

CHAPTER 167

REIMBURSEMENT OF MUNICIPALITIES FOR MONEYS EXPENDED ON TRUNK HIGHWAYS

<p>Sec. 167.01 State to reimburse counties for money expended on trunk highways 167.02 Manner and time of reimbursement 167.03 Counties reimbursed for road bonds 167.04 Amount of reimbursement 167.05 Bonds to be issued 167.06 Villages may use reimbursements to purchase and redeem highway bonds 167.07 State to reimburse municipalities for moneys expended on trunk highways 167.08 Limitation to reimbursement 167.09 Commissioner of highways to determine who is entitled to reimbursement in certain cases 167.10 Commissioner of highways to determine who should receive disbursements in certain cases 167.11 Municipalities to file statement with county auditor 167.12 Property owners to be reimbursed in certain cases 167.13 Application 167.14 Reimbursement of counties by state for expenditures in permanently improved trunk highways 167.15 Purpose of and restrictions on reimbursement</p>	<p>Sec. 167.16 Commissioner of highways to determine amount; county warrants on road and bridge funds; bond issue 167.17 Money to be returned to fund from which paid 167.18 Reimbursement of counties by state for expenditures in permanently improving trunk highways subsequent to April 10, 1921 167.19 Amount of reimbursement 167.20 Bond issues 167.21 Reimbursement of counties by state for expenditures in permanently improving trunk highways 167.22 Purpose of and restrictions on reimbursement 167.23 Commissioner of highways to determine amount; county warrants on road and bridge fund; bond issues 167.24 Money to be returned to fund from which paid 167.25 Reimbursement of counties by state for expenditures in permanently improving trunk highways; cash reimbursement without issue of bonds 167.26 Certain county bond issues legalized; to be paid out of trunk highway fund</p>
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**167.01 STATE TO REIMBURSE COUNTIES FOR MONEY EXPENDED ON TRUNK HIGHWAYS.** The State of Minnesota hereby agrees to reimburse, to the extent hereinafter provided, all counties for moneys expended by them subsequent to February 1, 1919, or hereafter to be expended by them under the provisions of sections 167.01 and 167.02, in permanently improving roads described in the Constitution of the State of Minnesota, Article 16, and to be hereafter more definitely fixed and determined by the commissioner of highways.

[1921 c. 522 s. 1] (2640)

**167.02 MANNER AND TIME OF REIMBURSEMENT.** The reimbursement shall be made only in the manner, at the time, and to the extent herein provided:

(1) To the extent that the proceeds derived from the issuance of bonds by any counties under any general law of this state shall have been heretofore expended, the State of Minnesota hereby agrees to pay out of the trunk highway fund, and only out of that fund, the principal of such bonds at maturity, and it shall be the duty of the county boards of the counties availing themselves of the provisions hereof to certify to the commissioner of highways, on or before August 1, 1921, full data concerning such bonds, on blanks prepared and furnished by him, setting forth the dates of issue and sale, the date of maturity, the amount, the rate of interest, and such other facts as may be required by him.

The State of Minnesota hereby agrees to reimburse said counties for all interest accruing on said bonds subsequent to February 1, 1919, and paid by said counties, and for all interest hereafter to accrue thereon, but if the rate of interest on the bonds exceeds five per cent per annum such reimbursement shall be computed on the basis of five per cent, instead of the actual rate. It shall be the duty of the counties to pay such interest in the first instance and in accordance with the terms of such bonds. The auditor of any county claiming such reimbursement for interest shall certify to the commissioner of highways, on blanks to be prepared and furnished by him, complete data showing that the county is entitled to the reimbursement for interest, as hereby provided. These interest certificates shall be filed in the office of the commissioner of highways, to be numbered in the order of such filing, and be paid in the order of filing out of that portion of the trunk highway fund set aside for payment of interest and for refundment purposes. Interest shall not be allowed or paid on these interest certificates. The moneys so paid to any county shall be credited to the fund out of which such interest was paid by such county.

