

CHAPTER 471

RIGHTS, POWERS, DUTIES; SEVERAL POLITICAL
SUBDIVISIONS

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471.467 BUILDING REQUIREMENTS; CONFORMITY.

Subdivision 1. On the date on which rules promulgated by the commissioner of administration regarding building requirements for handicapped persons shall become effective, said rules shall exclusively govern the provision of facilities.

[For text of subds 2 and 3, see M.S.1986]

History: 1987 c 384 art 2 s 99

ECONOMIC DEVELOPMENT LOAN REPAYMENT**471.562 DEFINITIONS.**

Subdivision 1. **Applicability.** In sections 471.562 to 471.564, the terms defined in this section have the meanings given in this section.

Subd. 2. **Economic development loan repayment.** "Economic development loan repayment" means any payment received or to be received by a municipality with respect to a loan made by the municipality for economic development purposes from the proceeds of a federal or state grant, from the proceeds of bonds issued pursuant to section 471.564 or from municipal resources appropriated for that purpose.

Subd. 3. **Municipality.** "Municipality" means any city, however organized, a housing and redevelopment authority created pursuant to, or exercising the powers contained in, chapter 462, or a port authority created pursuant to, or exercising the powers contained in, chapter 458.

Subd. 4. **Project.** "Project" means an industrial development district as defined in section 458.191, subdivision 1; a project as defined in section 462.421, subdivision 14; a development district as defined in chapter 472A or any special law; or a project as defined in section 474.02, subdivision 1, 1a, or 1b.

History: 1987 c 344 s 10

471.563 USES OF LOAN REPAYMENTS.

Subject to any restrictions imposed on their use by any related federal or state grant, economic development loan repayments, and the proceeds of any bonds issued pursuant to section 471.564 may be applied by a municipality to any of the following purposes:

(1) to finance or otherwise pay the costs of a project;

(2) to pay principal and interest on any bonds issued pursuant to section 273.77, with respect to a project, certification of which is requested before August 1, 1987, or pursuant to chapter 474, 458, 462, or section 471.564, to purchase insurance or other credit enhancement for any of those obligations or to create or maintain reserves therefor; or

(3) for any other purpose authorized by law.

If economic development loan repayments are used to pay principal or interest on any such obligations, the municipality may be reimbursed for the amount so applied with interest not exceeding the rate of interest on the obligations from subsequent collections of taxes or other revenues that had been designated as the primary source of payment of the obligations.

History: 1987 c 344 s 11

471.564 BONDS.

A municipality may by resolution authorize, issue, and sell revenue bonds payable from all or any portion of a municipality's economic development loan repayments to finance any expenditure the municipality is authorized to make under section 471.563. The bonds may be issued in one or more series and sold at public or private sale and at the prices the municipality may determine. The bonds may be secured, bear interest at the rate or rates, have the rank or priority, be executed in the manner, mature and be subject to the defaults, redemptions, repurchases, tender options, or other terms that the municipality determines. The municipality may enter into and perform all contracts deemed necessary or desirable by it to issue the bonds and apply the proceeds of the bonds, including an indenture of trust with a trustee within or without the state, a loan agreement, lease or installment sale contract in connection with the project to be financed, or a guaranty of the bonds or related instrument. The bonds may be further secured by any pledge or mortgage securing the economic development loan repayments pledged to the bonds. The bonds, and the bonds shall so state, shall not be payable from nor charged upon any funds other than the economic development loan repayments and property pledged or mortgaged to the payment thereof. The municipality shall not have the power to obligate itself to pay the bonds from funds other than the economic development loan repayments and properties pledged and mortgaged. No owner or owners of the bonds shall ever have the right to compel any exercise of the taxing powers of the municipality to pay the principal of or interest on any such bonds or to enforce payment thereof against any other property of the municipality. Bonds may be issued under this section and their proceeds loaned to a nongovernmental person or entity, only if the municipality estimates that the economic development loan repayments pledged to the payment of principal and interest, exclusive of economic development loan repayments to be made by the person or entity, if paid to the municipality in accordance with their terms, are sufficient to pay principal and interest on the bonds when due.

