construed as authorizing or legalizing the issuing by any municipality of bonds which will increase its net indebtedness beyond the limit fixed by law; and provided further, that, as between any municipality and any owner or holder of any warrant or order of such municipality, nothing herein shall be construed as validating any such invalid warrant or order. ('21, c. 185, § 2)

**1946-3. Village, town, and school district bonds for funding and refunding bonded, judgment and floating indebtedness exceeding 40 per cent of assessed valuation of taxable property—**Any village, town or school district in this state, whose existing bonded judgment and floating indebtedness exceeds forty per cent of the assessed valuation of all taxable property, exclusive of moneys and credits, in the village, town or district, may issue, negotiate and sell its bonds, for the purpose of funding and refunding such indebtedness or any part thereof, and for the other purposes hereinafter stated, in the manner and under the conditions hereinafter prescribed. ('27, c. 331, § 1)

**1946-4. Same—Resolution for issue of bonds—Lists of indebtedness—Election to determine bond issue—**The governing body of such village, town or district at any regular or duly called special meeting thereof, 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 and the face value of each thereof, and the time when each bond to be issued thereunder shall mature, and direct that the same be issued, negotiated and sold as hereinafter provided. A list of the items of indebtedness so to be funded and refunded may be made and certified by the presiding and recording officers and the treasurer of the village, town or district, and kept on file for public examination in the office of the recording officer, and may be referred to in the resolution so adopted. Said resolution may be published not less than one nor more than three weeks successively in a legal newspaper published in said village, town or district, or in the county seat of the county, if there be no such newspaper in said village, town or district, and proof of the publication thereof filed in the office of the recording officer. The governing body may and, on petition of ten or more voters and taxpayers of the village, town or district, filed with the recording officer within ten days after the first publication of such resolution, or prior thereto, shall submit to the legal voters of the village, town or district, at a regular or special election, the proposition so to issue, negotiate and sell said bonds, and, in such case, the affirmative vote of a majority of those voting on the proposition shall be sufficient to authorize same. In any case, no bonds sold by authority of this act more than thirty

1946  
29 — 351  
31 — 155  
33 — 407  
243nw 786

1946  
Et seq.  
29 — 351  
31 — 155  
33 — 407  
33 — 54  
33 — 389

1946<sup>1</sup>  
29 — 410  
1946<sup>3</sup>  
31 — 100  
1946<sup>6</sup>  
1946<sup>3</sup>  
33 — 306  
See 1973<sup>1-6</sup>  
See 1941  
Et seq.  
1946<sup>2-4</sup>  
33 — 383

days after the publication of the governing body's authorizing resolution, or after the vote of the electors authorizing same, shall be questioned by reason of the invalidity of any indebtedness included in the list aforesaid funded or refunded thereby nor of any informality, irregularity or defect in the proceedings. ('27, c. 331, § 2)

1946-5. Same—Maturity, interest, and sale of bonds—The bonds authorized hereunder shall be payable serially in annual installments, as determined by the governing body, the first thereof to become due and payable in not more than three years from the date thereof, and the last installment thereof to become due and payable not more than fifty years from their date. No annual maturing installment of principal shall be more than two and one-half times the amount of the smallest installment thereof maturing in any one year; provided, in the discretion of the governing body, exercised by resolution at any time before the issuance and sale of said bonds, any or all thereof may be made payable on or before their respective maturity dates; and bids for said bonds may be in the alternative for such bonds with or without the "on or before" privilege. None of said bonds shall be sold for less than their full face value, nor bear interest in excess of six (6) per cent, per annum, payable annually or semi-annually. The procedure for advertising for, receiving and accepting bids for said bonds shall be that provided for in Section 1943, General Statutes 1923, and any amendments thereof. ('27, c. 331, § 3)

