

## CHAPTER 471

RIGHTS, POWERS, DUTIES; SEVERAL  
POLITICAL SUBDIVISIONS

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**471.15 RECREATIONAL FACILITIES.**

Any home rule charter or statutory city or any town, county, school district, or any board thereof, or any incorporated post of the American Legion or any other incorporated veterans' organization, may expend not to exceed \$800 in any one year, for the purchase of awards and trophies and may operate a program of public recreation and playgrounds; acquire, equip, and maintain land, buildings, or other recreational facilities, including an outdoor or indoor swimming pool; and expend funds for the operation of such program pursuant to the provisions of sections 471.15 to 471.19. The city, town, county or school district may issue bonds pursuant to chapter 475 for the purpose of carrying out the powers granted by this section. The city, town, county or school district may operate the program and facilities directly or establish one or more recreation boards to operate all or various parts of them.

**History:** 1981 c 47 s 1

**471.371 CONTRACTS FOR CONSTRUCTION OF TREATMENT WORKS.**

*[For text of subds 1 and 2, see M.S.1980]*

Subd. 3. **Limitations.** The provisions of subdivision 2 shall not in any way limit the application and effect of laws governing the practice of architecture, professional engineering, or land surveying in this state, including sections 326.02 to 326.15, and 541.051.

*[For text of subds 4 to 6, see M.S.1980]*

**History:** 1Sp1981 c 4 art 1 s 35

**471.616 GROUP INSURANCE; GOVERNMENTAL UNITS.**

Subdivision 1. **Bidding required.** No governmental subdivision, political subdivision, or any other body corporate and politic authorized by law to purchase group insurance for its employees and providing or intending to provide group insurance protections and benefits for 25 or more of its employees shall enter into a contract for or renew any group insurance policy or contract without calling for bids and awarding the contract to the lowest responsible bidder by way of competitive bidding procedures similar to those for the provision of services and supplies under Minnesota Statutes 1971, Section 16.07, Subdivisions 1, 2, 4 and 5. A political subdivision may provide in the bid specifications that self insured health benefit plans will not be considered. Lowest responsible bidder means the insurer, service plan corporation, or self insurance plan, if allowed by the bid specifications which offers the lowest cost, is authorized to do business in this state, and is deemed by the governmental unit to be capable of satisfactorily performing the administration of the policy or contract in accordance with the bid specifications. "Cost" means in the case of an insurer, the premium rate; in the

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case of service plan corporation, the charge for expenses and risk taking; and in the case of self insurance plans, the sum of the cost of paid claims, including provision for estimated incurred but unpaid claims at the end of the term, administrative costs, and premium for excess coverage. The cost of changing plans may also be considered in determining the lowest cost. The aggregate value of benefits provided by a contract entered into after July 1, 1973 shall not be less than those provided by the preexisting contract (a) unless a majority of the employees covered under the group insurance plan and voting on the question agree to a reduction in the benefits, if the employees are not represented by an exclusive representative pursuant to section 179.67, or (b) unless the public employer and the exclusive representative of the employees of an appropriate bargaining unit, certified pursuant to section 179.67, agree to a reduction in the benefits. The aggregate value of benefits of any former employee who has retired shall not, in any event, be reduced pursuant to clause (a) or (b), unless he has individually agreed to the reduction.

No contract need be submitted to bid more frequently than once every 48 months, unless for any reason whatsoever, a 50 percent or greater change in the premium per covered employee under the policy contract is provided, required or indicated. If additional employees are added to an existing group pursuant to a joint powers agreement under section 471.59, new bids and award are not required.

When an insurer proposes an increase in rates, it shall accompany its proposal with an aggregate claims record for the appropriate period that explains the proposed increase. When a contract is resubmitted for bids the aggregate claims record shall accompany the specifications for the contract. Cost comparisons are not required between insured and self-insurance alternatives, but apply to comparisons between two or more insured proposals or comparisons between two or more self insurance proposals.

*[For text of subd 2, see M.S.1980]*

**History:** 1981 c 89 s 1; 1Sp1981 c 4 art 2 s 44,46

## **471.617 SELF INSURANCE OF EMPLOYEE HEALTH BENEFITS.**

Subdivision 1. A statutory or home rule charter city or county or school district, or instrumentality thereof which has more than 100 employees, may by ordinance or resolution self insure for any employee health benefits except long term disability and life benefits. Any self insurance plan shall provide all benefits which are required by law to be provided by group health insurance policies. Self insurance plans shall be certified as provided by section 62E.05. Employee wage deductions for the purpose of funding a self insured health benefit plan shall be subject to the licensing provisions of section 60A.23, subdivision 7.

Subd. 2. Any two or more statutory or home rule charter cities or counties or school districts or instrumentalities thereof which together have more than 100 employees may jointly self insure for any employee health benefits except long term disability and life benefits, subject to the same requirements as an individual self insurer under subdivision 1. The commissioner of insurance is authorized to promulgate administrative rules, including emergency rules, pursuant to sections 15.0411 to 15.052, providing standards or guidelines for the operation and administration of self insurance pools.