# MINNESOTA STATUTES 1941

1325

REIMBURSEMENT OF MUNICIPALITIES 167.02

(2) To the extent that moneys derived from taxes, state highway aid, or temporarily transferred from any bond, interest, or sinking fund, shall heretofore have been by any county so expended in such road work, the State of Minnesota hereby agrees to reimburse such county out of the trunk highway fund, and only out of that fund, for the moneys thus expended, together with interest thereon as included in the principal of bonds issued under this paragraph. Warrants, both paid and unpaid, which evidence such expenditure shall be included in such reimbursement. It shall be the duty of the county board of any county desiring such reimbursement to issue bonds of the county in an amount equal to the amount thus expended, including interest thereon from the respective dates of such expenditures to the date of such bonds, at the rate of five per cent per annum. Such bonds shall mature in not less than ten, nor more than 20, years and bear interest at not more than six per cent per annum, payable semiannually, and shall be sold conformably to section 475.15. Such county board is hereby authorized to issue and sell such bonds without regard to the county's net indebtedness. The State of Minnesota hereby agrees to pay out of the trunk highway fund, and only out of that fund, the principal of such bonds at their maturity. When such bonds shall have been so issued it shall be the duty of the county board so issuing these bonds to certify to the commissioner of highways full data concerning such bonds, on blanks to be prepared and furnished by him, setting forth the dates of issue and sale, the date of maturity, the amount, the rate of interest, and such other facts as may be required by him. The State of Minnesota hereby agrees to reimburse such counties for all interest accruing on these bonds, but if the rate of interest on the bonds exceeds five per cent per annum, such reimbursement shall be computed on the basis of five per cent per annum, instead of the actual rate. It shall be the duty of the counties to pay such interest in the first instance and in accordance with the terms of the bonds. Thereupon the county auditor shall certify to the commissioner of highways, on blanks to be prepared and furnished by him, complete data showing that the county is entitled to the reimbursement of interest, as herein provided. These interest certificates shall be filed in the office of the commissioner of highways, be numbered in the order of such filing, and be paid in the order of such filing out of that portion of the trunk highway fund set aside for the payment of interest and for refundment purposes. Interest shall not be allowed or paid on such interest certificates. The proceeds derived from the issuance and sale of such bonds shall be placed in the fund of the county out of which the original expenditure was made, but shall first be applied to the payment of any outstanding unpaid warrants referred to in this paragraph and paragraph (6) hereof and issued or to be issued for so permanently improving roads. No bonds shall be issued or sold by any county under the provisions of this section until the commissioner of highways shall have certified that the bonds are such as will be paid by the state at their maturity.

(3) To the extent that moneys derived from taxes shall have been by any county so expended, and thereafter funding or refunding bonds shall have been issued by such county to pay warrants covering such expenditures, the State of Minnesota hereby agrees to pay out of the trunk highway fund, and only out of that fund, the principal of such funding or refunding bonds at maturity, and it shall be the duty of the county boards of the counties availing themselves of the provisions hereof to certify to the commissioner of highways, on or before August 1, 1921, full data concerning such bonds, on blanks to be prepared and furnished by him, setting forth the dates of issue and sale, the date of maturity, the amount, the rate of interest, and such other data as may be required by him. The State of Minnesota hereby agrees to reimburse such counties for all interest accruing on these bonds subsequent to February 1, 1919, and paid by such counties, and for all interest hereafter to accrue thereon, but if the rate of interest on the bonds exceeds five per cent per annum, such reimbursement shall be computed on the basis of five per cent, instead of the actual rate. It shall be the duty of the counties to pay such interest in the first instance and in accordance with the terms of the bonds. Thereupon the county auditor shall certify to the commissioner of highways, on blanks to be prepared and furnished by him, complete data showing that the county is entitled to the reimbursement herein provided. These interest certificates shall be filed in the office of the commissioner of highways, be numbered in order of such filing, and paid in the order of such filing out of the portion of the trunk highway fund set aside for the payment of interest and refundment purposes. Interest shall not be allowed or paid on such interest certificates. The moneys so paid to any county

# MINNESOTA STATUTES 1941

shall be credited to the fund out of which such principal or interest was paid by such county.