1946-6. Same—Sale of bonds by popular subscription—In lieu of, or in addition to, receiving bids for such bonds, or any thereof, the governing body may cause same to be offered for and sold by public subscription from time to time; and in any case the holder of outstanding bonds or other indebtedness of the village, town or district may use and apply the same and any interest or other items legally accrued thereon in payment, in whole or in part, for bonds herein authorized purchased by him. But no bonds shall be issued or sold in any manner hereunder unless all indebtedness to be funded and refunded is due, or unless the holders thereof shall have consented to accept payment thereof, with interest and other items legally accrued thereon, and surrender and satisfy same, such consent to be by written instrument, filed with the recording officer; provided that outstanding bonds having not over 4¼ per cent interest per annum, not yet due, need not be so surrendered as a condition to the issuance of bonds hereunder to fund or refund the other obligations of the village town or district, but, in such event, such outstanding, unsurrendered bonds shall be considered in determining the maturities of the bonds issued hereunder. ('27, c. 331, § 4)

1946-7. Same—Tax levy for interest and sinking fund—In each year in which bonds are sold pursuant to this act the governing body shall levy and certify to the county auditor a direct annual tax in an amount not less than 5 per cent in excess of the sum required to pay the principal and interest thereof, when and as the same mature, which tax shall be irrevocable until all such indebtedness shall be paid. No further authority for the extending and collection of such tax shall be required, and no part of the proceeds shall be diverted to any other use until all obligations herein authorized shall have been fully paid. ('27, c. 331, § 5)

1946-8. Same—Revolving fund—Use of—The governing body in their discretion and with the approval of the state board of investment may include in the amount of said bonds a sum not exceeding 10 per cent

of the obligations to be funded and refunded, and use the proceeds of such excess fund as a revolving fund for the following purposes: From time to time the same or any part thereof, with the approval of said state board, may be used to purchase taxable real property in said village, town or district at any tax sale thereof, or state assignment certificates thereof, and to pay subsequent delinquent taxes thereon, and to take proper proceedings to cause elimination of the right to redeem from such tax sales, in the same manner and with the same rights as in case of a private purchaser, except that no law limiting the time for giving notice of expiration of redemption or recording the tax certificate or deed, as conditions for keeping alive the validity and lien of any such certificate or deed, shall apply. The proceeds of any such certificate or deed, whether upon redemption or otherwise, as well as of any property acquired by virtue thereof, may be likewise invested; but all such certificates, deeds, property and proceeds shall be held and dealt with by the village, town or district as trustee, as additional security for each and all of the bonds issued and sold by virtue of this act, so long as the same or any thereof remain unpaid. ('27, c. 331, § 6)

1946-9. Same—Stay of proceedings where municipality is in default on bonds or other indebtedness—Procedure in district court—If heretofore or hereafter, prior to the issuance and sale of the bonds herein authorized, default shall have occurred in the payment or in any of the conditions of any of the outstanding bonded indebtedness of such village, town or district, or of any of the interest thereon, or any personal judgment for money shall have been obtained against such village, town or district, and the welfare of the village, town or district and the security of its creditors shall be jeopardized thereby, the village, town or district, through its presiding and recording officers, by authority of the governing body, may apply to the district court of the county and district in which such village, town or district is situated, for the relief herein authorized, whereupon the court may forthwith, on such conditions as to it shall seem proper, order that any and all proceedings, pending or otherwise, to enforce the obligations of such village, town or district be stayed until further order of the court, and may fix a time and place for hearing on the question whether such stay be continued, and the supervision and control hereinafter mentioned exercised, during the embarrassed financial condition of said village, town or district, and such other relevant questions as to it shall seem proper, and shall cause notice of such hearing to be given, at least ten days prior to the date thereof, by publication for at least one week in a legal newspaper published in said village, town or district, or, if there be none in such village, town or district, in the county seat, and by mailing to each creditor whose name and address are known. Upon such hearing the court may award such relief, or so much thereof as to it shall seem proper. During any proceedings herein authorized the affairs of said village, town or district shall be conducted under the supervision and control of the court, consistently with the reasonable protection of the interests of all the creditors and with the performance of such public duties and functions of the village, town or district as shall be feasible. Such proceedings shall not preclude the issuance and sale of the bonds, nor the exercise of any of the other powers and functions, hereinbefore authorized, but, during the pendency of such proceedings, the same shall be done and performed under the supervision of the court, and that of

