

CHAPTER 412

STATUTORY CITIES

UNIQUE UTILITY SITUATIONS	UTILITIES
412.013 ADDITIONAL POWERS.	412.321 MUNICIPAL UTILITIES.
412.014 POWER TO OPERATE TELEPHONE LINES.	412.331 ESTABLISHMENT OF PUBLIC UTILITIES COMMISSION.
1973 BASIC LAW	412.341 COMMISSION; MEMBERSHIP, ORGANIZATION.
412.015 UNIFORM CODE OF MUNICIPAL GOVERNMENT.	412.351 COMMISSION, JURISDICTION.
412.016 APPLICATION; STATUTORY CITIES.	412.361 MAY REMODEL, EXPAND, RUN UTILITY; OTHER POWERS.
412.018 CITIES UNDER GENERAL OR SPECIAL INCORPORATION ACTS.	412.371 SEPARATE CITY FUND FOR EACH UTILITY.
412.02 CITY ELECTIONS; OFFICERS, TERMS, VACANCIES, CITY EMPLOYEES.	412.381 REPORTS.
412.021 OFFICERS.	412.391 ABOLITION OF COMMISSION OR UTILITY TRANSFER.
412.022 COUNCIL MAY PROVIDE FOUR-YEAR TERM.	PARKS, PARK BOARDS
412.023 TRANSITION SCHEDULE.	412.491 PARKS; PARKWAYS; RECREATIONAL FACILITIES.
412.081 SEPARATION FROM TOWN.	412.501 CITY OF 1,000 MAY HAVE OR CONTINUE PARK BOARD; FORMALITIES.
412.091 DISSOLUTION.	412.511 ACQUISITION AND CONTROL OF PARK PROPERTY.
412.093 DISSOLUTION SECURED BY CLAIMANTS.	412.521 POWERS OF BOARD.
OFFICERS, EMPLOYEES	412.531 PARK FUNDS.
412.111 DEPARTMENTS, BOARDS.	OPTIONAL PLANS TO GOVERN CITY
412.121 ACTING MAYOR.	412.541 OPTIONAL PLANS.
412.131 ASSESSOR; DUTIES, COMPENSATION.	412.551 ELECTION ON OPTIONAL PLAN.
412.141 TREASURER'S DUTIES.	412.561 APPLICABLE LAW; SAME RIGHTS, LIABILITIES, PROCEEDINGS.
412.151 DUTIES OF CLERK.	412.571 CONTINUANCE IN OFFICE; ELECTIONS.
412.152 MAYOR; FIRE CHIEF; OFFICES NOT INCOMPATIBLE.	OPTIONAL PLAN A
412.153 HOUSING AID TO ENSURE TIMELY PUBLIC SAFETY SERVICE.	412.572 CONVERSION TO OPTIONAL PLAN A.
COUNCIL	412.581 OFFICERS.
412.191 MEMBERS; POWERS, DUTIES.	412.591 DUTIES OF CLERK AND TREASURER; MAY BE COMBINED.
412.201 EXECUTION OF INSTRUMENTS.	OPTIONAL PLAN B
412.211 GENERAL STATUTORY CITY POWERS.	412.601 APPLICATIONS OF SECTIONS 412.601 TO 412.751.
412.221 SPECIFIC POWERS OF COUNCIL.	412.611 COUNCIL-MANAGER PLAN.
412.222 PUBLIC ACCOUNTANTS IN STATUTORY CITIES.	412.621 BOARDS AND COMMISSIONS.
412.231 PENALTIES.	412.631 COMPOSITION OF COUNCIL.
TAXATION, FINANCE	412.641 MANAGER; BASIS FOR CHOICE; RESIDENCY; TERM; PROBATION.
412.241 COUNCIL TO CONTROL FINANCES.	412.651 CITY MANAGER; POWERS AND DUTIES.
412.251 ANNUAL TAX LEVY.	412.661 LIMIT ON COUNCIL POWERS.
412.261 TAX ANTICIPATION CERTIFICATES.	
412.271 DISBURSEMENTS.	
412.301 FINANCING PURCHASE OF CERTAIN EQUIPMENT.	
412.311 CONTRACTS.	

412.671	CREATION OF DEPARTMENTS; DIVISIONS AND BUREAUS.	412.751	EMERGENCY DEBT CERTIFICATES.
412.681	MANAGER RUNS CITY; OFFICES MAY BE JOINED OR ABOLISHED.		MISCELLANEOUS PROVISIONS
412.691	MANAGER IS PURCHASING AGENT; AUDIT AND APPROVAL.	412.831	OFFICIAL NEWSPAPER.
412.701	BUDGETING.	412.851	VACATION OF STREETS.
412.711	CONSIDERATION OF BUDGET; TAX LEVY.	412.861	PROSECUTIONS, VIOLATIONS OF ORDINANCES.
412.721	BUDGET ENFORCEMENT; PERSONAL LIABILITY.	412.871	FINES AND PENALTIES.
412.731	MODIFICATION OF BUDGET.	412.881	PRESIDENT AND RECORDER DEFINED.
412.741	DISBURSEMENT OF FUNDS.	412.891	INCONSISTENCY WITH CASH BASIS LAW.
		412.901	APPLICATION.

412.01 [Repealed, 1949 c 119 s 110]

412.011 [Repealed, 1969 c 1146 s 20]

412.012 [Repealed, 1959 c 686 s 14; Ex1959 c 75 s 1]

UNIQUE UTILITY SITUATIONS

412.013 ADDITIONAL POWERS.

Any statutory city containing within its limits a plant for the concentration of taconite, either under construction or in operation, by resolution of its council may lease or purchase from the owners thereof sewer or water facilities or both and operate the same. Any such lease made by such city prior hereto, by action of the council, is hereby validated and such city may continue to provide sewer and water services to its inhabitants thereunder.

History: 1957 c 72 s 1; 1959 c 686 s 12; 1973 c 123 art 2 s 1 subd 2

412.014 POWER TO OPERATE TELEPHONE LINES.

Any statutory city heretofore or hereafter incorporated, in the territory of which previous to such incorporation telephone lines have been constructed and operated by a town as authorized by sections 237.33 to 237.40, is hereby authorized to continue to operate such telephone lines and the city shall have all the powers granted to towns and the council shall have all of the powers granted to boards of supervisors under sections 237.33 to 237.40.

History: 1957 c 58 s 1; 1973 c 123 art 2 s 1 subd 2

1973 BASIC LAW

412.015 UNIFORM CODE OF MUNICIPAL GOVERNMENT.

Subdivision 1. [Repealed, 1996 c 310 s 1]

Subd. 2. **Legislative intent.** It is the intention of Laws 1973, chapter 123, to simplify the statutes relating to municipal government by bringing the basic laws relating to all villages, boroughs and cities without home rule charters under a single code of statutes and to effect the transition with a maximum recognition of the desires of the citizens of such municipalities.

Subd. 3. **Limitations upon uniform code.** The legislature does not intend by Laws 1973, chapter 123:

(1) to affect, alter, repeal, or otherwise modify any law of special application other than special or general acts of incorporation and amendments thereto;

(2) to modify the application of other statutory codes relating to municipal government; or

(3) to impose new substantive powers and duties on cities, villages or boroughs.

Subd. 4. **Liberal interpretation.** Laws 1973, chapter 123, shall be interpreted liberally to carry out the intention set forth in this subdivision.

History: 1973 c 123 art 1 s 1-4

412.016 APPLICATION; STATUTORY CITIES.

Subdivision 1. **Application and definition.** This chapter applies to any city which has not adopted a home rule charter pursuant to the Constitution and the laws of this state. Such a city is defined as a "statutory city," and the term includes every city which was a village on January 1, 1974.

Subd. 2. **Use of the term village.** Except as provided in Laws 1973, chapter 123, article 4, the term "village" shall not be applied to any municipal corporation operating under the authority of this chapter. In the next and subsequent editions of Minnesota Statutes, the revisor of statutes shall delete the term "village" from this chapter except where necessary to effect the provisions of Laws 1973, chapter 123, article 4.

History: 1973 c 123 art 2 s 1

412.017 [Repealed, 1976 c 44 s 70]

412.018 CITIES UNDER GENERAL OR SPECIAL INCORPORATION ACTS.

Subdivision 1. **Termination of government under incorporation acts.** On July 1, 1975, any city incorporated under and governed by General Statutes 1894, sections 1045 to 1195, Laws of 1895, chapter 8, or Minnesota Statutes 1971, chapter 411; and the cities and borough of Belle Plaine, Special Laws 1868, chapter 36; Chaska, Special Laws 1891, chapter 2; Henderson, Special Laws 1891, chapter 3; St. Peter, Special Laws 1891, chapter 5; New Prague, Special Laws 1891, chapter 46; Shakopee, Special Laws 1875, chapter 6; and St. Charles, Special Laws 1879, chapter 57, shall cease to be governed by the general or special incorporation acts specified in this subdivision and will thenceforth be governed and controlled and derive their corporate legislative and other powers from the laws applicable to statutory cities generally and from such other special laws as may be applicable to them.

Subd. 2. [Repealed, 1996 c 310 s 1]

Subd. 3. **Fiscal year; former cities.** In any city which was a statutory city or borough prior to 1973, and in which the fiscal year has not coincided with the calendar year, the calendar year shall become the fiscal year in 1976. The clerk, subject to the direction of the council, shall make such adjustments for accounts and reports during the transitional year as are necessary to provide the basis for accurate and comparable accounting and reporting.

History: 1973 c 123 art 5 s 3 subds 2,3; art 5 s 4; 1974 c 406 s 103

412.02 MS 1945 [Repealed, 1949 c 119 s 110]

412.02 CITY ELECTIONS; OFFICERS, TERMS, VACANCIES, CITY EMPLOYEES.

Subdivision 1. **Officers elected.** The following officers shall be elected for the terms and in the years shown and in the cities described in the table.

Officer	Number of Years in Term	Year Elected	City Elected
Mayor	Two or four	Every two years except where four years is otherwise provided pursuant to statute	Every statutory city
Clerk	Four	Every four years in year when treasurer is not elected	Every statutory standard plan city in which there is no clerk-treasurer
Treasurer	Four	Every four years in year in which clerk is not elected	Every statutory standard plan city in which there is no clerk-treasurer
Clerk-Treasurer	Four	Every four years in year in which one council member is elected	Every statutory standard plan city where such office exists pursuant to subdivision 3
Three Council members	Four	Two every four years and one in alternative election	Every statutory standard plan city with a council of five
Four Council members	Four	Two each election	Every statutory optional plan city with a council of five
Five Council members	Four	Three every four years and two in alternative election	Every statutory standard plan city with a council of seven
Six Council members	Four	Three each election	Every statutory optional plan city with a council of seven

Subd. 1a. **City council; city employees.** Neither the mayor nor any city council member may be employed by the city. For purposes of this subdivision, "employed" refers to full-time permanent employment as defined by the city's employment policy.

Subd. 2. **Term.** Terms of elective officers shall commence on the first Monday in January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify.

Subd. 2a. **Vacancy.** Except as otherwise provided in subdivision 2b, a vacancy in an office shall be filled by council appointment until an election is held as provided in this subdivision. In case of a tie vote in the council, the mayor shall make the appointment. If the vacancy occurs before the first day to file affidavits of candidacy for the next regular city election and more than two years remain in the unexpired term, a special election shall be held at or before the next regular city election and the appointed person shall serve until the qualification of a successor elected at a special election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the regular city election or when less than two years remain in the unexpired term, there need not be a special election to fill the vacancy and the appointed person shall serve until the qualification of a successor. The council must specify by ordinance under what circumstances it will hold a special election to fill a vacancy other than a special election held at the same time as the regular city election.

Subd. 2b. **Inability or refusal to serve.** A vacancy in the office of mayor or council member may be declared by the council when the officeholder is unable to serve in the office or attend council meetings for a 90-day period because of illness, or because of absence from or refusal to attend council meetings for a 90-day period. If any of the preceding conditions occurs, the council may, after it has by resolution declared a vacancy to exist, fill the vacancy at a regular or special council meeting for the remainder of the unexpired term, or until the person is again able to resume duties and attend council meetings, whichever is earlier. When the person is again able to resume duties and attend council meetings, the council shall by resolution remove the temporary officeholder and restore the original officeholder.

Subd. 3. **Clerk, treasurer combined; audit standards.** (a) In cities operating under the standard plan of government the council may by ordinance adopted at least 60 days before the next regular city election combine the offices of clerk and treasurer in the office of clerk-treasurer, but such an ordinance shall not be effective until the expiration of the term of the incumbent treasurer or when an earlier vacancy occurs. After the effective date of the ordinance, the duties of the treasurer and deputy treasurer as prescribed by this chapter shall be performed by the clerk-treasurer or a duly appointed deputy. The offices of clerk and treasurer may be reestablished by ordinance.

(b) If the offices of clerk and treasurer are combined as provided by this section and the city's annual revenue for all governmental and enterprise funds combined is more than the amount in paragraph (c), the council shall provide for an annual audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum auditing procedures prescribed by the state auditor. If the offices of clerk and treasurer are combined and the city's annual revenue for all governmental and enterprise funds combined is the amount in paragraph (c), or less, the council shall provide for an audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum audit procedures prescribed by the state auditor at least once every five years, which audit shall be for a one-year period to be determined at random by the person conducting the audit.

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

Subd. 4. [Repealed, 1973 c 34 s 7]

Subd. 5. [Repealed, 1983 c 359 s 151]

Subd. 6. **Council increased or reduced.** The council may by ordinance adopted at least 60 days before the next regular city election submit to the voters of the city the question of whether the city council should be increased or reduced to seven or five members. The ordinance shall include a schedule of elections and terms to accomplish the change. The proposal shall be voted on at the next city general election and, if approved by a majority of those voting on the question, go into effect in accordance with the schedule.