(4) To the extent that the proceeds derived from the issuance and sale of bonds heretofore authorized prior to January 1, 1921, by any counties under any law of this state shall be hereafter so expended under the direction, approval, and supervision of the commissioner of highways upon contracts made by any county with his express approval, the State of Minnesota agrees to pay out of the trunk highway fund, and only out of that fund, the principal of such bonds, at maturity. It shall be the duty of the county boards of the counties availing themselves of the provisions hereof to certify to the commissioner of highways, within six months after these proceeds shall have been so expended, full data concerning such bonds, on blanks to be prepared and furnished by him, setting forth the dates of issue and sale, the date of maturity, the amount, the rate of interest, and such other facts as may be required by him. The State of Minnesota hereby agrees to reimburse such counties for all interest accruing on such bonds and paid by such counties, but if the rate of interest on such bonds exceeds five per cent per annum, such reimbursement shall be computed on the basis of five per cent per annum, instead of the actual rate. It shall be the duty of the counties to pay such interest in the first instance and in accordance with the terms of the bonds. Thereupon the county auditor shall certify to the commissioner of highways, on blanks to be prepared and furnished by him, complete data showing that the county is entitled to the reimbursement herein provided. These interest certificates shall be filed in the office of the commissioner of highways, be numbered in the order of such filing, and be paid in the order of such filing out of the portion of the trunk highway fund set aside for the payment of interest and refundment purposes. Interest shall not be allowed or paid on such interest certificates. The moneys so paid to any county shall be credited to the fund out of which such principal or interest was paid by such county. The total amount of bonds for which the State of Minnesota shall be liable for reimbursement under the provisions of paragraph (4) on contracts not yet entered into shall not exceed the sum of \$9,000,000.

(5) To the extent that the proceeds of any bonds hereafter issued and sold by any county under the provisions of any existing law shall be so expended for the purpose of completing only under the direction and supervision of the commissioner of highways the permanent improvement of such portion of any trunk highway heretofore partially improved by such county for the expenditure on which as already made by such county it shall be entitled to reimbursement under the provisions of sections 167.01 and 167.02, the State of Minnesota hereby agrees to pay out of the trunk highway fund, and only out of that fund, the principal of such bonds, provided that none of such bonds shall mature in less than five, nor more than 20, years from the date of issue.

It shall be the duty of the county boards of the counties availing themselves of the provisions hereof to certify to the commissioner of highways, within six months after the completion of any such work, full data concerning such bonds, on blanks to be prepared and furnished by him, setting forth the dates of issue and sale, the date of maturity, the amount, the rate of interest, and such other facts as may be required by him.

The moneys paid to all counties hereunder shall be credited to the fund out of which such principal was paid by any such county.

(6) Moneys actually paid out by any counties in so permanently improving roads subsequent to February 1, 1919, but in accordance with the terms and provisions of contracts dated prior to February 1, 1919, shall not for the purposes of sections 167.01 and 167.02 be regarded as moneys expended by such counties, except in so far as the commissioner of highways shall specifically so order in the interest of the highway system. Moneys hereafter to be paid out by any counties in accordance with the terms and provisions of contracts heretofore, but subsequent to February 1, 1919, entered into by such counties for so permanently improving roads shall be regarded as moneys heretofore expended within the meaning of sections 167.01 and 167.02.

(7) The foregoing provisions shall not include reimbursement for any moneys so expended by any counties derived from federal aid.

(8) The moneys paid out by any county to any town, borough, village, or city, in reimbursing such town, borough, village, or city for so permanently improving roads, or any part thereof, described in the Constitution of the State of Minnesota,

Article 16, heretofore and subsequent to February 1, 1919, shall be regarded and dealt with as moneys expended by such county in permanently improving roads, or any part thereof; provided, such work shall have been done in accordance with plans and specifications approved by the commissioner of highways. Before any payment shall be made by any county to any such town, borough, village, or city, the plans and specifications for such work, the work done and the contract price paid therefor, shall be first approved by the commissioner of highways, by order made and filed in his office, a certified copy of which order shall be filed with the auditor of any such county. Thereafter the county board of any such county shall authorize the county auditor to issue his warrant on the road and bridge fund of such county, in the amount so approved by the commissioner of highways, to such town, borough, village, or city. Any such warrants paid, or warrants so issued and not paid for lack of funds, may be funded or refunded by such county in the manner provided herein for the funding and refunding of moneys expended by such county derived from taxes or other funds.