31 1946<sup>6</sup>  
— 100  
33 1946<sup>9</sup>  
— 387  
See  
608 Note



the state board of investment shall not be required. Any final order of the court in proceedings authorized by this act shall be subject to appeal and review as in other like cases. ('27, c. 331, § 7)

**1946-10. Same—Construction of law—Partial invalidity**—This act shall be construed as remedial and consistently with the constitutional rights and duties of each village, town, school district, taxpayer and creditor affected. If any section, part or provision hereof be found unconstitutional, such determination shall not affect the validity of the remaining provisions not clearly dependent thereon. ('27, c. 331, § 8)

**1946-11. Same—Compromise or settlement with creditors**—Nothing in this act contained shall be construed to prohibit any such village, town or district's agreeing with its creditors, or any of them, to a compromise and settlement of any or all of its indebtedness for less than the amount thereof, nor its borrowing money, to affect such settlement, under this or any other statute authorizing the borrowing of money by villages, towns or school districts, as the case may be. ('27, c. 331, § 9)

**1946-12. Same—Construction of existing or future laws**—No statute heretofore or hereafter enacted shall be construed to prohibit or impair the right to issue and sell the bonds with the maturities herein authorized, unless the purpose so to do shall be expressly declared. ('27, c. 331, § 10)

**1947. 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) [1865]

**1948. 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) [1866]

**1949. 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 3½ 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) [1867]

**1950. Liability of treasurer**—For any loss occurring by the treasurer 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) [1868]

**1950-1. Investment of village sinking funds**—That the treasurer of any village which has heretofore or which may hereafter issue its bonds, may invest, when directed by the governing body of such village so to do, any moneys in its treasury which were levied for the purpose of paying such bonds at maturity, or any moneys therein which have been set aside or are being held for such purpose, in any registered liberty bonds of the United States or in any bonds issued by the State of Minnesota. ('25, c. 162)

**1951. 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) [1871]

113-203. 129+381.

**1952. 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 of this act. ('07 c. 273 § 2) [1872]

Section 1 referred to is § 1951, herein.

**1953. Division of bonded indebtedness of townships and villages**—That in any case where any township and village are jointly liable 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) [1873]

1954. 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) [1874]

1955. 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) [1875]

This section and the two following sections appear to be superseded by § 1959 et seq.

1956. 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) [1876]

1957. 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) [1877]

1958. 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) [1878]

1958-1. School district tax levies for payment of interest and creation of sinking funds for bond issues in excess of 15 per cent of assessed valuation—At or before the issuance of bonds by a school district which bonds together with the bonds of said school district then outstanding including bonds issued to the State of Minnesota will be in excess of fifteen per cent of its last assessed valuation the school board shall by resolution provide for the levy of an annual tax to pay the interest and create a bond sinking fund which annual tax shall be not less than an amount sufficient to pay the interest due the following year on all bonds of said school district then outstanding, excluding bonds issued to the State of Minnesota, and an amount not less than four per cent of the face value of said proposed bond issue and all other bonds of said school district then outstanding, excluding bonds issued to the State of Minnesota. A certified copy of said resolution shall be filed with the county auditor who shall include the levies provided for in the annual tax levies of said school district. The tax levy herein provided for shall be in addition to the tax levy required by Section 1878, General Statutes 1913, to pay the principal and interest of bonds issued to the State of Minnesota. Provided, however, that the sinking fund herein provided for shall be invested in accordance with the provisions of Section 1867 General Statutes 1913 or in obligations of the United States. ('23, c. 195, § 1)

Explanatory note—For section 1878, Gen. St. 1913, see 1958-1, herein, for § 1867, Gen. St. 1913, see § 1949, herein.

1959. 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) [1879]

1959-1968  
240nw 640  
See 2704  
See 27084

1959-1960  
34 - 17

The act contains no repealing clause, but it appears to supersede §§ 1955-1957.

