

The governing body of the city shall create and appoint an advisory board for the special service district in the city to advise the governing body in connection with the construction, maintenance, and operation of improvements, and the furnishing of special services in a district. The advisory board shall make recommendations to the governing body on the requests and complaints of owners, occupants, and users of property within the district and members of the public. Before the adoption of any proposal by the governing body to provide services or impose taxes or service charges within the district, the advisory board of the district must have an opportunity to review and comment upon the proposal. All members of the advisory board shall be residents or property owners within the part of Minneapolis described in section 2.

**Sec. 7. EFFECTIVE DATE.**

Sections 1 to 7 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Minneapolis.

**Sec. 8. BLAINE HOUSING AND REDEVELOPMENT AUTHORITY.**

Notwithstanding the limitations on the number of housing and redevelopment commissioners provided by Minnesota Statutes, section 462.425, subdivisions 5 and 6, all the members of the governing body of the city of Blaine may serve as commissioners of the Blaine housing and redevelopment authority at the same time.

**Sec. 9. LOCAL APPROVAL; EFFECTIVE DATE.**

Section 8 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Blaine.

Approved June 5, 1985

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**CHAPTER 303 — S.F.No. 743**

*An act relating to corporations; allowing nonprofit corporations to establish, maintain, and operate common trust funds; proposing coding for new law in Minnesota Statutes, chapter 317.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

**Section 1. [317.175] COMMON TRUST FUNDS.**

Subdivision 1. AUTHORIZATION. A corporation organized under this chapter may establish, maintain, and operate common trust funds as provided in this section under the appropriate standard of investment applicable to it.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 2. COLLECTIVE INVESTMENTS. The corporation may combine money and property belonging to trusts or funds in its care for the purposes of facilitating investments, providing diversification, and obtaining a reasonable income.

The participating contributory interest of the trusts or funds must be properly evidenced by appropriate bookkeeping entries showing on an annual basis the capital contribution of and the profit and income allocable to each trust or fund.

Not more than ten percent of the common trust fund may be invested in the obligations of any one corporation or organization, excepting deposits in savings banks, obligations of the United States and of the state of Minnesota and its subdivisions.

Nothing in this subdivision shall be construed to authorize the investment of funds of a trust in any manner not authorized by law.

Subd. 3. LIMITATIONS IN TRUST INSTRUMENT. Nothing contained in this section shall be construed to authorize the corporation to invest assets of a trust or fund in a common trust fund contrary to any specific limitation or restriction contained in the trust instrument, nor to limit or restrict the authority conferred upon the corporation with respect to investments by a trust instrument.

Subd. 4. EFFECT OF GOOD FAITH MISTAKES. No mistake made in good faith and in the exercise of due care, in connection with the administration of a common trust fund, shall be held to exceed any power granted to or violate any duty imposed upon the corporation, if, promptly after the discovery of the mistake, the corporation takes action as may be practicable under the circumstances to remedy the mistake.

Subd. 5. DETERMINATION OF INTERESTS. (a) A nonprofit corporation may invest part or all of the assets of a trust or fund in a common trust fund authorized by this section by adding those assets to it, and by apportioning a participation in the common trust fund to the trust or fund in the proportion that the assets of the trust or fund bear to the aggregate value of all the assets of the common trust fund, including the added trust or fund.

(b) The withdrawal of a participation from the common trust fund shall be on the basis of its proportionate interest in the aggregate value of all the assets of the common trust fund at the time of the withdrawal. The participating interest of any trust or fund in the common trust fund may from time to time be withdrawn, in whole or in part, by the corporation. Upon withdrawals, the

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corporation may make distributions in cash, or ratably in kind, or partly in cash and partly in kind.

(c) Participations in common trust funds shall not be sold by the corporation to any other corporation or person. This paragraph does not prevent a corporate trustee from investing the assets of a common trust fund in any collective investment fund established and maintained by it in accordance with law and to which the assets comprising a common trust fund are eligible contributions.

**Subd. 6. AMORTIZATION OF PREMIUMS ON SECURITIES HELD.** If a bond or other obligation for the payment of money is acquired as an investment for any common trust fund at a cost in excess of the par or maturity value of it, the nonprofit corporation may, during but not beyond the period that the obligation is held as an investment in the fund, amortize the excess cost out of the income on the obligation, by deducting from each payment of income and adding to the principal an amount equal to the sum obtained by dividing the excess cost by the number of periodic payments of income to accrue on the obligation from the date of the acquisition until its maturity date.

**Subd. 7. RECORDS; OWNERSHIP OF ASSETS.** The nonprofit corporation shall designate clearly upon its records the names of the trusts or funds on behalf of which the corporation, as fiduciary or otherwise, owns a participation in any common trust fund and the extent of the interest of the trust or fund. No trust or fund shall be deemed to have individual ownership of any asset in the common trust fund, but shall be deemed to have a proportionate undivided interest in the common trust fund. The ownership of the individual assets comprising any common trust fund shall be solely in the nonprofit corporation as fiduciary or otherwise.

**Sec. 2. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Approved June 5, 1985

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**CHAPTER 304 — H.F.No. 1037**

*An act relating to utilities; exempting small, qualifying energy facilities from the certificate of need process; amending Minnesota Statutes 1984, section 216B.243, subdivision 8.*

Changes or additions are indicated by underline, deletions by ~~strikeout~~.