(9) When the words "permanently improving" are used in sections 167.01 and 167.02 they shall be construed to mean permanently improving any road described in the Constitution of the State of Minnesota, Article 16, in accordance with plans and specifications therefor approved by the commissioner of highways.

[1921 c. 522 s. 2] (2641)

**167.03 COUNTIES REIMBURSED FOR ROAD BONDS.** The State of Minnesota hereby agrees to reimburse, in the manner and to the extent hereafter provided, all counties for moneys heretofore expended by them subsequent to February 1, 1919, in permanently improving roads described in the Constitution of the State of Minnesota, Article 16.

[1923 c. 184 s. 1] (2642)

**167.04 AMOUNT OF REIMBURSEMENT.** To the extent that moneys derived from taxes, state highway aid, or temporarily transferred from any bond, interest, or sinking funds, shall heretofore, and subsequent to February 1, 1919, have been by any county so expended in such road work in constructing and installing culverts and bridges in roads that have heretofore been permanently designated as state trunk highways and on which the contract for road construction other than bridges and culverts was let subsequent to February 1, 1919, and prior to April 25, 1921, and the expenditures for which road construction work other than culverts and bridges have been certified and accepted by the commissioner of highways for reimbursement, the State of Minnesota hereby agrees to reimburse such county out of the trunk highway fund, and only out of that fund, for the moneys thus expended for culverts and bridges, together with interest thereon as included in the principal of bonds to be issued under sections 167.03 to 167.05. Warrants, both paid and unpaid, which evidence such expenditure shall be included in such reimbursement.

[1923 c. 184 s. 2] (2643)

**167.05 BONDS TO BE ISSUED.** It shall be the duty of the county board of any county desiring such reimbursement to issue bonds of the county in an amount equal to the amount thus expended, including interest thereon from the respective dates of such expenditures to the date of such bonds, at the rate of five per cent per annum. All of the provisions of section 167.02, paragraph (2), shall apply to the issuance of such bonds, the maturity thereof, and to the payment of the principal and interest thereof. The proceeds derived from the issuance and sale of such bonds shall be placed in the fund of the county out of which the original expenditures were made, but shall first be applied to the payment of any outstanding unpaid warrants referred to in sections 167.03 to 167.05. No bonds shall be issued or sold by any county under the provisions of sections 167.03 to 167.05 until the commissioner of highways shall have certified that the bonds are such as will be paid by the state at their maturity.

[1923 c. 184 s. 3] (2644)

**167.06 VILLAGES MAY USE REIMBURSEMENTS TO PURCHASE AND REDEEM HIGHWAY BONDS.** When any village has received money from the state as a refund or reimbursement for money expended on highways pursuant to sections 167.01 and 167.02, and prior thereto duly issued and sold its bonds for highway purposes, such village may, with the moneys so received, purchase and redeem any part of such outstanding bonds, provided no premium in excess of five per cent of the par value of such bonds shall be paid.

[1923 c. 135 s. 1] (2641-1)

**167.07 STATE TO REIMBURSE MUNICIPALITIES FOR MONEYS EXPENDED ON TRUNK HIGHWAYS.** The State of Minnesota hereby agrees to reimburse, out of the trunk highway fund, and only out of that fund, to the extent and in the manner hereinafter provided, all counties for moneys expended by them subsequent to February 1, 1919, or hereafter to be expended by them under the provisions of sections 167.07 to 167.13, in permanently improving roads described in the Constitution of the State of Minnesota, Article 16, as the same have been, or will hereafter be, definitely located and determined by the commissioner of highways.

[1923 c. 346 s. 1] (2653)

**167.08 LIMITATION TO REIMBURSEMENT.** The moneys paid out by any county to any town, borough, village, or city in reimbursing such town, borough, village, or city for so permanently improving roads, or any part thereof, described in the Constitution of the State of Minnesota, Article 16, under contracts therefor entered into by such town, borough, village, or city heretofore, and subsequent to February 1, 1919, shall be regarded and dealt with as moneys expended by the county in permanently improving such roads, or any part thereof; provided, such work shall have been done in accordance with plans and specifications heretofore or hereafter approved by the commissioner of highways; but such reimbursement shall be made only to the extent of the proportionate cost of an 18-foot roadway upon such road, exclusive of gutters and curbs.