**1960. 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) [1880]

**1961. 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) [1881]

**1962. 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) [1882]

122-59, 141+1105.  
The statute is complete in itself and is the controlling law. The proposition to issue bonds is carried by a majority of the electors voting at the election as provided in the statute. 156-268, 194+756.

The notice of election stated that the bonds were to be used for "building and equipment, including busses" The ballots stated that they were to be used for "building and equipment." The variance does not affect the validity of the election or of the bonds. 156-268, 194+756.

**1963. 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 thereof 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 con-

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tained 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) [1883]

**1964. 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) [1884]

*The judges of election were not sworn. The omission does not affect the validity of the election. 156-268, 194+756.*

**1965. Purchase of bonds by state**—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 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, amended '17 c. 270 § 1) [1885]

122-59, 141+1105.

**1966. 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) [1886]

**1967. 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) [1887]

**1968. 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) [1888]

*For purchase of certificates of indebtedness issued in aid of construction of public buildings see '11 c. 52. 122-59, 141+1105.*

**1968-1. Purchase of municipal bonds by State Board of Investment**—The State Board of Investment shall have power to purchase upon the open market any bonds heretofore or hereafter issued by any municipality of this state and to purchase for its trust funds direct from any such municipality any bonds which such municipality may have authorized or shall hereafter authorize to be sold upon competitive bids, and any municipality which has authorized or may hereafter authorize the issuance and sale of any bonds may issue and sell such bonds to the state for its trust funds without first advertising for bids therefor. ('25, c. 350, § 1)

**1968-2. Same—Information furnished to Board**—Any municipality desiring to sell any such bonds to the state shall furnish to the board of investment certified copies of all proceedings relating to the issuance and sale thereof, together with such other information as may be requested by said board, all of which shall be filed with the state auditor upon the approval of said bonds and the consummation of the sale. ('25, c. 350, § 2)

**1969—Bonds purchased by state legalized**—1. The word "municipality," as used herein, shall be held to mean and include the various counties, cities, villages, boroughs, towns and school districts in the state of Minnesota.

2. 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 upon 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 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 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 muni-

cipality respectively issuing the same. ('13 c. 363 § 2; '23 c. 273) [1891]

This section is identical with '15 c. 290 and '17 c. 234, except that "property" is used instead of "real property" in '15 c. 290 and '17 c. 234.

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

Identical with Laws 1925, c. 44 and Laws 1927, c. 91.

**1970. 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) [1893]

**1971. 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) [1894]

§ 1893 referred to is § 1970, herein.

**1972. 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) [1895]

Chapter 123, Laws 1905 (Gen. St. 1913, §§ 1932, 1933) superseded the provisions of chapter 10, Rev. Laws 1905, in so far as they relate to the steps to be taken to issue village bonds to fund floating indebtedness. 157-469, 196-465.

**POWERS OF CITIES WITH RESPECT TO BONDS.**

The following acts have not been included. See also Villages and Cities, c. 9.

- '05 c. 19, bonds for water works.
- '05 c. 76, legalizing school bonds for graded school buildings, etc., under 1893 c. 204, and amendatory acts.
- '05 c. 77, legalizing school bonds for high school buildings etc., under 1893, c. 204, and amendatory acts.
- '05 cc. 76, 77 are curative, and not special legislation, (97-402, 106+477).
- '11 c. 99, legalizing bonds issued for permanent improvement revolving fund.
- '13 c. 303, street improvement and bridge bonds.

**POWERS OF CITIES OF THE FIRST CLASS WITH RESPECT TO BONDS.**

The following acts have not been inserted: See also Cities and Villages.