History: 1959 c 675 art 6 s 30; 1961 c 230 s 1; 1963 c 799 s 5; 1963 c 811 s 1; 1965 c 417 s 1-4; 1967 c 289 s 2; 1973 c 34 s 1; 1973 c 123 art 2 s 1 subd 2; art 2 s 2; 1973 c 492 s 7; 1974 c 337 s 5; 1976 c 2 s 131; 1976 c 44 s 21; 1981 c 172 s 3,4; 1983 c 359 s 62; 1986 c 444; 1989 c 30 s 1,2; 1995 c 27 s 2; 1996 c 422 s 2,3; 1999 c 75 s 2; 1999 c 132 s 43; 2004 c 281 s 2; 2010 c 206 s 2

412.021 OFFICERS.

Subdivision 1. **Election.** Upon the filing of the certificate with the secretary of state, if the vote is in favor of incorporation, the judges of election appointed by the chief administrative law judge of the state Office of Administrative Hearings or the county board as the case may be, shall fix a day at least 15 and not more than 30 days thereafter and a place for the holding of an election for officers. The judges shall also fix the time, not less than three hours, during which the polls shall remain open at the election and shall post a notice setting forth the time and place of such election in three public places in the city for at least ten days preceding the election.

Subd. 2. **Officers to be elected.** There shall be elected at the election a mayor for a term expiring the first business day of January of the next odd-numbered year and four or six council members, for terms so arranged that half expire the first business day of January of the next odd-numbered year and half the first business day of January of the second odd-numbered year. No candidate for council member shall run for a particular term but the number of years in the term of each successful candidate shall be determined by the relative standing among the candidates for office, the longest terms going to the half of the elected candidates who received the highest number of votes. If the election occurs in the last four months of the even-numbered year, no election shall be held in the city on the annual city election day that year, and the next following year shall be disregarded in fixing the expiration of terms of officers chosen under this subdivision at the initial election.

Subd. 3. [Repealed, 1969 c 1146 s 20]

Subd. 4. [Repealed, 1969 c 1146 s 20]

Subd. 5. **Initial salaries.** After the qualification of its members, the council may by ordinance fix the salaries of the mayor and council members. Notwithstanding the provisions of section 415.11, subdivision 2, the ordinance shall not become effective for at least ten days after publication in the official newspaper; and if, before the end of that time a petition asking for an election on the ordinance signed by voters equal to ten percent of the number of voters at the incorporation election is filed with the clerk, the ordinance shall not become effective until it is approved by a majority of the votes cast on the question at a regular or special election.

History: 1949 c 119 s 5; 1951 c 378 s 1; 1959 c 686 s 13; 1965 c 417 s 5; 1965 c 856 s 1; 1967 c 289 s 3; 1973 c 34 s 2; 1973 c 123 art 2 s 1 subd 2; 1974 c 337 s 6,7; 1975 c 271 s 6; 1983 c 359 s 63; 1986 c 444; 1989 c 30 s 3; 2003 c 2 art 5 s 8; 2008 c 196 art 2 s 7

412.022 COUNCIL MAY PROVIDE FOUR-YEAR TERM.

Subdivision 1. **Procedure.** The council may, by ordinance, establish a four-year term or reestablish a two-year term for the office of mayor commencing with the ensuing term, except that in a standard plan city which establishes a four-year term for mayor, the first mayor to serve a four-year term shall be elected at the first election when the clerk is not to be elected. In any case the ordinance shall not affect the term of the mayor elected in the year in which it is adopted unless it is adopted at least four weeks before the closing date for the filing of affidavits of candidacy for such election.

Subd. 2. [Repealed, 1976 c 44 s 70]

Subd. 3. [Repealed, 1976 c 44 s 70]

History: 1967 c 289 s 16; 1969 c 238 s 1; 1973 c 34 s 3; 1973 c 123 art 2 s 1 subd 2; 1976 c 44 s 22; 1984 c 655 art 1 s 64

412.023 TRANSITION SCHEDULE.

Subdivision 1. **Former villages.** In any city which was a village on January 1, 1974, and which has not, by timely action in 1974 or earlier, provided for biennial odd-numbered year elections there shall be a municipal election on November 5, 1974, at which there shall be elected the officers who would be elected at that election under the election schedule previously in effect, but they shall be elected for the terms specified in section 412.02, subdivision 1. If, at the 1974 or subsequent election three council members are to be elected in any statutory city, and contrary ordinance regulations have not been adopted under subdivision 3, the two persons receiving the highest vote shall serve for terms of four years and the person receiving the third highest number of votes shall serve for a term of two years. In any former village which has provided for biennial elections under section 412.022, subdivision 1, prior to 1974, the election schedule shall not be changed by the adoption of Laws 1973, chapter 123.

Subd. 2. **Former cities and boroughs.** In each municipality now operating under a general or special law providing for a biennial election, the city election shall continue to be held in the year in which the election would have been held if this law had not been enacted, but after Laws 1973, chapter 123 takes effect in the city, the city election shall be held on the first Tuesday after the first Monday in November and terms of officers elected shall conform to the provisions of section 412.02, subdivision 1. In any such municipality heretofore holding annual elections, a city election shall be held at the time previously prescribed until the application of Laws 1973, chapter 123, to the city, and thereafter the city election shall be held on the first Tuesday after the first Monday in November; but terms of officers chosen at those elections shall be those specified in section 412.02, subdivision 1. In any such municipality previously holding biennial elections, the city elections held after January 1, 1974, shall be held in the same year as previously, unless election in a different year is provided hereafter in accordance with section 205.07, subdivision 1.

Subd. 3. **Transition intent.** Whenever the establishment of the biennial system provided by Laws 1973, chapter 123, results in the expiration of any current term of office at a time when no city election is held in the months immediately prior thereto, each term is extended until the date for taking office following the next scheduled city election. It is the intent of Laws 1973, chapter 123, to put into effect as soon as practicable a statewide system of biennial elections in statutory cities and to do so without shortening terms of incumbents or lengthening those terms for more than one year plus the number of months required in any statutory city to move its election date from spring to November. To the extent necessary to provide for an orderly transition to the biennial election plan and schedule provided for in this section, the council may adopt supplementary ordinances regulating initial elections, officers to be chosen at such elections, and the terms of incumbents and those so elected.

Subd. 4. [Repealed, 1996 c 310 s 1]

Subd. 5. **Other officers.** Any statutory city previously operating as a city or borough under a general or special law which has established the office of city administrator by ordinance may continue the office in existence notwithstanding the provisions of Laws 1973, chapter 123.

History: 1973 c 123 art 2 s 3; 1974 c 337 s 8-10; 1976 c 44 s 23; 1983 c 359 s 64; 1986 c 444; 1992 c 388 s 1

412.03 [Repealed, 1949 c 119 s 110]

412.031 [Repealed, 1973 c 123 art 2 s 4]

412.04 [Repealed, 1949 c 119 s 110]

412.041 [Repealed, 1959 c 686 s 14; Ex1959 c 75 s 1]

412.05 [Repealed, 1949 c 119 s 110]

412.051 [Repealed, 1959 c 686 s 14; Ex1959 c 75 s 1]

412.06 [Repealed, 1949 c 119 s 110]

412.061 [Repealed, 1957 c 151 s 2]

412.07 [Repealed, 1949 c 119 s 110]

412.071 [Repealed, 1959 c 686 s 14; Ex1959 c 75 s 1]

412.08 [Repealed, 1949 c 119 s 110]

412.081 SEPARATION FROM TOWN.

Subdivision 1. **Election, assessment districts.** Any statutory city hereafter organized shall be constituted an election and assessment district separate from the town in which it lies immediately upon incorporation, except that if the incorporation occurs between March 15 and July 1 the town assessor shall assess the property in the city that year and the city assessor shall not assume duties until the following year. Where the town assessor makes the assessment, the city shall pay such proportion of the cost of the assessment as its net tax capacity bears to the net tax capacity of the town, including the city.

Subd. 2. **Separate districts.** Any existing city not heretofore constituted a separate election and assessment district may become such by the vote of a majority of its electors casting their ballots upon the question at a special election called for that purpose or at a general election in the notice of which the question is plainly submitted. The council may submit the question of separation to the electors on its own motion and shall do so upon presentation of a petition of electors equal in number to 25 percent of those voting at the last preceding city election. A certificate giving the result of the vote shall be presented by the judges of election to the council. The clerk shall then file a similar certificate with the county auditor of the county in which the city is situated, and, if the election is favorable to separation, the clerk shall file a copy with the secretary of state. The separation shall take effect 30 days from the date of the election. The council shall then appoint an assessor to serve until the first business day of January in the next odd-numbered year.

Subd. 3. **Distribution of assets, tax levy, joint property.** Upon separation of an existing city from the town or upon incorporation of a city hereafter, if there is any money in the town treasury in excess of its then floating indebtedness, such proportion of the excess as the total net tax capacity of the real and personal property within the city bears to the entire net tax capacity of the town, including the city, shall belong to the city and shall be paid to the city treasurer by the town treasurer. All town taxes levied upon property within the city before separation and not yet collected or not yet distributed by the county treasurer shall be paid to the city when so distributed. If the town has any bonded debt, the property within the city shall continue to be taxed to retire the bonds and to pay the interest thereon until the bonds are fully paid. Any personal property belonging to the town at the time of separation, and any real estate situated within the city and belonging to the town at that time shall remain the joint property of the city and town with the interest of each being proportional to its net tax capacity at the time of separation; but

either the city or the town may purchase the interest of the other in such real or personal property and become its sole owner. Meetings and elections of the town may be held in the city and any town officer may maintain an office in the city notwithstanding such separation.

History: 1949 c 119 s 11; 1951 c 378 s 3; 1953 c 7 s 1; 1955 c 867 s 3; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1990 c 480 art 9 s 16

412.09 [Repealed, 1949 c 119 s 110]

412.091 DISSOLUTION.

Whenever a number of voters equal to one-third of those voting at the last preceding city election petition the chief administrative law judge of the state Office of Administrative Hearings to dissolve the city, a special election shall be called to vote upon the question. Before the election, the chief administrative law judge shall designate a time and place for a hearing in accordance with section 414.09. After the hearing, the chief administrative law judge shall issue an order which shall include a date for the election, a determination of what town or towns the territory of the city shall belong to if the voters favor dissolution, and other necessary provisions. The ballots used at such election shall bear the printed words, "For Dissolution" and "Against Dissolution," with a square before each phrase in which the voter may express a preference by a cross. If a majority of those voting on the question favor dissolution, the clerk shall file a certificate of the result with the chief administrative law judge, the secretary of state, and the county auditor of the county in which the city is situated. Six months after the date of such election, the city shall cease to exist. Within such six months, the council shall audit all claims against the city, settle with the treasurer, and other city officers, and apply the assets of the city to the payment of its debts. If any debts remain unpaid, other than bonds, the city clerk shall file a schedule of such debts with the county treasurer and the council shall levy a tax sufficient for their payment, the proceeds of which, when collected, shall be paid by the county treasurer to the creditors in proportion to their several claims until all are discharged. The principal and interest on outstanding bonds shall be paid when due by the county treasurer from a tax annually spread by the county auditor against property formerly included within the city until the bonds are fully paid. All city property and all rights of the city shall, upon dissolution, inure in the town or towns designated as the legal successor to the city. If the city territory goes to more than one town, surplus cash assets and unsold city property shall be distributed as provided by the order for the election.

History: 1949 c 119 s 12; 1973 c 123 art 2 s 1 subd 2; 1985 c 30 s 1; 1986 c 444; 2003 c 2 art 5 s 9; 2008 c 196 art 2 s 8

412.092 [Repealed, 1996 c 310 s 1]

412.093 DISSOLUTION SECURED BY CLAIMANTS.

Subdivision 1. **Grounds.** Whenever a duly incorporated city has, for two consecutive years, failed to hold city elections as provided by law and one or more bonds or claims against the city remain unpaid, any bondholder or claimant may proceed to secure dissolution of the city and payment of the bonds and claims in accordance with this section.

Subd. 2. **Sheriff's certificate.** Such claimant may apply to the sheriff of the county in which the city lies for a certificate directed to the district court stating that the sheriff has been unable to find more than two members of the city council residing within the city. On finding that the facts so warrant, the sheriff shall execute such a certificate and deliver it to the claimant.

Subd. 3. **Proceedings before district court.** Within 30 days after receiving the sheriff's certificate, the claimant may petition the district court for a formal dissolution of the city and the liquidation of its affairs, attaching the certificate to the petition. The court shall thereupon issue an ex parte order providing for a hearing on the dissolution of the city and the liquidation of the affairs of the city, and limiting the time within which bonds and claims against the city shall be filed with the court. The court shall order such published notice to be given of the hearing and of the time when bonds and claims must be filed, and shall provide for such other notice to parties interested as it may deem proper.

Subd. 4. **Determination by court.** At the time and place specified, the court shall hear the evidence of all parties interested and consider the validity of bonds and claims against the city filed within the time specified in the court order. If it determines that the city has ceased to function and it is not in the public interest for the city to continue in existence, it shall order the city dissolved on the day fixed in the order. At the same time, or at a subsequent time fixed by the court, it shall examine, adjust and allow, in whole or in part, all bonds and claims filed within the time prescribed, and shall appoint the county auditor of the county in which the former city was situated as receiver to make the necessary tax levies, pay the bonds and claims allowed by the court, collect any debts owing to the city, and generally to liquidate the affairs of the city. A copy of the court's order shall be sent to the county auditor.

Subd. 5. **Tax levy.** The court shall provide for the spreading of a tax levy on all the taxable property within the former city over such period of years, not exceeding 30, as the court directs, taking into account the amount of the bonds and claims and the total taxable net tax capacity of the property to be taxed.