[1923 c. 346 s. 2] (2654)

**167.09 COMMISSIONER OF HIGHWAYS TO DETERMINE WHO IS ENTITLED TO REIMBURSEMENT IN CERTAIN CASES.** In the case of towns, boroughs, villages, or cities which shall have so improved any such roads, or any part thereof, under contracts entered into heretofore and subsequent to February 1, 1919, and such work shall have been done under plans and specifications which had not been approved by the commissioner of highways prior to the doing of such work; the commissioner of highways may examine and test such improvement and determine the bearing quality and durability thereof, and further determine, upon the basis of bearing quality and durability, the value of such improvement as compared with the value thereof had the same been constructed in accordance with the plans and specifications in use by the commissioner of highways, on the basis of prevailing costs at the time of the letting of such contract, and when such value has been so determined the commissioner may approve the plans under which such improvement was made for reimbursement, as hereinafter provided, to the amount of the value of such improvement as so determined, but the amount of such reimbursement shall in no case exceed the amount expended for the improvement.

[1923 c. 346 s. 3] (2655)

**167.10 COMMISSIONER OF HIGHWAYS TO DETERMINE WHO SHOULD RECEIVE DISBURSEMENTS IN CERTAIN CASES.** In the case of towns, boroughs, villages, or cities which shall have so improved any such roads, or any part thereof, under contracts entered into heretofore and subsequent to April 25, 1921, and in accordance with plans and specifications therefor approved by the commissioner of highways prior to the commencement of work under such contract, the amount of such reimbursement shall be the reasonable value of such improvement on the basis of prevailing costs at the time of the letting of such contract, but the amount of such reimbursement shall in no case exceed the amount expended for the improvement.

[1923 c. 346 s. 4] (2656)

**167.11 MUNICIPALITIES TO FILE STATEMENT WITH COUNTY AUDITOR.** Before any payment shall be made by any county to any such town, borough, village, or city, the plans and specifications for such improvement shall be first approved by the commissioner of highways by order made and filed in his office, a certified copy of which order shall be filed with the auditor of any such county, which order shall specify the amount in which such town, borough, village, or city is entitled to reimbursement. Thereafter the county board of any such county shall authorize the county auditor to issue his warrant on the road and bridge fund of such county, in the amount so specified by the commissioner of highways, to such town, borough, village, or city. Any such warrants paid or warrants so issued and not paid for lack of funds may be funded or refunded by such county in the manner provided by section 167.02, paragraph (2). All of the provisions of

section 167.02, paragraph (2), shall apply to the issuance of such bonds and to the payment of the principal and interest thereof.

[1923 c. 346 s. 5] (2657)

**167.12 PROPERTY OWNERS TO BE REIMBURSED IN CERTAIN CASES.**

The moneys thus paid to any town, borough, village, or city shall be credited to the fund out of which the cost of such improvement was paid; provided, however, that in the event any portion of such cost shall have been assessed against property benefited thereby or paid by any town, borough, village, city, school district, or county, the governing body of such town, borough, village, or city shall equitably apportion these moneys according to the amounts so contributed, in cash or by assessment, to the cost of the improvement, either by cash reimbursement or by reduction of such assessments.

[1923 c. 346 s. 6] (2658)

**167.13 APPLICATION.** The moneys paid out and bonds issued by any county under the provisions of Laws 1911, Chapter 254, Laws 1915, Chapter 52, and Laws 1921, Chapter 378, in or for the permanent improvement of any such road, subsequent to February 1, 1919, which work shall have been done in accordance with plans and specifications approved by the commissioner of highways, shall be regarded and dealt with as so expended or issued by the county under the provisions of sections 167.07 to 167.13, and reimbursements therefor shall be made and such county bonds dealt with in like manner as is provided by sections 167.01 and 167.02; provided, within six months after the passage of sections 167.07 to 167.13, or after the transaction affected, such county shall furnish the commissioner of highways the data with respect thereto contemplated by sections 167.01 and 167.02; and moneys thus paid to any county shall be equitably apportioned by the county board thereof according to amounts contributed by reason of assessments of benefits or otherwise, to the cost of such improvement; either by cash reimbursement or by reduction of such assessments.