- '05 c. 58, authorizing bonds in aid of certain street improvements.
- '05 c. 172, authorizing bonds to take up bonds which are lien on water or gas plant.
- '07 c. 20, as amended by 1909 c. 360, and '11 cc. 119, 340, authorizing \$1,000,000 bonds for high schools. Not applicable to cities under home rule charters.
- '07 c. 21, authorizing \$300,000 bonds for graded schools.
- '07 c. 52, authorizing \$500,000 bonds for main sewers. Not unconstitutional as special legislation (105-178, 117-422).
- '07 c. 93, authorizing \$300,000 bonds for parks and parkways.
- '07 c. 147, validating sale of bonds for water and light plant, etc.
- '07 c. 264, authorizing \$175,000 bonds for improvements in street intersections and in front of exempt property.
- '07 c. 265, authorizing \$500,000 bonds for cost of local improvements in advance of special assessments.

- '07 c. 271, authorizing \$1,000,000 bonds for streets leading to state buildings or institutions, etc.
- '07 c. 287, authorizing \$100,000 bonds for engine houses and equipment for fire department.
- '07 c. 376, authorizing \$2,000,000 bonds for purchasing and establishing gas works.
- '09 c. 47, authorizing \$100,000 bonds for bridges over railways.
- '09 c. 89, authorizing \$60,000 bonds for street paving.
- '09 c. 156, as amended by '11 c. 208, authorizing \$1,000,000 bonds for graded schools. Not applicable to city under home rule charter.
- '09 c. 185, as amended by '11 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.
- '09 c. 206, authorizing \$300,000 bonds for parks and parkways. Not applicable to city under home rule charter.
- '09 c. 213, authorizing \$50,000 bonds for central police stations.
- '09 c. 228, as amended by '11 c. 189, authorizing \$1,000,000 bonds for waterworks.
- '09 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.
- '09 c. 357, authorizing \$100,000 bonds for playground sites.
- '09 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.
- '09 c. 370, as amended by '11 c. 157, authorizing \$100,000 bonds for fire engine houses. Not applicable to city under home rule charter.
- '09 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.
- '09 c. 406, authorizing \$50,000 bonds for main sewers and repealing inconsistent acts.
- '09 c. 489, authorizing issue by cities not under home rule charters of \$200,000 bonds for main sewers, etc.
- '11 c. 20, legalizing bonds issued by cities organized under 1895 c. 8 in certain cases, etc.
- '11 c. 75, authorizing \$700,000 bonds for electric light, heat and power plant, etc. Applicable to city under home rule charter.
- '11 c. 108, authorizing \$150,000 bonds for main sewers. Applicable only to city under home rule charter.
- '11 c. 117, authorizing \$800,000 bonds for high school buildings, etc. Not applicable to city under home rule charter.
- '11 c. 118, authorizing \$900,000 bonds for graded school buildings, etc. Not applicable to city under home rule charter.
- '11 c. 137, authorizing \$25,000 bonds for artesian wells, etc. Not applicable to city under home rule charter.
- '11 c. 146, authorizing cities not under home rule charter to issue \$400,000 bonds for hospital buildings, etc.
- '11 c. 155, authorizing \$800,000 bonds for parks and parkways. Not applicable to city under home rule charter.
- '07 c. 93, '09 c. 206, and '11 c. 155, each authorizing bonds for park purposes, are valid and cumulative (115-188, 131+1015).
- '11 c. 164, authorizing \$80,000 bonds for public playgrounds, etc. Applicable also to cities under home rule charter.
- '11 c. 230, authorizing \$450,000 bonds for main sewers. Not applicable to city under home rule charter.
- '11 c. 231, authorizing \$250,000 bonds for street intersections. Not applicable to city under home rule charter.
- '11 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.
- '11 c. 294, authorizing \$75,000 bonds for additional fire engine house, etc. Not applicable to city under home rule charter.
- '11 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.
- '13 c. 382, authorizing \$50,000 bonds for arching creek, etc. Applicable only to cities not under home rule charters.
- '13 c. 46, authorizing \$300,000 bonds for hospitals and workhouses, etc. Applicable only to cities not under home rule charters.
- '13 c. 117, authorizing \$50,000 bonds for improving certain streets.
- '13 c. 138, authorizing \$50,000 bonds for public playgrounds. Applicable to cities under home rule charters.
- '13 c. 149, authorizing \$500,000 bonds for waterworks system, etc. Applicable to cities under home rule charters.