Subd. 6. **Collection and disposition of taxes.** The county auditor shall spread a levy against the property in the former city in accordance with the order of the court. The county treasurer shall deposit the proceeds of such tax, when collected, in a special account in the county treasury. After paying the cost of the dissolution proceedings, the county auditor shall apply the proceeds of the tax after each tax apportionment to the payment of principal and interest of outstanding bonds of the city until all such bonds and interest thereon shall have been paid in full. Thereafter the county auditor shall apply the proceeds of the tax after each tax apportionment to the various other creditors in proportion to their several claims until all have been discharged, but interest on any such claim shall be allowed and paid only from the date of the court order allowing such claim.

Subd. 7. **Property and rights of statutory city.** All city property and all rights of the city shall upon dissolution inure in the town as the legal successor to the city. If the city lies in more than one town, surplus cash assets shall be distributed to the respective towns in proportion to the net tax capacity of that portion of the city lying in each; and the court shall determine the disposition of other unsold city property in such cases.

History: 1959 c 433 s 1-7; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20

412.10 [Repealed, 1949 c 119 s 110]

OFFICERS, EMPLOYEES

412.101 [Repealed, 2001 c 135 s 3]

412.11 [Repealed, 1949 c 119 s 110]

412.111 DEPARTMENTS, BOARDS.

The council may create departments and advisory boards and appoint officers, employees, and agents for the city as deemed necessary for the proper management and operation of city affairs. The council may prescribe the duties and fix the compensation of all officers, both appointive and elective, employees, and agents, when not otherwise prescribed by law. The council may require any officer or employee to furnish a bond conditioned for the faithful exercise of duties and the proper application of, and payment upon demand of, all moneys officially received. Unless otherwise prescribed by law, the amount of the bonds shall be fixed by the council. The bonds furnished by the clerk and treasurer shall be corporate surety bonds. The council may provide for the payment from city funds of the premium on the official bond of any officer or employee of the city. The council may, except as otherwise provided, remove any appointive officer or employee when in its judgment the public welfare will be promoted by the removal. This provision does not modify the laws relating to veterans preference or to members of a city police or fire civil service commission or public utilities commission.

History: 1949 c 119 s 14; 1951 c 378 s 4; 1973 c 123 art 2 s 1 subd 2; 1983 c 359 s 65; 1986 c 444

412.12 [Repealed, 1949 c 119 s 110]

412.121 ACTING MAYOR.

At its first meeting each year the council shall choose an acting mayor from the council members. The acting mayor shall perform the duties of mayor during the disability or absence of the mayor from the city or, in case of vacancy in the office of mayor, until a successor has been appointed and qualifies.

History: 1949 c 119 s 15; 1969 c 9 s 83; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.13 [Repealed, 1949 c 119 s 110]

412.131 ASSESSOR; DUTIES, COMPENSATION.

The city assessor, if there is one, shall assess and return as provided by law all property taxable within the city, if a separate assessment district, and the assessor of the town within which the city lies shall not include in the return any property taxable in the city. Any assessor may appoint a deputy assessor as provided in section 273.06. The assessor may be compensated on a full-time or part-time basis at the option of the council but the compensation shall be not less than \$100 in any one year, if fixed on an annual basis, or not more than \$20 per day, if fixed on a per diem basis. If the compensation is not fixed by the council the assessor shall be entitled to compensation at the rate of \$20 per day for each days service necessarily rendered, and mileage at the rate paid other city officers for each mile necessarily traveled in going to and returning from the county seat of the county to attend any meeting of the assessors of the county legally called by the county auditor, and also for each mile necessarily traveled in making the return of assessment to the proper county officer and in attending sectional meetings called by the county assessor, except when mileage is paid by the county. In addition to other compensation, the council may allow the assessor mileage at the same rate per mile as paid other city officers for each mile necessarily traveled in assessment work.

History: 1949 c 119 s 16; 1951 c 166 s 1; 1965 c 186 s 2; 1969 c 9 s 84; 1973 c 123 art 2 s 1 subd 2; 1976 c 44 s 24; 1986 c 444

412.14 [Repealed, 1949 c 119 s 110]

412.141 TREASURER'S DUTIES.

The treasurer shall receive and safely keep all moneys belonging to the city, including moneys received in operations of any municipal liquor dispensary maintained by the city, and shall promptly enter in a book provided for the purpose an account of all moneys received and disbursed as treasurer, showing the source and objects thereof with the date of each transaction. The treasurer shall pay out money only upon the written order of the mayor and clerk, or such other officers of independent boards or commissions as are authorized to issue orders in the case of board or commission operations. Such orders when paid and canceled shall be retained as treasurer's vouchers. Such accounts and vouchers shall be exhibited to the council upon its request. The treasurer shall deliver to a successor all books, papers and money belonging to the city. The treasurer shall immediately after the close of the calendar year make out and file with the clerk for public inspection a report of balances, receipts and disbursements by funds for the year. The treasurer may, with the consent of the council appoint a deputy treasurer for whose acts the treasurer shall be responsible and whom the treasurer may remove at pleasure. In case of the treasurer's absence from the city or disability, the council may appoint a deputy treasurer, if there is none, to serve during such absence or disability. The deputy may discharge any of the duties of the treasurer.

History: 1949 c 119 s 17; 1951 c 378 s 5; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.15 [Repealed, 1949 c 119 s 110]

412.151 DUTIES OF CLERK.

Subdivision 1. **Listed; fees; deputy; absence.** The clerk shall give the required notice of each regular and special election, record the proceedings thereof, notify officials of their election or appointment to office, certify to the county auditor all appointments and the results of all city elections. The clerk shall keep (1) a minute book, noting therein all proceedings of the council; (2) an ordinance book to record at length all ordinances passed by the council; and (3) an account book to enter all money transactions of the city including the dates and amounts of all receipts and the person from whom the money was received and all orders drawn upon the treasurer with their payee and object. Ordinances, resolutions, and claims considered by the council need not be given in full in the minute book if they appear in other permanent records of the clerk and can be accurately identified from the description given in the minutes. The clerk shall act as the clerk and bookkeeper of the city, shall be the custodian of its seal and records, shall sign its official papers, shall post and publish such notices, ordinances and resolutions as may be required and shall perform such other appropriate duties as may be imposed by the council. For certified copies, and for filing and entering, when required, papers not relating to city business, the clerk shall receive the fees allowed by law to town clerks; but the council may require the clerk to pay such fees into the city treasury. With the consent of the council, the clerk may appoint a deputy for whose acts the clerk shall be responsible and whom the clerk may remove at pleasure. In case of the clerk's absence from the city or disability, the council may appoint a deputy clerk, if there is none, to serve during such absence or disability. The deputy may discharge any of the duties of the clerk, except that deputy shall not be a member of the council.

Subd. 2. **Delegation; audit.** The council by ordinance may delegate all or part of the clerk's bookkeeping duties to another officer or employee. The officer or employee who by ordinance is made responsible for the clerk's bookkeeping duties shall furnish a fidelity bond conditioned

for the faithful exercise of duties. The council may provide for the payment from city funds of the premium on the official bond. If the bookkeeping functions of the clerk are delegated to the city treasurer, the council shall provide for an annual audit of the city's financial affairs in accordance with the minimum procedures prescribed by the state auditor. A copy of the ordinance shall be provided to the state auditor.

History: 1949 c 119 s 18; 1951 c 378 s 6; 1953 c 735 s 3; 1973 c 123 art 2 s 1 subd 2; 1984 c 384 s 1; 1986 c 444

412.152 MAYOR; FIRE CHIEF; OFFICES NOT INCOMPATIBLE.

The offices of mayor of a statutory city and the fire chief of an independent nonprofit firefighting corporation serving the city are not incompatible offices and a person may concurrently hold both offices if all of the following conditions exist:

- (1) the mayor does not appoint the fire chief;
- (2) the mayor does not set the salary or benefits of the fire chief;
- (3) neither officer performs functions that are inconsistent with the other's;
- (4) neither officer in the officer's official capacity contracts with the other; and
- (5) the mayor does not approve the fidelity bond of the fire chief.

History: 1997 c 23 s 1

412.153 HOUSING AID TO ENSURE TIMELY PUBLIC SAFETY SERVICE.

Statutory cities may expend public funds to acquire or lease residential property for housing or otherwise provide housing assistance in the city for one or more volunteer firefighters or ambulance personnel. The expenditure may only be made to attract and retain the qualified personnel necessary to ensure that a city has timely public safety and related service. A city may make the expenditure only after the need for the expenditure has been established and approved at a public hearing.

History: 2001 c 19 s 1

412.16 [Repealed, 1949 c 119 s 110]

412.161 [Repealed, 1973 c 34 s 7]

412.17 [Repealed, 1949 c 119 s 110]

412.171 [Repealed, 1983 c 359 s 151]

412.18 [Repealed, 1949 c 119 s 110]

412.181 Subdivision 1. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 2. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 3. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 4. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 5. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 6. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 7. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 8. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 9. MS 1949 [Repealed, 1953 c 49 s 2]

Subd. 10. MS 1965 [Repealed, 1967 c 289 s 18]

412.181 MS 1971 [Repealed, 1973 c 123 art 2 s 4]

412.19 [Repealed, 1949 c 119 s 110]

COUNCIL

412.191 MEMBERS; POWERS, DUTIES.

Subdivision 1. **Composition.** The city council in a standard plan city shall consist of the mayor, the clerk, and the three or five council members. In optional plan cities, except those cities having a larger council under repealed section 412.023, subdivision 4, the council shall consist of the mayor and the four council members. A majority of all the members shall constitute a quorum although a smaller number may adjourn from time to time.

Subd. 2. **Meetings.** Regular meetings of the council shall be held at such times and places as may be prescribed by its rules. Special meetings may be called by the mayor or by any two members of a five-member council or three members of a seven-member council by writing filed with the clerk who shall then mail a notice to all the members of the time and place of meeting at least one day before the meeting. The mayor or, in the mayor's absence, the acting mayor, shall preside. All meetings of the council shall be open to the public. The council may preserve order at its meetings, compel the attendance of members, and punish nonattendance and shall be the judge of the election and qualification of its members. The council shall have power to regulate its own procedure.

Subd. 3. **Publish proceedings; alternative.** The council, after every regular or special meeting, shall publish the official council proceedings or a summary conforming to section 331A.01, subdivision 10. As an alternative to publication, the city may mail, at city expense, a copy of the proceedings to any resident upon request. The publication shall occur within 30 days of the meeting to which the proceedings relate. Cities with a population of less than 1,000 according to the latest federal census are not required to comply with this section, but may do so at their discretion.

Subd. 4. **Ordinances.** Every ordinance shall be enacted by a majority vote of all the members of the council except where a larger number is required by law. It shall be signed by the mayor, attested by the clerk and published once in the official newspaper. In the case of lengthy ordinances, or ordinances which include charts or maps, if the city council determines that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance, the council may by a four-fifths vote of its members direct that only the title of the ordinance and a summary be published, conforming to section 331A.01, subdivision 10, with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours at the office of the city clerk and any other location which the council designates. A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the council designates. Prior to the publication of the title and summary the council shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. The text of the summary shall be

published in a body type no smaller than brevier or eight-point type. Proof of the publication shall be attached to and filed with the ordinance.

Every ordinance shall be recorded in the ordinance book within 20 days after publication of the ordinance or its title and summary. All ordinances shall be suitably entitled and shall be substantially in the style. "The City Council of ordains:".

Subd. 5. [Repealed, 1976 c 44 s 70]

History: 1949 c 119 s 22-26; 1967 c 289 s 6; 1973 c 123 art 2 s 1 subd 2; 1976 c 44 s 26; 1981 c 219 s 1; 1984 c 543 s 46,47; 1986 c 444; 1989 c 30 s 4,5; 1997 c 7 art 1 s 135; 2004 c 182 s 30

412.20 [Repealed, 1949 c 119 s 110]

412.201 EXECUTION OF INSTRUMENTS.

Every contract, conveyance, license, or other written instrument shall be executed on behalf of the city by the mayor and clerk, with the corporate seal affixed, and only pursuant to authority from the council.

History: 1949 c 119 s 27; 1973 c 123 art 2 s 1 subd 2

412.21 [Repealed, 1949 c 119 s 110]

412.211 GENERAL STATUTORY CITY POWERS.

Every city shall be a municipal corporation having the powers and rights and being subject to the duties of municipal corporations at common law. Each shall have perpetual succession, may sue and be sued, may use a corporate seal, may acquire, either within or without its corporate limits, such real and personal property as the purposes of the city may require, by purchase, gift, devise, condemnation, lease or otherwise, and may hold, manage, control, sell, convey, lease, or otherwise dispose of such property as its interests require. The powers listed in this act are not exclusive and other provisions of law granting additional powers to cities or to classes of cities shall apply except where inconsistent with this chapter.

History: 1949 c 119 s 28; 1973 c 123 art 2 s 1 subd 2

412.22 [Repealed, 1949 c 119 s 110]

412.221 SPECIFIC POWERS OF COUNCIL.

Subdivision 1. **Books; stationery; printing.** The council shall have power to procure the books to be kept by the officers, and such furniture, property, stationery, printing, and office supplies as are necessary for city purposes.

Subd. 2. **Contracts.** The council shall have power to make such contracts as may be deemed necessary or desirable to make effective any power possessed by the council. The city may purchase personal property through a conditional sales contract and real property through a contract for deed under which contracts the seller is confined to the remedy of recovery of the property in case of nonpayment of all or part of the purchase price, which shall be payable over a period of not to exceed five years. When the contract price of property to be purchased by contract for deed or conditional sales contract exceeds 0.24177 percent of the estimated market value of the city, the city may not enter into such a contract for at least ten days after publication in the official newspaper of a council resolution determining to purchase property by such a contract; and, if before the end of that time a petition asking for an election on the proposition signed by

voters equal to ten percent of the number of voters at the last regular city election is filed with the clerk, the city may not enter into such a contract until the proposition has been approved by a majority of the votes cast on the question at a regular or special election.