[1923 c. 346 s. 7] (2659)

**167.14 REIMBURSEMENT OF COUNTIES BY STATE FOR EXPENDITURES IN PERMANENTLY IMPROVING TRUNK HIGHWAYS.** The State of Minnesota hereby agrees to reimburse, out of the trunk highway fund, and only out of that fund, to the extent and in the manner hereinafter provided, all counties for moneys expended by them under the provisions of sections 167.14 to 167.17 in permanently improving roads described in the Constitution of the State of Minnesota, Article 16, as the same have heretofore been or will hereafter be definitely located and designated by the commissioner of highways.

[1925 c. 410 s. 1] (2660-1)

**167.15 PURPOSE OF AND RESTRICTIONS ON REIMBURSEMENT.** The moneys paid out by any county to any town, borough, village, or city in reimbursing such town, borough, village, or city for so permanently improving roads, or any part thereof, described in the Constitution of the State of Minnesota, Article 16, under contracts therefor entered into by such town, borough, village, or city heretofore and subsequent to April 19, 1923, shall, for the purpose of reimbursement under the provisions of sections 167.14 to 167.17, be regarded and dealt with as moneys expended by the county in permanently improving such roads, or any part thereof; provided, such work shall have been done in accordance with plans and specifications approved by the commissioner of highways prior to the commencement of work under such contract; but such reimbursement shall be made only to the extent of the proportionate cost of an 18-foot roadway upon such road, exclusive of gutters and curbs. The amount of such reimbursement shall be the reasonable value of such improvement, and shall be on the basis of the prevailing cost at the time of construction of the type of pavement now in general use by the department of highways, according to its standard specifications therefor, including engineering expense, on the basis of prevailing costs at the time of the letting of such contract, but the amount of such reimbursement shall in no case exceed the amount expended for the improvement, including engineering expense.

[1925 c. 410 s. 2] (2660-2)

**167.16 COMMISSIONER OF HIGHWAYS TO DETERMINE AMOUNT; COUNTY WARRANTS ON ROAD AND BRIDGE FUNDS; BOND ISSUES.** Before any payment shall be made by any county to any such town, borough, village, or city, the commissioner of highways shall, by order, determine the amount in which such town, borough, village, or city is entitled to reimbursement. A certified

# MINNESOTA STATUTES 1941

## 167.17 REIMBURSEMENT OF MUNICIPALITIES

1330

copy of such order and a certified copy of the order of the commissioner of highways approving the plans and specifications under which such improvement was made shall be filed with the auditor of the county by which such payment is to be made. Thereupon the county board of such county shall authorize the county auditor to issue his warrant on the road and bridge fund of such county, in the amount so specified by the commissioner of highways, to such town, borough, village, or city. Any such warrants paid or warrants so issued and not paid for lack of funds may be funded or refunded by such county in the manner provided by section 167.02, paragraph (2). All of the provisions of section 167.02, paragraph (2), shall apply to the issuance of such bonds and to the payment of the principal and interest thereof; provided, that such bonds shall be in such form and denomination, mature at such times, and sold in such manner as the county board and the commissioner of highways shall determine; that the county board may, if it so elect, sell such bonds to the state board of investment without calling for bids; and in any case where the amount in which the county is entitled to reimbursement does not exceed \$10,000 such reimbursement may, at the option of the commissioner of highways, be made in cash out of the trunk highway fund without the issuance of bonds by the county.

[1925 c. 410 s. 3] (2660-3)

**167.17 MONEY TO BE RETURNED TO FUND FROM WHICH PAID.** The moneys thus paid to any town, borough, village, or city shall be credited to the fund out of which the cost of such improvement was paid; provided, that in the event any portion of such cost shall have been assessed against property benefited thereby or paid by any town, borough, village, city, school district, or county, the governing body of such town, borough, village, or city shall equitably apportion these moneys according to the amounts so contributed, in cash or by assessment, to the cost of the improvement, either by cash reimbursement or by reduction of such assessment.