Subd. 3. Any self insurance plan covering fewer than 1,000 employees shall include excess or stop-loss coverage, provided by a licensed insurance company or an insurance company approved pursuant to section 60A.20 or service plan corporation. This excess or stop-loss coverage shall cover all eligible claims

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incurred during the term of the policy or contract. In addition to excess or stop-loss coverage, the self insurance plan shall provide for reserving of an appropriate amount of funds to cover the estimated cost of claims incurred, but unpaid, during the term of the policy or contract which shall be added to the expected claim level. These funds shall be in addition to funds reserved to cover the claims paid during the term of the policy or contract. The excess or stop-loss coverage shall be provided at levels in excess of self insured retention which is appropriate, taking into account the number of covered persons in the group.

Subd. 4. No statutory or home rule charter city or county or school district or instrumentality thereof, shall adopt a self insured health benefit plan for any employees represented by an exclusive representative certified pursuant to section 179.67 without prior notification and consultation on ten days written notice to the exclusive representative and agreement by the exclusive representative that represents the largest number of employees to be included in the plan.

Subd. 5. No political subdivision or its employee or agent shall disclose any information about individual claims or total claims of an individual without the consent of the individual, except that the information may be disclosed to officers, employees, or agents of the political subdivision to the extent necessary to enable them to perform their duties in administering the health benefit program. This provision shall not prevent the disclosure of aggregate claims for the group without identification of any individual.

A parent or legal guardian of a minor is authorized to act on behalf of the minor in the disclosure of a record.

Subd. 6. A statutory or home rule charter city or county or school district, or instrumentality thereof having a self insured health benefit plan on August 1, 1980 may continue to operate that plan notwithstanding that the plan does not meet the minimum employee group size requirement of subdivision 1.

**History:** *1Sp1981 c 4 art 2 s 44,47*

## 471.6985 FINANCIAL STATEMENT PUBLICATION; MUNICIPAL LIQUOR STORE.

Any city operating a municipal liquor store shall publish a balance sheet using generally accepted accounting procedures and a statement of operations of the liquor store within 90 days after the close of the fiscal year in the official newspaper of the city. The statement shall be headlined, in a type size no smaller than 18 point: "Analysis of .....(city)..... municipal liquor store operations for .....(year)...." and shall be written in clear and easily understandable language. It shall contain the following information: total sales, cost of sales, gross profit, profit as percent of sales, operating expenses, operating income, contributions to and from other funds, capital outlay, interest paid and debt retired. The form and style of the statement shall be prescribed by the state auditor. Non-operating expenses may not be extracted on the reporting form prior to determination of net profits for reporting purposes only. Administrative expenses charged to the liquor store by the city must be actual operating expenses and not used for any other public purpose prior to the determination of net profits. The publication requirements of this section shall be in addition to any publication or posting requirements for financial reports contained in sections 471.697 and 471.698.

**History:** *1981 c 331 s 3*

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

*[For text of subd 1, see M.S.1980]*

Subd. 1a. Subdivision 1 does not apply to a meeting held pursuant to the procedure in this subdivision. The governing body of a public employer may by a majority vote in a public meeting decide to hold a closed meeting to consider strategy for labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179.61 to 179.76. The time of commencement and place of the closed meeting shall be announced at the public meeting. A written roll of members and all other persons present at the closed meeting shall be made available to the public after the closed meeting. The proceedings of a closed meeting to discuss negotiation strategies shall be tape recorded at the expense of the governing body and shall be preserved by it for two years after the contract is signed and shall be made available to the public after all labor contracts are signed by the governing body for the current budget period.

If an action is brought claiming that public business other than discussions of labor negotiation strategies or developments or discussion and review of labor negotiation proposals was transacted at a closed meeting held pursuant to this subdivision during the time when the tape is not available to the public, the court shall review the recording of the meeting in camera. If the court determines that no violation of this section is found, the action shall be dismissed and the recording shall be preserved in the records of the court until otherwise made available to the public pursuant to this section. If the court determines that a violation of this section is found, the recording may be introduced at trial in its entirety subject to any protective orders as requested by either party and deemed appropriate by the court.

The prevailing party in an action brought before or after the tape is made available to the public which establishes that a violation of this section has occurred shall recover costs and reasonable attorney's fees as determined by the court.

*[For text of subds 2 and 3, see M.S.1980]*

**History:** 1981 c 174 s 1

## 471.74 BONDS TO RETIRE UNFUNDED INDEBTEDNESS.

*[For text of subd 1, see M.S.1980]*

Subd. 2. The governing body of any municipality issuing bonds under sections 471.71 to 471.83 shall, at the time of the issuance thereof, by resolution, provide for a levy of taxes for the payment thereof, such levy to be in accordance with the provisions of chapter 475. Levies for the payment of these bonds shall be within the limitations upon tax levies for the payment of funding bonds in the particular municipality issuing the bonds. Such levies shall be subject to the provisions of sections 275.11, 275.125, 275.31, and 275.35, to the extent that these sections are applicable to the municipality issuing such bonds. In all cases the levies for these bonds shall be spread by the county auditor in full and the levy of the municipality for other purposes shall be reduced, if necessary, so that the total amount levied for the municipality does not exceed said limitations.

*[For text of subd 3, see M.S.1980]*

**History:** 1Sp1981 c 4 art 1 s 170