Subd. 3. **Buildings.** The council shall have power to construct or acquire structures needed for city purposes, to control, protect, and insure the public buildings, property, and records.

Subd. 4. [Repealed, 1963 c 798 s 16]

Subd. 5. **Actions at law.** The council shall have power to provide for the prosecution or defense of actions or proceedings at law in which the city may be interested and it may employ counsel for the purpose.

Subd. 6. **Streets; sewers; sidewalks; public grounds.** The council shall have power to lay out, open, change, widen or extend streets, alleys, parks, squares, and other public ways and grounds and to grade, pave, repair, control, and maintain the same; to establish and maintain drains, canals, and sewers; to alter, widen or straighten watercourses; to lay, repair, or otherwise improve or discontinue sidewalks, paths, and crosswalks. It shall have power by ordinance to regulate the use of streets and other public grounds, to prevent encumbrances or obstructions, and to require the owners or occupants of buildings and the owners of vacant lots to remove any snow, ice, dirt, or rubbish from the sidewalks adjacent thereto and in default thereof to cause such encumbrances, obstructions, or substances to be removed and the cost to be assessed against the property as a special assessment.

Subd. 7. **Lighting streets.** The council shall have power to provide for lighting the streets, buildings, or grounds by gas, electricity or other means, and to contract with anyone engaged in the business of furnishing gas or electric service for the supply of such service to the city and its inhabitants.

Subd. 8. **Parks, trees.** The council shall have power to provide for, and by ordinance regulate, the setting out and protection of trees, shrubs, and flowers in the city or upon its property.

Subd. 9. **Cemeteries.** The council shall have power to acquire by purchase, gift, devise, condemnation or otherwise, hold and manage cemetery grounds, to enclose, lay out and ornament such grounds and sell and convey lots therein. It may by ordinance regulate cemeteries and the disposal of dead bodies.

Subd. 10. **Markets.** The council shall have power to establish markets, provide public scales, and appoint a weighmaster. It may by ordinance regulate markets and the use of scales and restrain sales in streets.

Subd. 11. **Waterworks.** The council shall have power to provide and by ordinance regulate the use of wells, cisterns, reservoirs, waterworks, and other means of water supply.

Subd. 12. **Harbors, docks.** The council shall have power to establish harbor and dock limits and by ordinance regulate the location, construction and use of piers, docks, wharves, and boat houses on navigable waters and fix rates of wharfage. The council may construct and maintain public docks and warehouses and by ordinance regulate their use.

Subd. 13. **Ferries.** The council shall have power to acquire and operate ferries across any river flowing through or by the city.

Subd. 14. **Tourist camps; parking facilities.** The council shall have power to acquire, improve and operate, and by ordinance regulate tourist camps and automobile parking facilities.

Subd. 15. **Music.** The council shall have power to provide free musical entertainment.

Subd. 16. **Hospitals.** The council shall have power to provide hospitals. The council of any city operating a municipal hospital may by ordinance establish a hospital board with such powers and duties of hospital management and operation as the council confers upon it; and the council may, by vote of all five members, abolish any board so established. The board shall consist of five members, each appointed by the mayor with the consent of the council for a term of five years. Terms of the first members shall be so arranged that the term of one member expires each year. Any vacancy shall be filled for the unexpired portion of the term in which it occurs. Any member may be removed by the mayor with the consent of the council for cause after a hearing.

The council may by ordinance authorize the hospital board to establish a separate fund in the city treasury into which all of its revenues shall be deposited. The hospital board shall, in the same manner as the council under section 412.271, subdivision 1, and to the same extent, audit claims to be paid from the fund. The secretary of the board shall draw an order upon the treasurer for the proper amount allowed by the board. Upon counter signature by the president of the board and presentation, orders shall be paid by the treasurer.

Subd. 17. **Fire prevention.** The council shall have power to establish a fire department, appoint its officers and members and prescribe their duties, and provide fire apparatus. It shall have power to adopt such ordinances as are reasonable and expedient to prevent, control, or extinguish fires.

Subd. 18. **Street names, numbers.** The council shall have power by ordinance to name or rename the streets and public places of the city and to number or renumber the lots and blocks of the city, or any part thereof. It may make and record a consolidated plat of the city.

Subd. 19. **Transient commerce.** The council shall have power by ordinance to restrain or license and regulate auctioneers, transient merchants and dealers, hawkers, peddlers, solicitors, and canvassers.

Subd. 20. **Taxis, haulers, car renters.** The council shall have power by ordinance to license and regulate baggage wagons, dray drivers, taxicabs, and automobile rental agencies and liveries. At a minimum, an ordinance to license or regulate taxicabs or small vehicle passenger service must provide for driver qualifications, insurance, vehicle safety, and periodic vehicle inspections.

Subd. 21. **Animals.** The council shall have power by ordinance to regulate the keeping of animals, to restrain their running at large, to authorize their impounding and sale or summary destruction, and to establish pounds, and to license and regulate riding academies.

Subd. 22. **Health.** (a) The council shall have power by ordinance:

(1) to prohibit or regulate slaughterhouses;

(2) to prevent the bringing, depositing, or leaving within the city of any unwholesome substance or deposit of solid waste within the city not otherwise authorized by law, to require the owners or occupants of lands to remove unwholesome substances or the unauthorized deposit of solid waste and if it is not removed to provide for its removal at the expense of the owner or occupant, which expense shall be a lien upon the property and may be collected as a special assessment;

(3) to provide for or regulate the disposal of sewage, garbage, and other refuse; and

(4) to provide for the cleaning of, and removal of obstructions from, any waters in the city and to prevent their obstruction or pollution.

(b) The council may also seek civil penalties and damages from persons responsible for unauthorized deposit of solid waste under section 115A.99, which, if unpaid, may be imposed as a lien on property owned by the responsible persons and collected as a special assessment.

(c) The council may establish a board of health as defined in section 145A.02, subdivision 2, with all the powers of such boards under the general laws.

Subd. 23. **Nuisances.** The council shall have power by ordinance to define nuisances and provide for their prevention or abatement.

Subd. 24. **Noise and disorder.** The council shall have power by ordinance to regulate and prevent noise or other disorder.

Subd. 25. **Amusements.** The council shall have power by ordinance to prevent or license and regulate the exhibition of circuses, theatrical performances, amusements, or shows of any kind, and the keeping of billiard tables and bowling alleys, to prohibit gambling and gambling devices, and to license, regulate or prohibit devices commonly used for gambling purposes.

Subd. 26. **Vice.** The council shall have power by ordinance to restrain and punish vagrants, prostitutes, and persons guilty of lewd conduct.

Subd. 27. **Dances.** The council shall have power by ordinance to license and regulate the operation of public dance halls and the conduct of public dances.

Subd. 28. **Regulation of buildings.** The council shall have power by ordinance to regulate the construction of buildings.

Subd. 29. [Repealed, 1965 c 670 s 14]

Subd. 30. **Restaurants.** The council shall have power by ordinance to license and regulate restaurants and public eating houses, except that a restaurant or delicatessen in a grocery store is subject only to regulation under chapter 28A.

Subd. 31. **Sewer and water connections.** The council shall have power by ordinance to require the owner of any property abutting on or adjacent to any street in which sewer and water mains have been laid to install a toilet in any dwelling or commercial establishment upon such property and connect it with the sewer and water mains and in default thereof to provide for the installation of such toilet and charging the cost against the property as a special assessment.

Subd. 32. **General welfare.** The council shall have power to provide for the government and good order of the city, the suppression of vice and immorality, the prevention of crime, the protection of public and private property, the benefit of residence, trade, and commerce, and the promotion of health, safety, order, convenience, and the general welfare by such ordinances not inconsistent with the Constitution and laws of the United States or of this state as it shall deem expedient.

Subd. 33. **Advisory elections in certain cases.** When the council has sole authority to decide whether the city should join a special district or similar independent governmental body having taxing powers within the city, the council shall have authority to submit to the voters at a regular or special election the question of whether the municipality should join such a body. The results of the election on the question so submitted shall be advisory to the council only and shall have no binding effect upon its decision to join or withdraw from the special district or similar independent body.

Subd. 34. **Decorations.** The council shall have the power to provide decorations, signs, plaques, and attached accessories for public streets, buildings, and parks.

History: 1949 c 119 s 29; 1955 c 270 s 1; 1961 c 230 s 2, 3; 1967 c 289 s 7; 1973 c 35 s 69; 1973 c 123 art 2 s 1 subd 2; 1975 c 30 s 1; 1986 c 444; 1987 c 309 s 24; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1Sp1989 c 1 art 20 s 26; 1990 c 480 art 9 s 17; 1990 c 493 s 1; 1991 c 52 s 5; 1994 c 412 s 5; 1999 c 238 art 2 s 74; 2013 c 143 art 14 s 65

412.222 PUBLIC ACCOUNTANTS IN STATUTORY CITIES.

The council of any city may employ public accountants on a monthly or yearly basis for the purpose of auditing, examining, and reporting upon the books and records of account of such city. For the purpose of this section, "public accountant" means a certified public accountant or a certified public accounting firm licensed in accordance with chapter 326A. All expenditures for these purposes shall be within the statutory limits upon tax levies in such cities.

History: (1186-5, 1186-6, 1186-7) 1937 c 215 s 1-3; 1953 c 535 s 1; 1973 c 123 art 2 s 1 subd 2; 1992 c 592 s 7; 2001 c 109 art 2 s 7; 2010 c 191 s 8

412.23 [Repealed, 1949 c 119 s 110]

412.231 PENALTIES.

The council shall have the power to declare that the violation of any ordinance shall be a penal offense and to prescribe penalties therefor. No such penalty shall exceed a fine of \$1,000 or imprisonment in a city or county jail for a period of 90 days, or both, but in either case the costs of prosecution may be added.

History: 1949 c 119 s 30; 1969 c 735 s 1; 1973 c 123 art 2 s 1 subd 2; 1977 c 355 s 1; 1984 c 628 art 3 s 11; 2004 c 228 art 1 s 72

412.24 [Repealed, 1949 c 119 s 110]

TAXATION, FINANCE

412.241 COUNCIL TO CONTROL FINANCES.

The council shall have full authority over the financial affairs of the city, and shall provide for the collection of all revenues and other assets, the auditing and settlement of accounts, and the safekeeping and disbursement of public money.

History: 1949 c 119 s 31; 1973 c 123 art 2 s 1 subd 2

412.25 [Repealed, 1949 c 119 s 110]

412.251 ANNUAL TAX LEVY.

The council shall make its annual tax levy by resolution. The following taxes may be levied as authorized:

- (1) a tax for the payment of principal and interest on outstanding obligations of the city as provided by sections 475.61, 475.73, and 475.74;
- (2) a tax for the payment of judgments as authorized by section 465.14;
- (3) a tax to provide musical entertainment to the public in public buildings or on public grounds;

- (4) a tax for band purposes as authorized by section 449.09;
- (5) a tax for the support of a municipal forest, as authorized by section 459.06;
- (6) a tax for advertising purposes, as authorized by section 469.189;
- (7) a tax for forest fire protection in any city in a forest area, as authorized by section 88.04;
- (8) a tax for the utilities fund in any city whose utilities are under the jurisdiction of a public utilities commission. The tax shall be levied for the purpose of paying the cost of the utility service or other services supplied to the city;
- (9) a tax for the support of a public library, as authorized by section 134.07;
- (10) a tax for firefighters' relief association purposes as authorized by sections 424A.092, subdivision 4, 424A.093, subdivision 5, or other statutes; and
- (11) other special taxes authorized by law.

History: 1949 c 119 s 32; 1951 c 104 s 1; 1973 c 123 art 2 s 1 subd 2; 1973 c 389 s 2; 1973 c 773 s 1; 1976 c 2 s 138; 1976 c 239 s 114; 1977 c 429 s 63; 1980 c 509 s 157; 1Sp1981 c 4 art 1 s 60; 1987 c 291 s 218; 1988 c 719 art 5 s 84; 1989 c 277 art 4 s 44; 1Sp1989 c 1 art 5 s 28; 1994 c 505 art 4 s 1; 2013 c 111 art 5 s 80

412.26 [Repealed, 1949 c 119 s 110]

412.261 TAX ANTICIPATION CERTIFICATES.

At any time after the first day of the year following the making of an annual tax levy, the council may issue certificates of indebtedness in anticipation of the collection of taxes levied for any fund and not yet collected. The total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, shall not exceed the total current taxes for the fund uncollected at the time of issuance plus the cash on hand in the fund. If certificates are issued against the anticipated tax levy for any fund, any unpaid orders outstanding against the fund shall be redeemed from the proceeds of the certificates. All tax anticipation certificates shall be negotiable and shall be payable to the order of the payee and shall have a definite due date but may be payable on or before that date. No certificate shall be issued to become due and payable later than the 1st day of April of the year following the year of issuance. Certificates shall be sold for not less than par and accrued interest and shall bear interest at a rate not to exceed seven percent per annum, payable at maturity or at such earlier times as the council may determine. Each certificate shall state upon its face the fund for which the proceeds of the certificate shall be used, the total amount of the certificates so issued against the fund, and the total amount embraced in the tax levy for that fund. They shall otherwise be issued on such terms and conditions as the council may determine. The proceeds of the taxes assessed on account of the fund against which tax-anticipation certificates are issued and the full faith and credit of the city shall be irrevocably pledged for the redemption of the certificates in the order of issuance against the fund.