History: 1987 c 344 s 12

471.65 GRANT, ADVANCE, OR LOAN FROM FEDERAL OR STATE GOVERNMENT.

Subdivision 1. Acceptance. Notwithstanding inconsistent provisions of any other statute or home rule charter, any county, statutory or home rule charter city, town, school district or other political subdivision of the state, however organized, may accept from the government of the United States or the state of Minnesota grants, loans, or advances of money for:

(1) energy conservation investments made from funds received under section 116J.37, and from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations; and

(2) the planning of public works projects, and may make agreements to repay any such loans or advances without submitting the proposal to a vote of the people. Funds received by any political subdivision under this subdivision shall not be used for the planning of public housing projects or housing authority projects.

Subd. 2. Charter limitation on expenditures not to apply. Expenditures of grants, advances, or loans of money received by any city from the government of the United States or the state of Minnesota for projects under subdivision 1 by such municipality

shall not be considered as part of the cost of government within the meaning of any statutory or charter limitation on expenditures.

History: 1987 c 289 s 3

471.705 MEETINGS OF GOVERNING BODIES; OPEN TO PUBLIC; EXCEPTIONS.

[For text of subds 1 to 1b, see M.S.1986]

Subd. 1c. Notice of meetings. (a) **Regular meetings.** A schedule of the regular meetings of a public body shall be kept on file at its primary offices. If a public body decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided in this subdivision for a special meeting.

(b) **Special meetings.** For a special meeting, except an emergency meeting or a special meeting for which a notice requirement is otherwise expressly established by statute, the public body shall post written notice of the date, time, place, and purpose of the meeting on the principal bulletin board of the public body, or if the public body has no principal bulletin board, on the door of its usual meeting room. The notice shall also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the public body. This notice shall be posted and mailed or delivered at least three days before the date of the meeting. As an alternative to mailing or otherwise delivering notice to persons who have filed a written request for notice of special meetings, the public body may publish the notice once, at least three days before the meeting, in the official newspaper of the public body or, if there is none, in a qualified newspaper of general circulation within the area of the public body's authority. A person filing a request for notice of special meetings may limit the request to notification of meetings concerning particular subjects, in which case the public body is required to send notice to that person only concerning special meetings involving those subjects. A public body may establish an expiration date for requests for notices of special meetings pursuant to this paragraph and require refiling of the request once each year. Not more than 60 days before the expiration date of a request for notice, the public body shall send notice of the refiling requirement to each person who filed during the preceding year.

(c) **Emergency meetings.** For an emergency meeting, the public body shall make good faith efforts to provide notice of the meeting to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. Notice of the emergency meeting shall be given by telephone or by any other method used to notify the members of the public body. Notice shall be provided to each news medium which has filed a written request for notice as soon as reasonably practicable after notice has been given to the members. Notice shall include the subject of the meeting. Posted or published notice of an emergency meeting shall not be required. An "emergency" meeting is a special meeting called because of circumstances that, in the judgment of the public body, require immediate consideration by the public body. If matters not directly related to the emergency are discussed or acted upon at an emergency meeting, the minutes of the meeting shall include a specific description of the matters.

(d) **Recessed or continued meetings.** If a meeting is a recessed or continued session of a previous meeting, and the time and place of the meeting was established during the previous meeting and recorded in the minutes of that meeting, then no further published or mailed notice is necessary. For purposes of this clause, the term "meeting" includes a public hearing conducted pursuant to chapter 429 or any other law or charter provision requiring a public hearing by a public body.

(e) **Closed meetings.** The notice requirements of this subdivision apply to closed meetings.

(f) **State agencies.** For a meeting of an agency, board, commission, or department of the state, (i) the notice requirements of this subdivision apply only if a statute

governing meetings of the agency, board, or commission does not contain specific reference to the method of providing notice, and (ii) all provisions of this subdivision relating to publication shall be satisfied by publication in the State Register.

(g) **Actual notice.** If a person receives actual notice of a meeting of a public body at least 24 hours before the meeting, all notice requirements of this subdivision are satisfied with respect to that person, regardless of the method of receipt of notice.

(h) **Liability.** No fine or other penalty may be imposed on a member of a public body for a violation of this subdivision unless it is established that the violation was willful and deliberate by the member.