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'13 c. 162, interest rate on bonds.  
 '13 c. 231, authorizing \$125,000 bonds for street lighting equipment, etc. Applicable only to cities under home rule charters.  
 '13 c. 256, authorizing \$250,000 bonds for sewers, etc. Applicable also to cities under home rule charters.  
 '13 c. 262, authorizing \$350,000 bonds for sewers, etc. Applicable only to cities not under home rule charters.  
 '13 c. 268, authorizing \$1,500,000 bonds for grade school buildings, etc. Applicable only to cities not under home rule charters.  
 '13 c. 274, authorizing \$325,000 bonds for parks and parkways, etc. Applicable only to cities under home rule charters.  
 '13 c. 300, authorizing \$150,000 bonds for sewers, etc. Applicable only to cities not under home rule charters.  
 '13 c. 304, authorizing \$375,000 bonds for parks and parkways, etc. Applicable only to cities not under home rule charters.  
 '13 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.  
 '13 c. 351, authorizing \$50,000 bonds for plant for manufacture of street paving materials, etc. Applicable only to cities under home rule charters.  
 '13 c. 382, authorizing cities not under home rule charters to issue \$50,000 bonds for arching creek, etc.  
 '13 c. 383, ratifying investments in city bonds and authorizing resale. Applicable only to cities not under home rule charters.  
 '13 c. 577, authorizing \$150,000 bonds for fire houses, etc. Applicable only to cities not under home rule charters.  
 '15 c. 12, authorizing cities which have sold bonds under '13 c. 274 for parks and parkways to use the unexpended portion of the proceeds.  
 '15 c. 204, sale of bonds.  
 '15 c. 205, authorizing \$100,000 bonds for erecting additions to and improvements of hospitals.  
 '15 c. 206, authorizing \$310,000 bonds for so much of cost of paving, curbs and gutters and lateral and other sewers as is not assessable upon abutting or benefited property.  
 '15 c. 207, authorizing \$85,000 bonds for constructing bridges over any navigable stream running through such city.  
 '15 c. 214, authorizing \$250,000 bonds, for cost of main or trunk line sewers.  
 '15 c. 232, authorizing \$125,000 bonds for improving parks and parkways.  
 '15 c. 266, authorizing \$300,000 bonds for graded school buildings and \$375,000 for high school buildings.  
 '15 c. 289, authorizing \$18,000 bonds for incinerators at crematory plants.  
 '15 c. 340, authorizing \$100,000 bonds for arching or covering over creek, etc.  
 '17 c. 99, authorizing \$125,000 bonds for improving parks and parkways.  
 '17 c. 219, authorizing \$100,000 bonds for improving and acquiring parks, parkways and playgrounds.  
 '17 c. 379, authorizing \$150,000 bonds for caring for flood waters of creeks, etc.  
 '17 c. 420, authorizing \$200,000 bonds for constructing and repairing bridges and viaducts.  
 '19 c. 100, tax for sinking fund.

**POWERS OF CITIES OF THE SECOND CLASS WITH RESPECT TO BONDS.**

The following acts have not been included:  
 '13 c. 16, authorizing \$145,000 bonds for high school buildings, etc.  
 '13 c. 242, authorizing \$25,000 bonds for hospitals. Applicable to cities under home rule charters.  
 '13 c. 243, authorizing \$75,000 bonds for city halls and lockups, etc. Applicable also to cities under home rule charters.  
 '15 c. 5, authorizing board of park commissioners to issue \$35,000 bonds for parks and parkways.  
 '17 c. 16, authorizing \$150,000 bonds for paving and curbing and storm water sewers.

**POWERS OF CITIES OF THE THIRD CLASS WITH RESPECT TO BONDS.**

The following acts have not been included:  
 See also Villages and Cities.  
 '13 c. 394, bonds for local improvements in cities not under home rule charter.  
 '15 c. 58, bonds for local improvements in cities not under home rule charter.  
 '17 c. 258, bonds for city hall.