History: 1949 c 119 s 33; 1953 c 735 s 4; 1967 c 761 s 3; 1971 c 25 s 79; 1973 c 123 art 2 s 1 subd 2

412.27 [Repealed, 1949 c 119 s 110]

412.271 DISBURSEMENTS.

Subdivision 1. **Method.** No disbursement of city funds, including funds of any municipal liquor dispensary operated by the city, shall be made except by an order drawn by the mayor and clerk upon the treasurer. Except when issued for the payment of judgments, salaries and wages previously fixed by the council or by statute, principal and interest on obligations, rent and other fixed charges, the exact amount of which has been previously determined by contract authorized by the council, and except as otherwise provided in subdivisions 4, 5, and 8, no order shall be issued until the claim to which it relates has been audited and allowed by the council.

Subd. 2. **Claims, payment; electronic time recording.** (a) Except for wages paid on an hourly or daily basis, where a claim for money due on goods or services furnished can be itemized in the ordinary course of business the person claiming payment, or the claimant's agent, shall prepare the claim in written items and sign a declaration that the claim is just and correct and that no part of it has been paid; but the council may in its discretion allow a claim prepared by the clerk prior to such declaration by the claimant, if the declaration is made by an endorsement on the order-check by which the claim is paid as provided below.

(b) Whenever work for which wages are to be paid on an hourly or daily basis is done by employees of the city, the clerk shall keep a payroll giving the name of each employee and the number of hours or days worked by each and the timekeeper, supervisor, or other officers or employee having knowledge of the facts shall sign a declaration that the facts recited on the payroll are correct to the best of the declarant's information and belief; and when any claim for wages listed on a payroll is paid, the employee shall sign a declaration, which may be a part of the payroll, to the effect that the employee has received the wages and done the work for which wages have been paid. The declarations relating to claims or payrolls shall be in substantially the following form: "I declare under the penalties of perjury (here insert, if claimant: that this claim is just and correct and no part of it has been paid; if timekeeper, supervisor, officer or employee having knowledge of the facts; that to the best of my information and belief the items of this payroll are correct; if employee who has been paid: that I have received the wages stated on this payroll opposite my name and have done the work for which the wages were paid.)

.....
Date	Signed"

The effect of this declaration shall be the same as if subscribed and sworn to under oath.

(c) Notwithstanding the procedural requirements of paragraph (b), a city may use electronic time recording systems if the governing body of the city adopts policies to ensure that the timekeeping and payroll methods used are accurate and reliable.

Subd. 3. **Endorsement on claims.** The clerk shall endorse on each claim required to be audited by the council the word "disallowed" if such be the fact, or, "allowed in the sum of \$.....," if approved in whole or in part, specifying in the latter case the items rejected. Each order shall be so drawn that when signed by the treasurer in an appropriate space, it becomes a check on the city depository. Such order-check may have printed on its reverse side, above the space for endorsement thereof by the payee, the following statement: "The undersigned payee, in endorsing this order-check, declares that the same is received in payment of a just and correct claim against the city of, and that no part of such claim has heretofore been paid." When endorsed by the payee named in the order-check, such statement shall operate and shall be deemed sufficient as the required declaration of the claim. Any order presented to the treasurer

and not paid for want of funds shall be so marked and paid in the order of its presentation with interest from the date of presentation at the rate of five percent or such lower rate as is fixed by the council prior to its issuance.

Subd. 4. **Immediate payment of claims.** When payment of a claim based on contract cannot be deferred until the next council meeting without loss to the city through forfeiture of discount privileges or otherwise, it may be made immediately if the itemized claim is endorsed for payment by at least a majority of all the members of the council. The claim shall be acted upon formally at the next council meeting in the same manner as if it had not been paid, and the earlier payment shall not affect the right of the city or any taxpayer to challenge the validity of the claim.

Subd. 5. **Imprest funds.** The council may establish one or more imprest funds for the payment in cash of any proper claim against the city which it is impractical to pay in any other manner, except that no claim for salary or personal expenses of an officer or employee shall be paid from such funds. The council shall appoint a custodian of each such fund who shall be responsible for its safekeeping and disbursement according to law. Money for the operation of such fund shall be secured by a transfer from the general fund. A claim itemizing all the various demands for which disbursements have been made from the fund shall be presented to the council at the next council meeting after the disbursements have been made. The council shall act upon it as in the case of other claims and an order shall be issued to the custodian for the amount allowed. The custodian shall use the proceeds of the order to replenish the fund; and if the council fails to approve the claim in full for any sufficient reason, the custodian shall be personally responsible for the difference.

Subd. 6. **Independent boards, powers.** Subdivisions 4 and 5 shall apply to any independent board or commission of the city having authority to disburse funds without approval of the council. In such case references in these subdivisions to the council shall be considered to be to the board or commission and the money for the fund may be secured from any undedicated fund under its jurisdiction.

Subd. 7. **Definition.** For purposes of this section, a "city administrative official" means a city manager, administrator, treasurer, senior fiscal officer, clerk, or clerk-treasurer.

Subd. 8. **Delegation of authority for paying certain claims.** A city council, at its discretion, may delegate its authority to pay certain claims made against the city to a city administrative official. City councils opting to delegate their authority to review claims before payment pursuant to this subdivision shall have internal accounting and administrative control procedures to ensure the proper disbursement of public funds. The procedures shall include regular and frequent review of the city administrative officials' actions by the council. A list of all claims paid under the procedures established by the city council shall be presented to the council for informational purposes only at the next regularly scheduled meeting after payment of the claim. A city council that delegates its authority to pay certain claims made against the city must adopt a resolution authorizing a specified city administrative official to pay the claims that meet the standards and procedures established by the council. A city council of a city that does not prepare annual audited financial statements which have been attested to by an independent certified public accountant, public accountant, or the state auditor, may not delegate its authority for paying certain claims against the city pursuant to this subdivision.

History: 1949 c 119 s 34; 1951 c 378 s 10; 1953 c 319 s 5; 1955 c 867 s 5; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1993 c 315 s 11-13; 2004 c 165 s 1

412.28 [Repealed, 1949 c 119 s 110]

412.281 [Repealed, 1978 c 787 s 7]

412.29 [Repealed, 1949 c 119 s 110]

412.291 [Repealed, 1978 c 787 s 7]

412.30 [Repealed, 1949 c 119 s 110]

412.301 FINANCING PURCHASE OF CERTAIN EQUIPMENT.

(a) The council may issue certificates of indebtedness or capital notes subject to the city debt limits to purchase capital equipment.

(b) For purposes of this section, "capital equipment" means:

(1) public safety equipment, ambulance and other medical equipment, road construction and maintenance equipment, and other capital equipment; and

(2) computer hardware and software, whether bundled with machinery or equipment or unbundled, together with application development services and training related to the use of the computer hardware or software.

(c) The equipment or software must have an expected useful life at least as long as the terms of the certificates or notes.

(d) Such certificates or notes shall be payable in not more than ten years and shall be issued on such terms and in such manner as the council may determine.

(e) If the amount of the certificates or notes to be issued to finance any such purchase exceeds 0.25 percent of the estimated market value of taxable property in the city, they shall not be issued for at least ten days after publication in the official newspaper of a council resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular municipal election is filed with the clerk, such certificates or notes shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election.

(f) A tax levy shall be made for the payment of the principal and interest on such certificates or notes, in accordance with section 475.61, as in the case of bonds.

History: 1949 c 119 s 37; 1957 c 90 s 1; 1969 c 333 s 3; 1973 c 123 art 2 s 1 subd 2; 1986 c 465 art 2 s 8; 1988 c 719 art 5 s 84; 1989 c 1 s 5; 2003 c 127 art 12 s 17; 1Sp2003 c 21 art 10 s 11; 2005 c 152 art 1 s 9; 2008 c 154 art 10 s 16; 2013 c 143 art 12 s 9; art 14 s 66

412.31 [Repealed, 1949 c 119 s 110]

412.311 CONTRACTS.

Subdivision 1. **Lowest responsible bidder.** Except as provided in sections 471.87 to 471.89, no member of a council shall be directly or indirectly interested in any contract made by the council. Whenever the amount of a contract for the purchase of merchandise, materials or equipment or for any kind of construction work undertaken by the city is estimated to exceed the amount specified by section 471.345, subdivision 3, the contract shall be let to the lowest responsible bidder, after notice has been published once in the official newspaper at least ten days in advance of the last day for the submission of bids. If the amount of the contract exceeds \$1,000, it shall be entered into only after compliance with section 471.345.

Subd. 2. **Best value alternative.** As an alternative to the procurement method described in subdivision 1, a contract for construction, building, alteration, improvement, or repair work may be awarded to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

History: 1949 c 119 s 38; 1951 c 378 s 11; 1951 c 379 s 5; 1953 c 735 s 5; 1957 c 429 s 1; 1965 c 175 s 1; 1973 c 123 art 2 s 1 subd 2; 1976 c 44 s 27; 1992 c 380 s 2; 2007 c 148 art 3 s 24

412.32 [Repealed, 1949 c 119 s 110]

UTILITIES

412.321 MUNICIPAL UTILITIES.

Subdivision 1. **Authority to own and operate.** Any statutory city may own and operate any waterworks, district heating system, or gas, light, power, or heat plant for supplying its own needs for utility service or for supplying utility service to private consumers or both. It may construct and install all facilities reasonably needed for that purpose and may lease or purchase any existing utility properties so needed. It may, in lieu of providing for the local production of gas, electricity, water, hot water, steam, or heat, purchase the same wholesale and resell it to local consumers. After any such utility has been acquired, the council, except as its powers have been limited through establishment of a public utilities commission in the city, shall make all necessary rules and regulations for the protection, maintenance, operation, extension, and improvement thereof and for the sale of its utility products.

Subd. 2. **Vote on establishment.** No gas, light, power, or heat utility shall be constructed, purchased, or leased until the proposal to do so has been submitted to the voters at a regular or special election and been approved by five-eighths of those voting on the proposition. Such proposal shall state whether the public utility is to be constructed, purchased, or leased and the estimated cost or the maximum amount to be expended for that purpose. This proposal and a proposal to issue bonds to raise money therefor may be submitted either separately or as a single question. The proposal for the acquisition of the public utility may include authority for distribution only or for generation or production and distribution of a particular utility service or group of services. Approval of the voters shall be obtained under this section before a city purchasing gas or electricity wholesale and distributing it to consumers acquires facilities for the manufacture of gas or generation of electricity unless the voters have, within the two previous years, approved a proposal for both generation or production and distribution.

Subd. 3. **Extension beyond limitations.** Any city may, except as otherwise restricted by this section, extend any such public utility outside its limits and furnish service to consumers in such area at such rates and upon such terms as the council or utility commission, if there is one, shall determine; but no such extension shall be made into any incorporated municipality without its consent. The sale of electricity, other than surplus, outside the limits of the city shall be subject to the restriction of section 455.29.

Subd. 4. **Lease, sale, or abandonment.** Any such utility may be leased, sold, or its operation discontinued wholly or in part, by ordinance or resolution of the council, approved by two-thirds of the electors voting on the ordinance or resolution at a general or special election. If the utility is under the jurisdiction of a public utilities commission, the ordinance or resolution shall be concurred in by the public utilities commission. Such action may be taken with respect to any specific part of the utility, which part shall be named in the ordinance or resolution; but

it shall not be necessary to submit the ordinance or resolution to the voters in such case if the action proposed will not result in depriving any customer inside the corporate limits of any type of municipal utility service available before the sale, lease or discontinuance of operation.

History: 1949 c 119 s 39-42; 1955 c 266 s 1; 1961 c 275 s 1; 1973 c 123 art 2 s 1 subd 2; 1981 c 334 s 2; 1986 c 444

412.33 [Repealed, 1949 c 119 s 110]

412.331 ESTABLISHMENT OF PUBLIC UTILITIES COMMISSION.

Any statutory city may by ordinance expressly accepting the provisions of sections 412.331 to 412.391 establish a public utilities commission with the powers and duties set out in those sections. Any water, light, power and building commission now in existence in any statutory city shall hereafter operate as a public utilities commission under sections 412.321 to 412.391.

History: 1949 c 119 s 43; 1973 c 123 art 2 s 1 subd 2

412.34 [Repealed, 1949 c 119 s 110]

412.341 COMMISSION; MEMBERSHIP, ORGANIZATION.

Subdivision 1. **Membership.** The commission shall consist of three members appointed by the council. No more than one member may be chosen from the council membership. Each member shall serve for a term of three years and until a successor is appointed and qualified except that of the members initially appointed in any city, one shall serve for a term of one year, one for a term of two years, and one for a term of three years. Residence shall not be a qualification for membership on the commission unless the council so provides. A vacancy shall be filled by the council for the unexpired term.

Subd. 2. **Rules; officers, salary.** The commission shall adopt rules for its own proceedings which shall provide among other things for at least one regular meeting by the commission each month. It shall annually choose a president from among its own members. It shall also appoint a secretary for an indefinite term. The secretary need not be a member of the commission and may be the city clerk. No member of the commission shall receive a salary except as fixed by the council. The secretary shall receive a salary fixed by the commission.

History: 1949 c 119 s 44; 1951 c 378 s 12; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.35 [Repealed, 1949 c 119 s 110]

412.351 COMMISSION, JURISDICTION.

The council shall, in the ordinance establishing the commission, decide which of the following public utilities shall be within the commission's jurisdiction: (1) the city water system; (2) light and power system, including any system then in use or later acquired for the production and distribution of steam heat; (3) gas system; (4) sanitary or storm sewer system or both, including the city sewage disposal plant; (5) public buildings owned or leased by the city; (6) district heating system. As used subsequently in sections 412.351 to 412.391, the term "public utility" means any water, light and power, gas or sewer system, or public buildings thus placed by ordinance under the jurisdiction of the public utilities commission. Any public utility not placed under the jurisdiction of the public utilities commission by the ordinance establishing

the commission may be placed under the jurisdiction of the commission by an amendment to the original ordinance.