[For text of subds 2 and 3, see M.S.1986]

History: 1987 c 313 s 1

471.74 BONDS TO RETIRE UNFUNDED INDEBTEDNESS.

[For text of subd 1, see M.S.1986]

Subd. 2. The governing body of any municipality issuing bonds under sections 471.71 to 471.83 shall, at the time of the issuance thereof, by resolution, provide for a levy of taxes for the payment thereof, such levy to be in accordance with the provisions of chapter 475. Levies for the payment of these bonds shall be within the limitations upon tax levies for the payment of funding bonds in the particular municipality issuing the bonds. Such levies shall be subject to the provisions of sections 275.11 and 275.125, to the extent that these sections are applicable to the municipality issuing such bonds. In all cases the levies for these bonds shall be spread by the county auditor in full and the levy of the municipality for other purposes shall be reduced, if necessary, so that the total amount levied for the municipality does not exceed said limitations.

[For text of subd 3, see M.S.1986]

History: 1987 c 384 art 2 s 100

471.96 MEMBERSHIP IN STATE AND NATIONAL ASSOCIATIONS.

Subdivision 1. The governing bodies of cities, counties, and towns are hereby authorized to appropriate necessary funds to provide membership of their respective municipal corporations or political subdivisions respectively in county, regional, state, and national associations of a civic, educational, or governmental nature which have as their purpose the betterment and improvement of municipal governmental operations. Cities, counties, and towns are also authorized to participate through duly designated representatives in the meetings and activities of such associations, and the governing bodies of cities, counties, and towns respectively are authorized to appropriate necessary funds to defray the actual and necessary expenses of such representatives in connection therewith. For purposes of this section, the governing body of a town is the town board.

[For text of subd 2, see M.S.1986]

History: 1987 c 90 s 10

471.98 SELF-INSURANCE; DEFINITIONS.

[For text of subd 1, see M.S.1986]

Subd. 2. **Political subdivision.** "Political subdivision" includes a statutory or home rule charter city, a county, a school district, a town, a watershed management organization as defined in section 473.876, subdivision 9, or an instrumentality thereof, including but not limited to instrumentalities incorporated under chapter 317, having independent policy making and appropriating authority. For the purposes of this section and section 471.981, the governing body of a town is the town board.

[For text of subd 3, see M.S.1986]

History: 1987 c 97 s 1; 1987 c 260 s 3; 1987 c 337 s 124

471.981 SELF-INSURANCE COVERAGE BY POLITICAL SUBDIVISION.

[For text of subs 1 to 3, see M.S.1986]

Subd. 4. A political subdivision or joint self-insurance pool of counties established by the Minnesota association of counties insurance trust may create or become a member of a mutual insurance company organized under chapter 66A, and may exchange reciprocal or interinsurance contracts as authorized by chapter 71A. For purposes of this subdivision and subdivisions 4a, 4b, and 4c, "county" includes a joint powers entity created by counties for a special purpose. Membership in a mutual insurance company created by a joint self-insurance pool of counties shall be limited to joint self-insurance pools of counties. Notwithstanding section 66A.02, chapter 317 shall apply to a mutual insurance company created pursuant to this subdivision. Notwithstanding section 66A.08, for a mutual insurance company created under this subdivision, there shall be not less than 32 bona fide applications for policies of insurance of each kind sought to be written, signed by at least 32 members, covering at least 32 separate risks, each risk, within the maximum net single risk described in this subdivision and one year's premiums thereon paid in cash, and admitted assets of not less than \$100,000, which admitted assets shall not be less than five times the maximum net single risk, as defined in this subdivision. The company shall have on deposit with the commissioner of insurance, as security for all of its policyholders, stock or bonds of this state or of the United States or bonds of any of the political subdivisions of this state, or personal obligations secured by first mortgages on real estate within this state worth, exclusive of buildings, the amount of the lien, and bearing interest of not less than three percent per annum, to an amount the actual market value of which, exclusive of interest, shall never be less than \$100,000. No such company shall expose itself to any loss on any one risk or hazard, except as provided in this subdivision, in an amount exceeding ten percent of its net assets, actual and contingent. In this subdivision, "contingent assets" means the aggregate amount of the contingent liability of its members for the payment of loss and expenses not provided for by its cash funds. "Contingent liability," in this subdivision, means an amount not to exceed one annual premium as stated in the policy. No portion of any risk or hazard which has been reinsured, as authorized by the laws of this state, shall be included in determining the limitation of risk prescribed by this subdivision.