[1925 c. 410 s. 4] (2660-4)

**167.18 REIMBURSEMENT OF COUNTIES BY STATE FOR EXPENDITURES IN PERMANENTLY IMPROVING TRUNK HIGHWAYS SUBSEQUENT TO APRIL 10, 1921.** The State of Minnesota hereby agrees to reimburse, in the manner and to the extent hereafter provided, all counties for moneys heretofore expended by them subsequent to April 10, 1921, in permanently improving roads described in the Constitution of the State of Minnesota, Article 16.

[1925 c. 411 s. 1] (2660-5)

**167.19 AMOUNT OF REIMBURSEMENT.** To the extent that moneys derived from taxes, state highway aid, or temporarily transferred from any bond, interest, or sinking funds shall heretofore and subsequent to April 10, 1921, have been by any county so expended in such road work, and where any such county has, between April 10, 1921, and December 31, 1921, by contract or otherwise, permanently improved any such road in such county in the manner hereinafter specified and the cost of such improvement has been paid by such county by the issuance of warrants or otherwise under plans and specifications approved by the commissioner of highways before the doing of such work, and such road has, after such improvement and before January 1, 1923, been designated by the commissioner of highways as a permanent trunk highway, and the improvement has been inspected and approved by the commissioner of highways, the State of Minnesota hereby agrees to reimburse such county out of the trunk highway fund, and only out of that fund, for the moneys so expended for clearing right of way, grading, culverts, paving, and including engineering expense but excluding graveling. Reimbursement for such paving shall be limited to an amount equal to the cost of construction of concrete paving according to the standard specifications of the department of highways therefor, at the prices prevailing at the time of the letting by the county of any contract for such paving.

[1925 c. 411 s. 2] (2660-6)

**167.20 BOND ISSUES.** It shall be the duty of the county board of any county desiring such reimbursement to issue bonds of the county in an amount equal to the amount in which such county is entitled to reimbursement, including interest thereon from the respective dates of such expenditures to the date of such bonds at the rate of five per cent per annum. All of the provisions of section 167.02, paragraph (2), shall apply to the issuance of such bonds and to the payment of the principal and

interest thereof. Such bonds shall be in such form and denominations, mature at such times, and be sold in such manner as the county board and the commissioner of highways shall determine. The county board may, if it so elect, sell such bonds to the state board of investment without calling for bids. The proceeds derived from the issuance and sale of such bonds shall be placed in the fund of the county out of which the original expenditures were made, but shall first be applied to the payment of any outstanding unpaid warrants issued on account thereof. No bonds shall be issued or sold by any county under the provisions of sections 167.18 to 167.20 until the commissioner of highways shall have certified that the bonds are such as will be paid by the state at their maturity.

[1925 c. 411 s. 3] (2660-7)

**167.21 REIMBURSEMENT OF COUNTIES BY STATE FOR EXPENDITURES IN PERMANENTLY IMPROVING TRUNK HIGHWAYS.** The State of Minnesota hereby agrees to reimburse, out of the trunk highway fund, and only out of that fund, to the extent and in the manner hereinafter provided, all counties for moneys expended by them under the provisions of sections 167.21 to 167.24 in permanently improving roads described in the Constitution of the State of Minnesota, Article 16, as the same have heretofore been, or will hereafter be, definitely located and designated by the commissioner of highways.

[1927 c. 56 s. 1] (2660-8)

**167.22 PURPOSE OF AND RESTRICTIONS ON REIMBURSEMENT.** The moneys paid out by any county to any town, borough, village, or city in reimbursing such town, borough, village, or city for so permanently improving roads, or any part thereof, described in the Constitution of the State of Minnesota, Article 16, under contracts therefor entered into by such town, borough, village, or city heretofore and subsequent to April 25, 1925, shall, for the purpose of reimbursement under the provisions of sections 167.21 to 167.24 be regarded and dealt with as moneys expended by the county in permanently improving such roads, or any part thereof, provided such work shall have been done in accordance with plans and specifications approved by the commissioner of highways prior to the commencement of work under such contract; but such reimbursement shall be made only to the extent of the proportionate cost of an 18-foot roadway upon such road, exclusive of gutters and curbs. The amount of such reimbursement shall be the reasonable value of such improvement, and shall be on the basis of the prevailing cost at the time of construction of the types of pavement now in general use by the department of highways according to its standard specifications therefor, including engineering expense on the basis of prevailing costs at the time of the letting of such contract, which contract shall be subject to the approval of the commissioner of highways, but the amount of such reimbursement shall in no case exceed the amount expended for said improvement, including engineering expense.