History: 1949 c 119 s 45; 1951 c 378 s 13; 1973 c 123 art 2 s 1 subd 2; 1981 c 334 s 3

412.36 [Repealed, 1949 c 119 s 110]

412.361 MAY REMODEL, EXPAND, RUN UTILITY; OTHER POWERS.

Subdivision 1. **Contract; bid provisions apply.** The commission shall have power to extend and to modify or rebuild any public utility and to do anything it deems necessary for its proper and efficient operation; and it may enter into necessary contracts for these purposes. The provisions of section 412.311 relating to advertisement for bids shall apply to contracts of the public utilities commission.

Subd. 2. **Hire, direct, fix pay for personnel.** The commission shall have power to employ all necessary help for the management and operation of the public utility, prescribe duties of officers and employees and fix their compensation.

Subd. 3. **Buy fuel, supplies, wholesale energy.** The commission shall have power to buy all fuel and supplies, and it may purchase wholesale electric energy, steam heat, hot water energy, gas or water, as the case may be, for municipal distribution.

Subd. 4. **Fix rates; adopt service rules.** The commission shall have power to fix rates and to adopt reasonable rules and regulations for utility service supplied by the municipally owned public utilities within its jurisdiction.

Subd. 5. **Relations, finances with city.** The commission shall have power to enter into agreements with the council for payments by the city for utility service, compensation for the use by either the commission or the city of buildings, equipment, and personnel under the control of the other, payments to the city in lieu of taxes, transfers of surplus utility funds to the general fund, and also agreements on other subjects of relationships between the commission and the council.

History: 1949 c 119 s 46; 1953 c 735 s 6; 1973 c 123 art 2 s 1 subd 2; 1981 c 334 s 4

412.371 SEPARATE CITY FUND FOR EACH UTILITY.

Subdivision 1. **For all utility money in and out.** A separate fund or a separate account shall be established in the city treasury for each utility. Into this fund or account shall be paid all the receipts from the utility and from it shall be paid all disbursements attributable to the utility.

Subd. 2. **Must audit like city.** The commission shall, in the same manner as the council under section 412.271, subdivision 1, and to the same extent, audit claims to be paid from the public utilities fund. The secretary of the commission shall draw an order upon the treasurer for the proper amount allowed by the commission.

Subd. 3. **Checks paid like city.** Upon counter signature by the president of the commission and presentation orders shall be paid by the treasurer.

History: 1949 c 119 s 47; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.381 REPORTS.

The accounting officer of the commission shall make such monthly or annual statements of operation as the commission may require. A copy of each such report shall be filed in the office of the city clerk. An annual financial report shall be made and a copy filed with the clerk at the close of the calendar year and shall be included as part of the annual financial report or statement of the

clerk in conformity with section 471.697 or 471.698. The cost of publication of any other official statement required by law to be published shall be paid from public utility funds.

History: 1949 c 119 s 48; 1973 c 123 art 2 s 1 subd 2; 1987 c 384 art 2 s 90

412.391 ABOLITION OF COMMISSION OR UTILITY TRANSFER.

Subdivision 1. **To council; procedure.** The public utilities commission of any statutory city may be abolished or its jurisdiction over any particular utility transferred to the council by following the procedure prescribed in this section.

Subd. 2. **Ballot question if abolition.** The council may, and upon petition therefor signed by voters equal in number to at least 15 percent of the electors voting at the last previous city election shall submit to the voters at a regular or special election the question of abolition of the public utilities commission. The question on the ballot shall be stated substantially as follows: "Shall the public utilities commission be abolished?"

Subd. 3. **Ballot question if transfer.** Upon like presentation of a petition for election on the question of transfer to the council of the jurisdiction of the commission over any one or more of the utilities previously placed under its jurisdiction, the council shall, in the same manner as under subdivision 2, submit the question to the voters. The question on the ballot shall be stated substantially as follows: "Shall jurisdiction over (Name of public utility) be transferred from the public utilities commission to the council?"

Subd. 4. **Time of effect.** If a majority of the votes cast on a proposition submitted to the voters under subdivision 2 or 3 is in the affirmative, the provisions of sections 412.331 to 412.381 shall cease to apply to the city, in the case of an election under subdivision 2, or to the particular utility mentioned in the proposition submitted to the voters, in the case of an election under subdivision 3. Such change shall take place 30 days after the election.

History: 1949 c 119 s 49; 1953 c 735 s 7; 1973 c 123 art 2 s 1 subd 2

412.401-412.481 [Repealed, 1953 c 398 s 13]

PARKS, PARK BOARDS

412.491 PARKS; PARKWAYS; RECREATIONAL FACILITIES.

Any statutory city may establish, improve, ornament, maintain, and manage parks, parkways, and recreational facilities and by ordinance protect and regulate their use.

History: 1949 c 119 s 61; 1973 c 123 art 2 s 1 subd 2

412.501 CITY OF 1,000 MAY HAVE OR CONTINUE PARK BOARD; FORMALITIES.

The council of any city of more than 1,000 population may by ordinance establish a park board and it may by ordinance adopted by unanimous vote of all members of the council abolish any board thus established. Any park board now in existence in any city shall hereafter operate as a park board under this chapter until abolished as provided in this section. The park board shall consist of three, five, seven or nine members as determined by resolution or ordinance of the council, appointed by the mayor with the consent of the council. If the board consists of three members, one member of the original board shall serve for a term of one year, one for a term of two years, and one for a term of three years. If the board consists of five members, one member of the original board shall serve a term of one year, two for a term of two years and two for a term of three years. If the board consists of seven members, two members of the original board

shall serve a term of one year, two for a term of two years and three for a term of three years. If the board consists of nine members, three members of the original board shall serve a term of one year, three for a term of two years and three for a term of three years. After the terms of the original board members expire, members shall be appointed for terms of three years. The number of members may be increased or decreased within the permitted three, five, seven or nine members by subsequent resolution or ordinance. The resolution or ordinance shall include a provision for maintaining staggered terms for board members, provided that if the number of members is reduced the reduction shall be effected in such a manner that all incumbent members are permitted to serve their full terms.

No action to change the size of the board shall be taken except upon a two-thirds vote of all the members of the city council, and no such action shall be taken until at least three years after establishment of the board or until at least three years after the last resolution or ordinance modifying the size of the board. Vacancies shall be filled for the remainder of the original terms. Each member shall serve until a successor is appointed and qualifies. Members shall serve without compensation unless the council authorizes compensation. Any member may be removed by the mayor with the consent of the council for cause after a hearing. The board shall choose one of its members as chair and may select a secretary either from among its own members or otherwise and fix the secretary's compensation at not to exceed \$500 per year. The board may adopt and from time to time amend rules of procedure. It shall make quarterly reports of its activities to the council. The city attorney, if there is one, shall act as attorney for the board. An annual statement of its receipts and disbursements shall be filed with the clerk immediately after the close of the calendar year and shall be included as part of the annual financial report or statement of the clerk in conformity with section 471.697 or 471.698.

History: 1949 c 119 s 62; 1973 c 123 art 2 s 1 subd 2; 1975 c 179 s 1; 1986 c 444; 1987 c 21 s 1; 1987 c 384 art 2 s 91

412.511 ACQUISITION AND CONTROL OF PARK PROPERTY.

Either the park board or the council may acquire land for park purposes but the park board shall have full, absolute, and exclusive control over all property set aside for park purposes.

History: 1949 c 119 s 63; 1973 c 123 art 2 s 1 subd 2

412.521 POWERS OF BOARD.

Subdivision 1. **Generally.** In order to carry out the general powers granted in section 412.511, the park board shall have the powers granted in the following subdivisions.

Subd. 2. **Employment.** The park board may employ necessary personnel and fix their compensation.

Subd. 3. **Construction; contracts.** The park board may construct roadways, paths, buildings, fountains, docks, boathouses, bathhouses, refreshment booths, amusement halls, pavilions, and other necessary structures and improvements in parks. The board may, with the consent of the council, make contracts and leases for the construction and operation of these facilities for terms not exceeding ten years. Every such contract and lease shall provide that the structure shall be operated for the public use and convenience, and that the charges shall be reasonable and it shall reserve to the park board power to prescribe reasonable rules and regulations from time to time for the conduct of the privilege.

Subd. 4. **Purchase of supplies; equipment, and services.** The park board may purchase all necessary materials, supplies, equipment, and services.

Subd. 5. **Maintenance.** The park board shall maintain, beautify, and care for park property.

Subd. 6. **Permit club to use navigable waters; limitations.** The park board may lease to private clubs the privilege of occupying limited areas in the bed of any navigable lake adjacent to a park for clubhouse purposes for not more than ten years. No clubhouse shall be so located as to interfere with navigation. Every such lease shall reserve to the board full power and authority to make from time to time reasonable rules and regulations with respect to the use of the leased property. The lessee shall have power to retain the clubhouse for the use of its own members and guests.

Subd. 7. **Entertainment.** The park board may provide musical and free entertainment for the general public.

Subd. 8. **Ice.** The park board may regulate the taking of ice from any pond, lake, or other body of water in any park.

Subd. 9. **Additional powers.** The park board may perform whatever other acts are reasonable, necessary and proper to carry out the powers granted in section 412.511.

History: 1949 c 119 s 64; 1973 c 123 art 2 s 1 subd 2

412.531 PARK FUNDS.

Subdivision 1. **Establishment, transfer; tax levies.** For the purpose of carrying out the powers of the park board there shall be established in the city treasury a special fund to be called a park fund. The council may transfer to the park fund the money it deems necessary for park purposes. No later than September 1 of each year the park board shall present to the council in the detail the council requires its estimate of the financial needs of the board for the ensuing fiscal year. In any county having a population of more than 200,000 the council of any city, whether having a park board or not, may annually levy a tax on all taxable property in the city for park purposes. The proceeds of this tax shall be placed in the park fund.

Subd. 2. **Audit; withdrawals.** The park board shall, in the same manner as the council under section 412.271, subdivision 1, and to the same extent, audit claims to be paid from the park fund. The secretary of the board shall draw an order upon the treasurer for the proper amount allowed by the board. Upon counter signature by the president of the commission and presentation, orders shall be paid by the treasurer.

History: 1949 c 119 s 65; 1951 c 378 s 14; 1971 c 462 s 1; 1973 c 123 art 2 s 1 subd 2; 1973 c 773 s 1; 1986 c 444; 1989 c 277 art 4 s 45; 1994 c 505 art 7 s 1

OPTIONAL PLANS TO GOVERN CITY

412.541 OPTIONAL PLANS.

Subdivision 1. **Optional Plan A.** Any statutory city may provide for the appointment of its clerk and treasurer, or clerk-treasurer and the election of an additional council member as hereinafter provided in this chapter. These departures from the standard form of government are referred to hereafter as Optional Plan A.

Subd. 2. **Optional Plan B.** Any statutory city of more than 1,000 population may provide for the council-manager plan of government hereinafter provided in this chapter and referred to as Optional Plan B.

Subd. 3. [Repealed, 1967 c 289 s 18]

Subd. 4. **Adoption or abandonment; standard form.** Any one of such plans may be adopted or abandoned in a city by following the procedures set forth in section 412.551. Until the adoption of an optional plan, and except as provided in section 412.572, every city shall operate under the standard form of government earlier provided in this chapter under which the voters elect the treasurer, if there is one, and a council consisting of a mayor, three or five council members, and the clerk or clerk-treasurer.

History: 1949 c 119 s 66; 1965 c 417 s 6,7; 1967 c 289 s 8,9; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1989 c 30 s 6

412.551 ELECTION ON OPTIONAL PLAN.

Subdivision 1. **One plan per election.** The council may, and upon petition therefor signed by voters equal in number to at least 15 percent of the electors voting at the last previous city election, shall, submit to the voters at a regular or special election the question of adoption by the city of Optional Plan A or B. Only one plan shall be so submitted at any one election, except that any such plan shall be submitted at the election on incorporation of a city if the incorporation petition so requests and the population of the proposed city, when the submission of Optional Plan B is proposed, is more than 1,000. No plan, except a home rule charter submitted under chapter 410, shall be submitted in any city in which another optional plan is already in effect until the latter plan has been in effect for at least three years.

Subd. 2. **Form of ballot.** The proposals for the adoption of optional plans shall be stated on the ballot substantially as follows:

"Shall Optional Plan A, modifying the standard plan of city government by providing for the appointment by the council of the clerk and treasurer be adopted for the government of the city?"

"Shall Optional Plan B, providing for the council-manager form of city government, be adopted for the government of the city?"

If the city has combined the offices of clerk and treasurer, the word "clerk-treasurer" shall be substituted for the words "clerk and treasurer" in the question on the ballot on adoption of Optional Plan A. In any of these cases, the question shall be followed by the words, "Yes" and "No" with an appropriate square before each in which a voter may record a choice.

Subd. 3. **Adoption.** If a majority of the votes cast on the question of adoption of Optional Plan A or B is in the affirmative, the plan so voted upon shall be adopted in the city and, once placed in effect as subsequently provided in this chapter, shall remain in effect until abandoned by a similar majority at subsequent election at which the question of abandonment or adoption of another optional plan is submitted.

Subd. 4. **Three-year minimum; abandonment.** At any time more than three years after the adoption of an optional plan in a city, the question of abandonment of such plan may be submitted to the voters, in the same manner as provided in the foregoing sections for the submission of the question of adoption, except that in the statement of the question on the ballot, the word "abandoned" shall be substituted for the word "adopted." If a majority of the votes cast on the question is in favor of abandonment, the plan shall be abandoned; and, subject to the special provisions for transition back to the standard form of government contained in subsequent sections of this chapter, the standard plan of government shall be resumed in the city and all the provisions of law applicable to cities in which an optional plan is not in operation shall henceforth apply to the city.

Subd. 5. **Filing election certificate.** Whenever the question of adoption or abandonment of an optional plan is submitted in any city and results in a majority vote in favor of the question submitted, the clerk shall promptly file with the county auditor and with the secretary of state a certificate stating the date of election, the question submitted, and the vote on the question.