Subd. 4a. **Insurance installment purchase agreement.** A county may, by resolution of its governing body, and without advertisement for bids, enter into an insurance installment purchase agreement with a self-insurance pool created under subdivision 3. Such a self-insurance pool may purchase insurance on behalf of the participating counties and may use insurance installment purchase agreements or other obligations of the participating counties to provide the participating counties with coverage against all or any part of the risks enumerated in subdivision 1 and against any risk which the county is authorized to insure under section 176.181, subdivision 1. The self-insurance pool may fund insurance claims and reserves and finance insurance installment purchase agreements for the self-insurance pool or a mutual insurance company established pursuant to subdivision 4 by issuing revenue bonds, bonds which are general obligations of the self-insurance pool or mutual insurance company, or other obligations secured by payments made or to be made by the participating counties. An insurance installment purchase agreement of a participating county may require that the county make payments sufficient to produce revenue for the prompt payment of the bonds or other obligations, including all interest and premiums, if any, accruing on them. The insurance installment purchase agreements may provide for additional contributions or premiums if it is actuarially determined that the assets of the insurance installment purchase agreements available to pay claims are insufficient. The insurance installment purchase agreements may be multiyear contracts and shall not be subject to any referendum, public bidding, or net debt limitation requirement of chapter 475.

Subd. 4b. Bond issue for insurance procurement. A self-insurance pool of counties may issue bonds which are general obligations of the self-insurance pool or revenue bonds secured by insurance installment purchase agreements of the participating counties issued pursuant to subdivision 4a. The self-insurance pool, with the approval of the governing body of each participating county, shall fix the total amount needed for the procurement of insurance and shall apportion to each participating county the county's share of that amount and of the costs of operation, or of annual debt service or payments required to pay such amount with interest. Any other law notwithstanding, bonds or other obligations issued under this subdivision may be sold at public or private sale upon the terms and conditions the issuer determines. No election shall be required to authorize the issuance of the obligations, and the obligations shall not be subject to any limitation on net debt. Proceeds of obligations issued pursuant to this subdivision may be used to establish a debt service reserve for the obligations or to refund obligations previously issued pursuant to this subdivision. Any debt service reserve fund established under this subdivision shall not be subject to investment guidelines set forth in chapters 118 and 475. A self-insurance pool may designate a bank or trust company authorized to exercise trust powers in this state as trustee for the holders of obligations issued pursuant to this subdivision and may create funds and accounts necessary to secure payment of the obligations.

If required by the resolution authorizing the issuance of obligations pursuant to this subdivision, the governing body of each participating county shall annually levy a tax sufficient to repay the costs of retirement of any bonds or to make payments under insurance installment purchase agreements. Taxes may be levied pursuant to this subdivision without limitation as to rate or amount.

Subd. 4c. Insurance installment purchase; interest rate. Participating counties may delegate to a self-insurance pool of counties the power to determine the interest rate on insurance installment purchase agreements provided that the rate is uniform and does not exceed the net effective rate on revenue bonds or other obligations sold by the pool by more than one-fourth of one percent.

[For text of subd 5, see M.S.1986]

History: 1987 c 344 s 13-16

471.982 REVIEW OF JOINT SELF-INSURANCE POOL.

[For text of subds 1 and 2, see M.S.1986]

Subd. 3. Self-insurance pools established and open for enrollment on a statewide basis by the Minnesota league of cities insurance trust, the Minnesota school boards association insurance trust, the Minnesota association of townships insurance and bond trust, or the Minnesota association of counties insurance trust and the political subdivisions that belong to them are exempt from the requirements of this section and section 65B.48, subdivision 3. In addition, the Minnesota association of townships insurance and bond trust and the townships that belong to it are exempt from the requirement to hold the certificate of surety authorization issued by the commissioner of commerce as provided in section 574.15.

History: 1987 c 102 s 1

471.993 COMPENSATION RELATIONSHIPS OF POSITIONS.

Subdivision 1. Assurance of reasonable relationship. In preparing management negotiation positions for compensation established through collective bargaining under chapter 179A and in establishing, recommending, and approving compensation plans for employees of political subdivisions not represented by an exclusive representative under chapter 179A, the respective political subdivision as the public employer, as defined in section 179A.03, subdivision 15, or, where appropriate, the Minnesota merit system, shall assure that:

(1) compensation for positions in the classified civil service, unclassified civil service, and management bear reasonable relationship to one another;

(2) compensation for positions bear reasonable relationship to similar positions outside of that particular political subdivision's employment; and

(3) compensation for positions within the employer's work force bear reasonable relationship among related job classes and among various levels within the same occupational group.

[For text of subd 2, see M.S.1986]

History: 1987 c 384 art 1 s 42