[1927 c. 56 s. 2; 1927 c. 380] (2660-9)

**167.23 COMMISSIONER OF HIGHWAYS TO DETERMINE AMOUNT; COUNTY WARRANTS ON ROAD AND BRIDGE FUND; BOND ISSUES.** Before any payment shall be made by any county to any such town, borough, village, or city, the commissioner of highways shall by order determine the amount to which such town, borough, village, or city is entitled to reimbursement. A certified copy of such order and a certified copy of the order of the commissioner of highways approving the plans and specifications under which such improvement was made shall be filed with the auditor of the county by which such payment is to be made. Thereupon the county board of such county shall authorize the county auditor to issue his warrant on the road and bridge fund of such county, in the amount so specified by the commissioner of highways, to such town, borough, village, or city. Any such warrants paid or warrants so issued and not paid for lack of funds may be funded or refunded by each county in the manner provided by section 167.02, paragraph (2). All of the provisions of section 167.02, paragraph (2), shall apply to the issuance of such bonds and to the payment of the principal and interest thereof; provided, that such bonds shall be in such form and denomination, mature at such time, and be sold in such manner as the county board and the commissioner of highways shall determine. The county board, may, if it so elects, sell such bonds to the state board of investment without calling for bids.

[1927 c. 56 s. 3] (2660-10)

**167.24 MONEY TO BE RETURNED TO FUND FROM WHICH PAID.** The moneys thus paid to any town, borough, village, or city shall be credited to the fund

# MINNESOTA STATUTES 1941

## 167.25 REIMBURSEMENT OF MUNICIPALITIES

1332

out of which the cost of such improvement was paid; provided, however, that in the event any portion of such cost shall have been assessed against property benefited thereby or paid by any town, borough, village, city, school district, or county, the governing body of such town, borough, village, or city shall equitably apportion these moneys according to the amounts so contributed, in cash or by assessment, to the cost of the improvement, either by cash reimbursement or by reduction of such assessments.

[1927 c. 56 s. 4] (2660-11)

**167.25 REIMBURSEMENT OF COUNTIES BY STATE FOR EXPENDITURES IN PERMANENTLY IMPROVING TRUNK HIGHWAYS; CASH REIMBURSEMENT WITHOUT ISSUE OF BONDS.** In every case where a county has heretofore become entitled to reimbursement out of the trunk highway fund, under the provisions of sections 167.01, 167.02, 167.07 to 167.17, and 167.21 to 167.24, for the making of permanent improvements on trunk highways, as therein prescribed, whether such improvement has been made by the county or by any town, borough, village, or city therein and such county has not issued bonds therefor, as provided in the above named sections, such reimbursement may, at the option of the commissioner of highways, be made in cash out of the trunk highway fund without the issuance of bonds by the county.

[1927 c. 369] (2660-12)

**167.26 CERTAIN COUNTY BOND ISSUES LEGALIZED; TO BE PAID OUT OF TRUNK HIGHWAY FUND.** Where any county has heretofore issued \$110,000 of bonds under the provisions of Laws 1919, Chapter 265, and the county is not entitled to be reimbursed out of the trunk highway fund for expenditures made from the proceeds of such bond issue, and where, prior to January 1, 1925, the county board of such county has passed a resolution authorizing the issuance of an additional \$110,000 of bonds under the provisions of sections 162.38 to 162.45 and has sold such bonds, these proceedings are hereby legalized and the bonds, upon completion of delivery, are made legal and binding obligations of such county in accordance with the provisions of sections 162.38 to 162.45, and the limitation contained in sections 162.38 to 162.45 as to the amount of bonds to be issued thereunder shall not apply to the issuance of such additional bonds. These bonds and the interest thereon shall be paid out of the trunk highway fund, as provided in sections 162.38 to 162.45, to the extent that the proceeds thereof shall hereafter be expended for the purpose and in the manner prescribed by sections 162.38 to 162.45.

[1925 c. 123 s. 1] (2652-1)