**POWERS OF CITIES OF THE FOURTH CLASS WITH RESPECT TO BONDS.**

The following acts have not been included:  
 See also Villages and Cities.  
 '05 c. 20, authorizing bonds to take up floating indebted-

ness, the provisions of which must be availed of within six months.  
 '05 c. 28, authorizing cities having less than 2,500 inhabitants to issue bonds for waterworks and electric light plants, to be issued prior to January 1, 1906.  
 '05 c. 152, legalizing certain floating indebtedness and authorizing bonds to pay same.  
 '07 cc. 6, 7, legalizing bonds voted or issued by cities under home rule charter.  
 '07 c. 62, authorizing bonds to take up floating indebtedness, and limited to eight months.  
 '07 c. 64, legalizing bonds issued in certain cases.  
 '07 c. 244, bonds in aid of railroads.  
 '09 c. 28, failure to advertise does not invalidate bonds.  
 '09 c. 35, legalizing bonds voted or issued for water plant system, and for purchasing fire engine, etc.  
 '13 c. 60, legalizing bonds.  
 '13 c. 277, bonds for floating indebtedness legalized.  
 '13 c. 338, approved April 17, 1913, authorizing bonds to take up overdue bonds, within 8 months after approval of act.  
 '17 c. 335, authorizing refunding bonds.  
 '23 c. 89, waterworks.

**POWER OF VILLAGES WITH RESPECT TO BONDS.**

The following acts have not been included:  
 See also Villages and Cities.  
 '05 c. 111, legalizing bonds issued in certain cases.  
 '05 c. 123, amended '15 c. 169; '17 c. 336, bonds for floating indebtedness of village.  
 '07 c. 306, legalizing orders or other evidences of indebtedness to defray cost of purchasing electric light or waterworks plant.  
 '09 c. 227, legalizing certain floating indebtedness and authorizing issue of refunding bonds.  
 '09 c. 166, legalizing bonds issued or voted for refunding floating indebtedness.  
 '13 c. 225, legalizing bonds issued for refunding floating indebtedness.  
 '15 c. 7, legalizing bonds issued in purchasing a site and building for village hall.  
 '15 c. 320, bonds for floating indebtedness of village.  
 '17 c. 62, legalizing bonds issued for funding floating indebtedness.

**POWER OF COUNTIES WITH RESPECT TO BONDS.**

The following acts have not been included:  
 See also Counties, c. 7.  
 '05 c. 23, authorizing bonds for building court house, prior to September 1, 1905.  
 '05 c. 24, legalizing acts of commissioners in creating indebtedness for poor house in certain cases.  
 '05 c. 65, authorizing refunding bonds in certain cases, prior to January 1, 1906.  
 '05 c. 175, amended '21 c. 22; '21 c. 117, bonds for erection of court house. (See also 109-328, 123+590).  
 '07 c. 126, authorizing certificates of indebtedness for heating plant in court house.  
 '07 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).  
 '07 c. 461, authorizing refunding bonds by certain counties prior to January 1, 1908.  
 '09 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.  
 '09 c. 245, authorizing bonds to pay floating indebtedness.  
 '09 c. 405, authorizing counties having 275,000 inhabitants to issue \$1,000,000 bonds for roads and bridges. Unconstitutional (110-98, 124+635).  
 '11 c. 375, authorizing bonds to pay floating indebtedness.  
 '13 c. 100, authorizing bonds for improving lakes prior to May 15, 1913.  
 '13 c. 207, authorizing bonds to aid railroads in counties having no railroad connection at county seat.  
 '15 c. 179, authorizing counties having valuation of \$6,000,000 and not more than \$10,000,000 and area of not less than 75 nor more than 100 townships to issue prior to December 31, 1916, bonds for paying interest coupons on drainage bonds, etc.  
 '17 c. 13, authorizing counties to issue \$600,000 certificates of indebtedness to take up certificates issued under '07 c. 130 (applicable to counties having valuation of \$100,000,000 and bonded indebtedness of not more than \$700,000). See G. S. '13 p. 404.