History: 1949 c 119 s 67-71; 1965 c 417 s 8; 1967 c 289 s 10; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.561 APPLICABLE LAW; SAME RIGHTS, LIABILITIES, PROCEEDINGS.

Subdivision 1. **Consistent laws apply.** All laws of the state applicable to a city before the adoption of an optional plan and not inconsistent with the provisions relating to such plan shall apply to and govern the city after the adoption of any optional plan.

Subd. 2. **Ordinances, resolutions.** Any ordinance or resolution in effect at the time of adoption of such plan shall continue in effect until duly amended or repealed, notwithstanding the adoption of such optional plan.

Subd. 3. **Same rights, liabilities, proceedings; exception.** No valid and legally subsisting right or liability and no judicial proceeding shall be affected by any such change of government, unless otherwise provided.

History: 1949 c 119 s 72; 1967 c 289 s 11; 1973 c 123 art 2 s 1 subd 2

412.571 CONTINUANCE IN OFFICE; ELECTIONS.

Subdivision 1. **Composition of council.** When an optional plan is first adopted in any statutory city in which the standard plan of statutory city government is then in operation, the council shall continue as then constituted until the expiration of the term of the incumbent clerk. At the city election preceding expiration of the term of the incumbent clerk, one council member shall be elected in addition to the council member or council members who would otherwise be chosen at the election. If a minority of the other council members is chosen at the election, the term of the additional council member chosen at the election shall be four years, but if a majority of the other council members is chosen at the election, the initial term of the additional council member chosen at the election shall be two years. At each regular election thereafter, council members shall be elected for four-year terms. If the optional plan is adopted at the regular city election at which the office of clerk is to be filled, the candidate elected to that office at the election shall not assume the office of clerk in January, but shall become the additional council member unless appointed clerk under the optional plan, in which case the unfilled office of council member shall be considered vacant.

Subd. 2. **Incumbent clerk and treasurer.** When an optional plan is first adopted in any city in which the standard plan is then in operation, the incumbent clerk and treasurer, or clerk-treasurer, shall continue to serve until the expiration of their respective terms.

Subd. 3. **From one option to another.** When an optional plan is abandoned and another optional plan is adopted in its place, incumbent members of the council shall continue to serve until the expiration of their respective terms, and the election schedule shall not be affected by the change.

Subd. 4. **From one option to standard plan.** When any optional plan is abandoned and the standard form of city government is resumed, terms of then incumbent council members shall not be affected by the abandonment; but until the first business day of January following the next

regular city election, the clerk shall not serve as a member of the council. At the city election preceding that date one council member less shall be elected.

Subd. 5. **Standard plan restored; clerk, treasurer.** When any optional plan is abandoned and the standard form of city government is resumed, the office of clerk, or clerk-treasurer shall remain appointive until the first business day of January following the next regular city election and the office of treasurer, if there is no clerk-treasurer, shall remain appointive until the first business day of January following the first subsequent city election at which the clerk is not elected; and the successor to the incumbent clerk, clerk-treasurer, and treasurer shall be chosen at the regular city election immediately preceding the January in which the office becomes elective.

History: 1949 c 119 s 73; 1951 c 378 s 15-17; 1965 c 417 s 9,10; 1967 c 289 s 12; 1973 c 123 art 2 s 1 subd 2; 1976 c 44 s 28-30; 1986 c 444; 1989 c 30 s 7,8

OPTIONAL PLAN A

412.572 CONVERSION TO OPTIONAL PLAN A.

Subdivision 1. **Assumption of Plan A.** Except as otherwise provided by this section, on January 1, 1970, every statutory city operating under the standard plan of government shall assume the Plan A form of government as prescribed by chapter 412 in the same manner as if the change to Optional Plan A form of government had been approved by the voters in the manner prescribed by that chapter.

Subd. 2. **Referendum on petition.** Prior to January 1, 1970, the city council may, and upon petition therefor signed by voters equal in number to at least 15 percent of the electors voting at the last previous city election, shall, submit to the voters at a regular or special election the question of adopting Optional Plan A. Subdivision 1 shall not be effective in any city where such an election is held unless a majority of the votes cast on the question in such an election are in the affirmative. If the majority of votes cast on the question are not in the affirmative, such a city shall remain a standard plan city. The question on assuming Optional Plan A shall be that provided by section 412.551, subdivision 2.

Subd. 3. **After January 1, 1970.** Nothing in this section shall prevent an Optional Plan A city from abandoning such plan in the manner provided in section 412.551. Nothing in this section shall prevent any standard plan city from adopting an optional plan after January 1, 1970.

History: 1967 c 289 s 17; 1973 c 123 art 2 s 1 subd 2

412.581 OFFICERS.

In any city operating under Optional Plan A except a city having a larger council under repealed section 412.023, subdivision 4, the council shall be composed of five or seven members consisting, except during the initial period of its operation as provided in section 412.571, of the mayor and four or six council members and, except as provided in that section, the clerk and treasurer or clerk-treasurer shall be appointed by the council for indefinite terms.

History: 1949 c 119 s 74; 1965 c 417 s 11; 1967 c 289 s 13; 1974 c 337 s 11; 1986 c 444; 1989 c 30 s 9; 1997 c 7 art 1 s 136

412.591 DUTIES OF CLERK AND TREASURER; MAY BE COMBINED.

Subdivision 1. **Clerk not on council; transition.** The clerk shall perform all the duties imposed on the clerk in cities generally but shall not be a member of the council, except that when

Optional Plan A is first adopted in any city, the incumbent clerk shall continue to be a member of the council until the expiration of the term.

Subd. 1a. **If treasurer, duties unchanged.** The duties of the treasurer if that office exists shall not be affected by adoption of Optional Plan A.

Subd. 2. **Combining, uncombining clerk-treasurer.** Cities operating under Optional Plan A may, by an ordinance effective after the expiration of the term of the incumbent treasurer at the date of adoption of Optional Plan A, combine the offices of clerk and treasurer in the office of clerk-treasurer and thereafter the duties of the treasurer as prescribed by this chapter shall be performed by the clerk-treasurer. The offices of clerk and treasurer may be reestablished by ordinance.

Subd. 3. **Audit standards if combined.** (a) If the offices of clerk and treasurer are combined as provided by this section, and the city's annual revenue for all governmental and enterprise funds combined is more than the amount in paragraph (b), the council shall provide for an annual audit of the city's financial affairs by the state auditor or a certified public accountant in accordance with minimum procedures prescribed by the state auditor. If the offices of clerk and treasurer are combined and the city's annual revenue for all governmental and enterprise funds combined is the amount in paragraph (b), or less, the council shall provide for an audit of the city's financial affairs by the state auditor or a certified public accountant in accordance with minimum audit procedures prescribed by the state auditor at least once every five years, which audit shall be for a one-year period to be determined at random by the person conducting the audit.

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

History: 1949 c 119 s 75; 1961 c 230 s 4; 1965 c 417 s 12; 1973 c 123 art 2 s 1 subd 2; 1973 c 492 s 14; 1986 c 444; 1994 c 546 s 2; 1995 c 27 s 3; 2004 c 281 s 3; 2010 c 191 s 9

OPTIONAL PLAN B

412.601 APPLICATIONS OF SECTIONS 412.601 TO 412.751.

Sections 412.601 to 412.751 shall apply only to statutory cities operating under Optional Plan B.

History: 1949 c 119 s 76; 1973 c 123 art 2 s 1 subd 2

412.611 COUNCIL-MANAGER PLAN.

The form of government provided in Optional Plan B shall be known as the council-manager plan. The council shall exercise the legislative power of the city and determine all matters of policy. The city manager shall be the head of the administrative branch of the government and shall be responsible to the council for the proper administration of all affairs relating to the city.

History: 1949 c 119 s 77; 1973 c 123 art 2 s 1 subd 2

412.621 BOARDS AND COMMISSIONS.

Subdivision 1. **Limit on boards; powers of council.** In any such city there shall be no board of health as defined in section 145A.02, subdivision 2, library board, park board, public utilities commission, or any other administrative board or commission, except for the administration of a function jointly with another political subdivision. The council shall itself

be and perform the duties and exercise the powers of the board of health and shall govern and administer the library, parks, and utilities as fully as other municipal functions for the administration of which no independent boards are authorized by statute for cities generally. The council may, however, create boards or commissions to advise the council with respect to any municipal function or activity or to investigate any subject of interest to the city.

Subd. 2. **Transition to city manager; civil service commission.** Any such boards and commissions in existence in any city when Optional Plan B is adopted shall continue to operate in all respects as formerly until the qualification of the first city manager, at which time they shall cease to exist and their powers shall be vested in the city council. Any existing civil service commission shall not be affected by the change. After abandonment of the plan in any such city and the establishment of the standard plan or Optional Plan A, any board or commission authorized by statute in cities generally may be established in the same manner as in other cities.

History: 1949 c 119 s 78; 1973 c 123 art 2 s 1 subd 2; 1987 c 309 s 24

412.631 COMPOSITION OF COUNCIL.

In any city operating under Optional Plan B, the council shall, except as provided in repealed sections 412.023, subdivision 4, and 412.571, be composed of a mayor and four or six council members.

History: 1949 c 119 s 79; 1967 c 289 s 14; 1974 c 337 s 12; 1986 c 444; 1989 c 30 s 10; 1997 c 7 art 1 s 137

412.641 MANAGER; BASIS FOR CHOICE; RESIDENCY; TERM; PROBATION.

Subdivision 1. **Appointed by council.** The city manager shall be chosen by the council solely on the basis of training, experience, and administrative qualifications and need not be a resident of the city at the time of appointment.

Subd. 1a. **Probationary year, then due process.** The manager shall be appointed for an indefinite period and may be removed by the council at any time, but after having served as manager for one year the city manager may demand written charges and a public hearing on the charges before the council prior to the date when final removal takes effect.

Subd. 1b. **Hearing demand, procedure.** A demand for written charges and a hearing must be made within seven days of notification of the council's intent to remove the city manager. The council shall set a date and a reasonable time for a public hearing, which must be held within 30 days of the demand and may not be reconvened or recessed until a further date, absent approval of the council. The council shall notify the city manager within five days of the hearing, of the council's decision to retain or remove the city manager. The decision of the council is final.

Subd. 1c. **Suspension; temporary replacement.** Pending such hearing and removal, the council may suspend the manager, with or without pay, at the council's discretion, from office. The council may designate some properly qualified person to perform the duties of the manager during absence or disability.

Subd. 2. **When first manager appointed.** As soon as practicable after the adoption of Optional Plan B in any city, the council shall appoint the first manager under subdivisions 1 to 1c.

History: 1949 c 119 s 80; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1993 c 315 s 14

412.651 CITY MANAGER; POWERS AND DUTIES.

Subdivision 1. **Generally.** The city manager shall have the powers and duties set forth in the following subdivisions.

Subd. 2. **Enforcement.** The city manager shall see that statutes relating to the city and the laws, ordinances and resolutions of the city are enforced.

Subd. 3. **Appointment of personnel.** The city manager shall appoint upon the basis of merit and fitness and subject to any applicable civil service provisions and, except as herein provided, remove the clerk, all heads of departments, and all subordinate officers and employees; but the appointment and removal of the attorney shall be subject to the approval of the council.

Subd. 4. **Control.** The city manager shall exercise control over all departments and divisions of the administration created under Optional Plan B or which may be created by the council.

Subd. 5. **Council meetings.** The city manager shall attend all meetings of the council with the right to take part in the discussions but not to vote; but the council may in its discretion exclude the city manager from any meetings at which the manager's removal is considered.

Subd. 6. **Recommend ordinances and resolutions.** The city manager shall recommend to the council for adoption such measures as the city manager may deem necessary for the welfare of the people and the efficient administration of the affairs of the city.

Subd. 7. **Advise; annual budget.** The city manager shall keep the council fully advised as to the financial condition and needs of the city and the city manager shall prepare and submit to the council the annual budget.

Subd. 8. **Administrative code.** The city manager shall, when directed to do so by the council, prepare and submit to the council for adoption an administrative code incorporating the details of administrative procedure, and from time to time the city manager shall suggest amendments to such code.

Subd. 9. **Additional duties.** The city manager shall perform such other duties as may be prescribed by the statutes relating to Optional Plan B cities or required by ordinance or resolutions adopted by the council.

History: 1949 c 119 s 81; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.661 LIMIT ON COUNCIL POWERS.

Neither the council nor any of its members shall dictate the appointment of any person to office or employment by the manager, or in any manner interfere with the manager or prevent the manager from exercising judgment in the appointment of officers and employees in the administrative service; but this shall not be construed to prohibit the council from passing ordinances for establishing a merit system governing city employment. Except for the purpose of inquiry, the council and its members shall deal with and control the administrative service solely through the manager, and neither the council nor any of its members shall give orders to any subordinate of the manager, either publicly or privately.

History: 1949 c 119 s 82; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.671 CREATION OF DEPARTMENTS; DIVISIONS AND BUREAUS.

The council may create such departments, divisions, and bureaus for the administration of the affairs of the city as may seem necessary, and from time to time may alter their powers and organization. It may, in conjunction with the manager, prepare a complete administrative

code for the city and enact it in the form of an ordinance, which may be amended from time to time by ordinance.

History: 1949 c 119 s 83; 1973 c 123 art 2 s 1 subd 2

412.681 MANAGER RUNS CITY; OFFICES MAY BE JOINED OR ABOLISHED.

There shall be a clerk, a treasurer, and such other officers subordinate to the manager as the council may create by ordinance. The clerk shall be subject to the direction of the manager and shall have such duties in connection with the keeping of the public records, the custody and disbursement of the public funds, and the general administration of the city's affairs as shall be ordained by the council. The clerk may be designated to act as secretary of the council. The treasurer shall have the powers and perform the duties imposed upon treasurers under the laws relating to cities generally. The council may by ordinance abolish offices which have been created by ordinance and it may combine the duties of various offices as it may deem fit. The council may provide for the performance by the manager of the duties of any officer except the treasurer.