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'17 c. 111, authorizing counties having 300,000 inhabitants wherein a county sanitarium is established to issue \$300,000 bonds for enlarging, etc., such sanitarium.

'17 c. 192, authorizing counties having valuation of more than \$6,000,000 and less than \$8,000,000 to issue bonds to take up floating indebtedness.

'17 c. 199, authorizing counties to issue not after May 15, 1917, \$25,000 bonds for improving lakes within such counties.

'17 c. 443, authorizing adjoining counties \$30,000 bonds for roads. Such bonds must be authorized before June 1, 1917.

'23 c. 90, legalizing county bonds.

'23 c. 320, authorizing \$250,000 for the purpose of permanently improving certain roads and providing for reimbursement by state.

'23 c. 345, authorizing extension of time of payment of installments for ditch work.

'23 c. 388, authorizing \$6,000,000 to construct or improve roads and bridges. Applicable only to counties having an assessed valuation of not less than \$200,000,000 and having a bonded indebtedness of not to exceed \$1,000,000.

**POWERS OF TOWNS TO ISSUE BONDS.**

The following acts have not been inserted:  
See also Towns, c. 8.

'05 c. 11, authorizing bonds for roads, bridges and town halls. (116-371, 133+962).

'05 c. 64, amended '07 c. 63, bonds for roads and bridges.

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

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

'09 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).

'09 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.

'15 c. 3, bonds for children's home in counties over 200,000.

'15 c. 103, authorizing tax levy to pay interest on bonds.

'15 c. 256, legalizing refunding bonds of county.

'17 c. 52, authorizing issuance of bridge bonds without submission to voters.

'17 c. 59, legalizing bonds.

'17 c. 389, legalizing town bonds.

**1973. Bonds of school districts—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) [1968]

151-83, 185+1019.

156-268, 194+756;157-469, 196+465.

**POWER OF SCHOOL DISTRICTS WITH RESPECT TO BONDS.**

The following acts have not been included:

'13 c. 73, authorizing bonds by special school districts.

'11 c. 363, authorizing bonds of independent school district in city. (189+701)

'13 c. 18, legalizing proceedings by school districts to borrow money.

See '15 c. 339, legalizing bonds issued by independent school district to pay expenses incurred in construction of grade or high school buildings.

See '17 c. 54, legalizing bonds for same purpose.

See '17 c. 260, legalizing action taken by consolidated school districts relative to voting additional bonds to the State of Minnesota for completing a new school building.

See '17 c. 138, legalizing indebtedness incurred by the school directors of special school district in cities of the third class when the boundaries of such city or school district are identical.

See '23 c. 16, legalizing bonds heretofore voted upon, issued and sold by independent school district for the purpose of purchasing a school house site, and building a school building.

'23 c. 28, authorizing reduction of interest on school loans.

See '23 c. 122, authorizing retirement of bonds.

**CHAPTER 10A**

**DEPOSITARIES OF PUBLIC FUNDS.**

Depositories of funds—Securities in lieu of bonds	1973-1
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See, also, §§ 96 to 108, herein.

**1973-1. Depositories of county, city, village, borough, town or school district funds—Securities in lieu of bonds—Any bank or trust company authorized to do a banking business in this state, designated as a depository of county, city, village, borough, town or**

school district funds, as provided by law, may, in lieu of the corporate or personal surety bond required to be furnished to secure such funds, deposit with the treasurer of the municipality making such designation, such bonds, certificates of indebtedness or warrants, except bonds secured by real estate, as are legally authorized investments for savings banks under the laws of the state or the bonds of any of the insular possessions of the United States, or the bonds of any state, or its agency, the payment of the principal and interest of which, or either, is provided for otherwise than by direct taxation. The total in amount of such collateral computed at its market value shall be at least ten per cent more than the limit of deposit which would be permitted if a corporate or personal surety

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