History: 1949 c 119 s 84; 1955 c 867 s 6; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.691 MANAGER IS PURCHASING AGENT; AUDIT AND APPROVAL.

The manager shall be the chief purchasing agent of the city. All purchases for the city and all contracts shall be made or let by the manager when the amount of the purchase or contract does not exceed \$20,000 unless a lower limit is provided by the city council; but all claims resulting therefrom shall be audited and approved by the council as provided in section 412.271. All other purchases shall be made and all other contracts let by the council after the recommendation of the manager has first been obtained. All contracts, bonds, and instruments of every kind to which the city is a party shall be signed by the mayor and the manager on behalf of the city and shall be executed in the name of the city.

History: 1949 c 119 s 85; 1959 c 526 s 1; 1973 c 123 art 2 s 1 subd 2; 1992 c 380 s 3; 2004 c 278 s 5

412.701 BUDGETING.

The manager shall prepare the estimates for the annual budget. The budget shall be by funds and shall include all the funds of the city, except the funds made up of proceeds of bond issues, utility funds, and special assessment funds, and may include any of such funds at the discretion of the council. The estimates of expenditures for each fund budgeted shall be arranged for each department or division of the city under the following heads: (1) ordinary expenses (for operation, maintenance, and repairs); (2) payment of principal and interest on bonds and other fixed charges; (3) capital outlays (for new construction, new equipment, and all improvements of a lasting character). Ordinary expenses shall be subdivided into: (a) salaries and wages, with a list of all salaried offices and positions, including the salary allowance and the number of persons holding each; (b) other expenses, with sufficient detail to be readily understood. All increases and decreases shall be clearly shown. In parallel columns shall be added the amounts granted and the amounts expended under similar heads for the past two completed fiscal years and the current fiscal year, actual to date and estimated for the balance of the year. In addition to the estimates of expenditures, the budget shall include for each budgeted fund a statement of the revenues which have accrued for the past two completed fiscal years with the amount collected and the uncollected balances together with the same information, based in so far as necessary on estimates, for the current fiscal year, and an estimate of the revenues for the ensuing fiscal year.

The statement of revenues for each year shall specify the following items: sums derived from (a) taxation, (b) fees, (c) fines, (d) interest, (e) miscellaneous, not included in the foregoing, (f) sales and rentals, (g) earnings of public utilities and other public service enterprises, (h) special assessments, and (i) sales of bonds and other obligations. Such estimates shall be printed or typewritten and there shall be sufficient copies for each member of the council, for the manager, for the clerk, and three, at least, to be posted in public places in the city. The estimates shall be submitted to the council and shall be made public. The manager may submit with the estimates such explanatory statement or statements as the manager may deem necessary, and during the first three years of operation under Optional Plan B the manager shall be authorized to interpret the requirements of this section as requiring only such comparisons of the city's finances with those of the previous government of the city as may be feasible and pertinent.

History: 1949 c 119 s 86; 1973 c 123 art 2 s 1 subd 2; 1986 c 444; 1990 c 426 art 1 s 45

412.711 CONSIDERATION OF BUDGET; TAX LEVY.

The budget shall be the principal item of business at a regular monthly meeting of the council and the council shall hold adjourned meetings from time to time until all the estimates have been considered. The meetings shall be so conducted as to give interested citizens a reasonable opportunity to be heard. The budget estimates shall be read in full and the manager shall explain the various items thereof as fully as may be deemed necessary by the council. The annual budget finally agreed upon shall set forth in detail the complete financial plan of the city for the ensuing fiscal year for the funds budgeted and shall be signed by the majority of the council when adopted. It shall indicate the sums to be raised and from what sources and the sums to be spent and for what purposes according to the plan indicated in section 412.701. The total sum appropriated shall be less than the total estimated revenue by a safe margin. The council shall adopt the budget by a resolution which shall set forth the total for each budgeted fund and each department with such segregation as to objects and purposes of expenditures as the council deems necessary for purposes of budget control. The council shall also adopt a resolution levying whatever taxes it considers necessary within statutory limits for the ensuing year for each fund. The tax levy resolution shall be certified to the county auditor in accordance with law. At the beginning of the fiscal year, the sums fixed in the budget resolution shall be and become appropriated for the several purposes named in the budget resolution and no other.

History: 1949 c 119 s 87; 1953 c 735 s 8; 1973 c 123 art 2 s 1 subd 2; 1990 c 426 art 1 s 46

412.721 BUDGET ENFORCEMENT; PERSONAL LIABILITY.

It shall be the duty of the manager to enforce strictly the provisions of the budget. The manager shall not approve any order upon the treasurer for any expenditure unless an appropriation has been made in the budget resolution, nor for any expenditure covered by the budget resolution unless there is a sufficient unexpended balance left after deducting the total past expenditures and the sum of all outstanding orders and encumbrances. No officer or employee of the city shall place any order or make any purchase except for a purpose and to the amount authorized in the budget resolution. Any obligation incurred by any person in the employ of the city for any purpose not authorized in the budget resolution or for any amount in excess of the amount therein authorized shall be a personal obligation upon the person incurring the expenditure.

History: 1949 c 119 s 88; 1953 c 735 s 9; 1973 c 123 art 2 s 1 subd 2; 1986 c 444

412.731 MODIFICATION OF BUDGET.

After the budget resolution has been adopted the council shall have no power to increase the amounts fixed in the budget resolution, by the insertion of new items or otherwise, beyond the estimated revenues unless the actual receipts exceed the estimates and then not beyond the actual receipts. The council may at any time by resolution approved by a four-fifths vote of all the members of the council reduce the sums appropriated for any purpose by the budget resolution or authorize the transfer of sums from unencumbered balances of appropriations in the budget resolution to other purposes.

History: 1949 c 119 s 89; 1953 c 735 s 10; 1974 c 337 s 13

412.741 DISBURSEMENT OF FUNDS.

The provisions of section 412.271 shall apply to cities operating under Optional Plan B except that orders shall be signed by the mayor and manager and no order shall be marked not paid for want of funds and except as otherwise provided in this section. Every resolution or motion authorizing a disbursement and every order shall specify the purpose for which the disbursement is made and indicate the fund from which it is to be paid. No order shall be issued until there is money to the credit of the fund from which it is to be paid sufficient to pay the order together with all then outstanding encumbrances upon the fund. The manager shall specify on each contract requiring the payment of money by the city the particular fund out of which the same is to be paid, and shall cause a suitable notation to that effect to be made on each such contract. The council may by ordinance make further regulations for the safekeeping and disbursement of the funds of the city.

History: 1949 c 119 s 90; 1973 c 123 art 2 s 1 subd 2

412.751 EMERGENCY DEBT CERTIFICATES.

If in any year the receipts from taxes or other sources should from some unforeseen cause become insufficient for the ordinary expenses of the city or if any calamity or any other public emergency should subject the city to the necessity of making extraordinary expenditures, the council may authorize the sale by the city treasurer of emergency debt certificates to run not to exceed two years and to bear interest at not more than seven percent per year. A tax sufficient to redeem all such certificates at maturity shall be levied as part of the budget for the following year. The authorization of an issue of such emergency debt certificates shall be given by an ordinance approved by all the members of the council.

History: 1949 c 119 s 91; 1974 c 337 s 14

412.761 [Repealed, 1967 c 289 s 18]

412.771 [Repealed, 1967 c 289 s 18]

412.781 [Repealed, 1967 c 289 s 18]

412.791 [Repealed, 1967 c 289 s 18]

412.801 [Repealed, 1967 c 289 s 18]

412.811 [Repealed, 1967 c 289 s 18]

412.821 [Repealed, 1967 c 289 s 18]

MISCELLANEOUS PROVISIONS

412.831 OFFICIAL NEWSPAPER.

The council shall, annually at its first meeting of the year, designate a legal newspaper of general circulation in the city as its official newspaper, in which shall be published such ordinances and other matters as are required by law to be so published and such other matters as the council may deem it advisable and in the public interest to have published in this manner.

History: 1949 c 119 s 100; 1973 c 123 art 2 s 1 subd 2

412.841 [Repealed, 1976 c 44 s 70]

412.851 VACATION OF STREETS.

The council may by resolution vacate any street, alley, public grounds, public way, or any part thereof, on its own motion or on petition of a majority of the owners of land abutting on the street, alley, public grounds, public way, or part thereof to be vacated. When there has been no petition, the resolution may be adopted only by a vote of four-fifths of all members of the council. No vacation shall be made unless it appears in the interest of the public to do so after a hearing preceded by two weeks' published and posted notice. The council shall cause written notice of the hearing to be mailed to each property owner affected by the proposed vacation at least ten days before the hearing. The notice must contain, at minimum, a copy of the petition or proposed resolution as well as the time, place, and date of the hearing. In addition, if the street, alley, public grounds, public way, or any part thereof terminates at, abuts upon, or is adjacent to any public water, written notice of the petition or proposed resolution must be served by certified mail upon the commissioner of natural resources at least 60 days before the hearing on the matter. The notice to the commissioner of natural resources does not create a right of intervention by the commissioner. At least 15 days prior to convening the hearing required under this section, the council or its designee must consult with the commissioner of natural resources to review the proposed vacation. The commissioner must evaluate:

- (1) the proposed vacation and the public benefits to do so;
- (2) the present and potential use of the land for access to public waters; and
- (3) how the vacation would impact conservation of natural resources.

The commissioner must advise the city council or its designee accordingly upon the evaluation. After a resolution of vacation is adopted, the clerk shall prepare a notice of completion of the proceedings which shall contain the name of the city, an identification of the vacation, a statement of the time of completion thereof, and a description of the real estate and lands affected thereby. The notice shall be presented to the county auditor who shall enter the same in the transfer records and note upon the instrument, over official signature, the words "entered in the transfer record." The notice shall then be recorded with the county recorder. Any failure to file the notice shall not invalidate any vacation proceedings.

History: 1949 c 119 s 102; 1953 c 735 s 12; 1957 c 383 s 1; 1967 c 289 s 15; 1969 c 9 s 85; 1973 c 123 art 2 s 1 subd 2; 1973 c 494 s 11; 1976 c 181 s 2; 1986 c 444; 1989 c 183 s 4; 1990 c 433 s 2; 2005 c 4 s 105; 2005 c 117 s 2

412.861 PROSECUTIONS, VIOLATIONS OF ORDINANCES.

Subdivision 1. **Complaint.** All prosecutions for violation of ordinances shall be brought in the name of the city upon complaint and warrant as in other criminal cases. If the accused be

arrested without a warrant, a written complaint shall thereafter be made, to which the accused shall be required to plead, and a warrant shall issue thereon. The warrant and all other process in such cases shall be directed for service to any police officer, process officer, or court officer of any town or city in the county, to the sheriff of the county, or all of them.

Subd. 2. Form and contents of complaint. It shall be a sufficient pleading of the ordinances or resolutions of the city to refer to them by section and number or chapter. They shall have the effect of general laws within the city and need not be given in evidence upon the trial of civil or criminal actions. Judgment shall be given, if for the plaintiff, for the amount of fine, penalty, or forfeiture imposed, with costs; and the judgment shall direct that, in default of payment, the defendant be committed to the county jail for such time, not exceeding 90 days, as the court shall see fit. The commitment shall state the amount of judgment, the costs, and the period of commitment. Every person so committed shall be received by the keeper of the jail and kept, at the expense of the county, until lawfully discharged. The committing court may release the defendant at any time upon payment of the fine and costs.

Subd. 3. Appeal to Court of Appeals. Appeals may be taken to the Court of Appeals in the manner prescribed by court rule. On appealing, the defendant shall give bond to the city, to be approved by the court, conditioned that, if the judgment be affirmed in whole or in part, the defendant will pay the judgment, and all costs and damages awarded against the defendant on the appeal. In case of affirmance, execution may issue against both defendant and the defendant's sureties. Upon perfection of the appeal, defendant shall be discharged from custody.

History: 1949 c 119 s 103; 1953 c 735 s 13; 1955 c 867 s 7; 1973 c 34 s 5; 1973 c 123 art 2 s 1 subd 2; 1976 c 2 s 132; 1983 c 359 s 66; 1984 c 387 s 2; 1986 c 444; 2005 c 10 art 2 s 4

412.871 FINES AND PENALTIES.

All fines, forfeitures, and penalties recovered for the violation of any statute or ordinance to which the city is entitled by law shall be paid into the city treasury. Every court or officer receiving such moneys, shall make return thereof under oath in accordance with law, and be entitled to duplicate receipts for the amounts paid. One of the receipts shall be filed with the city clerk.

History: 1949 c 119 s 104; 1967 c 62 s 2; 1974 c 337 s 15

412.881 PRESIDENT AND RECORDER DEFINED.

Whenever the term "president" or "president of the council" is used in a statute applying to any statutory city, the term means the mayor of the city and the term "recorder" as so used means the clerk.

History: 1949 c 119 s 105; 1973 c 123 art 2 s 1 subd 2

412.891 INCONSISTENCY WITH CASH BASIS LAW.

Any provision in this chapter inconsistent with any provision of Laws 1929, chapter 208, Laws 1933, chapter 211, Laws 1937, chapter 356, or Laws 1943, chapter 526, shall not apply to any city to which any such act applies.

History: 1949 c 119 s 106; 1973 c 123 art 2 s 1 subd 2

412.901 APPLICATION.

This chapter shall apply to every statutory city, irrespective of the law under which it was originally incorporated.

History: *1949 c 119 s 109; 1973 c 123 art 2 s 1 subd 2*

412.911 [Expired]

412.921 [Repealed, 1959 c 686 s 14; Ex1959 c 75 s 1]