



HANDBOOK FOR MINNESOTA CITIES

Chapter 3
The Statutory City

Table of Contents

I. The statutory city code2

II. Forms of statutory city government2

 A. The Standard Plan3

 B. Plan A4

 C. Plan B5

 D. Changing the form of government9

 E. Abandoning Plan A or Plan B14

III. General powers of a statutory city14

This material is provided as general information and is not a substitute for legal advice. Consult your attorney for advice concerning specific situations.



HANDBOOK FOR MINNESOTA CITIES

Chapter 3 The Statutory City

Minnesota law provides for two basic types of cities: statutory cities operating under the statutory city code and home rule charter cities operating under a local charter. Learn about the organization and general powers of statutory cities, the most common type of city in the state.

RELEVANT LINKS:

[Minn. Stat. ch. 412.](#)

[Minn. Stat. § 412.891.](#)

[Minn. Stat. ch. 462. Minn. Stat. ch. 419. Minn. Stat. § 459.06.](#)

[Minn. Stat. § 412.541.](#)

I. The statutory city code

The vast majority of Minnesota cities are incorporated as statutory cities. They all operate under the statutory city code (city code) found at Chapter 412 of the Minnesota Statutes and a number of other statutes that cover special cases or apply to home rule charter cities as well as to statutory cities. Although all statutory cities have the same basic powers, the city code allows them to select one of several forms of organization. Statutory cities lack the power to change the city code. They are dependent upon the Legislature for all changes.

The great benefit of the city code is that it uniformly applies the laws regarding city government to all statutory cities in the state. Therefore, the city code is the primary source of authority for the actions taken by statutory cities through their city councils. There is, however, one important exception: the city code covers Iron Range statutory cities operating under cash-basis laws only to the extent that it is not in conflict with any of the cash-basis laws.

In addition to the powers the city code grants, all cities—including home rule charter cities—receive additional authority from other state statutes. For example, authority for land-use planning, creating police civil-service commissions, and municipal-forest maintenance are detailed in laws outside the city code.

II. Forms of statutory city government

The Legislature has provided three “plans” or forms of organization for statutory cities: the Standard Plan, Optional Plan A, and Optional Plan B. These plans provide voters with a wide range of choices in determining the structure of their city government.

The Standard Plan has the common weak mayor-council form of government consisting of an elected mayor, an elected clerk (or a combined clerk-treasurer) who serves as a voting member of the council, and three or five councilmembers. The treasurer is also an elected official, but is not a member of the council.

This material is provided as general information and is not a substitute for legal advice. Consult your attorney for advice concerning specific situations.

RELEVANT LINKS:

[Minn. Stat. § 412.541, subd. 2.](#)

[Minn. Stat. § 412.02, subd. 6.](#)

[Minn. Stat. § 414.02, subd. 3.](#)
[Minn. Stat. § 414.031, subd. 4a.](#)
[Minn. Stat. § 414.041, subd. 5.](#)

[Minn. Stat. § 412.572.](#)

Plan A is a modification of the Standard Plan. It retains the weak mayor-council characteristics, but provides for an appointed clerk, an appointed treasurer (or a combined clerk-treasurer), a mayor, and four or six councilmembers.

Optional Plan B is the council-manager plan. While the Standard Plan and Plan A are available to all cities, only cities with a population over 1,000 may adopt Plan B. The law does not restrict any Optional Plan to any particular geographic location in the state. All new cities automatically organize under Plan A unless they complete the required legal steps to put one of the other plans into effect. Voters must approve a change of plan.

The council of any statutory city may, by ordinance, adopted at least 60 days before the next regular city election, submit to the city's voters the question of whether to increase the size of the city council to seven or reduce the size to five members. The ordinance must include a schedule of elections and terms to accomplish the change. Citizens vote on the proposal at the next general city election. If a majority of those voting on the question approve it, the ordinance goes into effect under the specified schedule.

There is no provision in the city code for the adoption of a system of wards. Only home rule charter cities can have wards, except that in certain incorporation, annexation, and consolidation proceedings, the Office of Strategic and Long-Range Planning (Municipal Boundary Adjustments) may include the establishment of a ward system in its order. Also, a few statutory cities that were originally incorporated by legislative act have ward systems.

A. The Standard Plan

In 1967, the Legislature required every city operating under the Standard Plan to assume the Plan A form by January 1, 1970, unless the voters rejected it between May 4, 1967 and January 1, 1970. In Minnesota, 93 out of the 858 cities remain on the Standard Plan, thus the term is somewhat dated and misleading.

The Standard Plan of city government was the form used by the majority of smaller Minnesota cities before 1970.

As in all plans, the Standard Plan has a council of five or seven members. It is different from other plans because an elected clerk fills one of the council seats. Voters also elect a treasurer if the city has not combined the positions of clerk and treasurer. The treasurer, however, is not a member of the council. By ordinance and a vote of the electorate, the city may increase the council size to seven members.

RELEVANT LINKS:

[A.G. Op. 471-H \(Mar. 29, 1957\).](#)

See Handbook, *Elected Officials and Council Structure and Role*.

See Handbook, *Elected Officials and Council Structure and Role* and Handbook, *City Administrative Staff*.

[Minn. Stat. § 412.572. Minn. Stat. § 412.581. Minn. Stat. § 412.591.](#)

[Minn. Stat. § 412.541, subd. 1.](#)

As councilmembers, the mayor and clerk have the same duties and powers as the other councilmembers. In addition, they have their own special duties. The council possesses all legislative and administrative powers; it cannot delegate the power to enact ordinances or to prescribe rules and regulations. All administrative personnel are appointed by and directly accountable to the council. For example, the council is responsible for the direction of the police chief, the liquor-store manager, and the street superintendent. The same is true regarding appointment of members to independent and advisory boards and commissions.

The council can delegate certain functions to appointed administrative boards. For example, state statutes authorize the establishment of a utilities commission, a civil-service commission, or a park board (if the city has a population of more than 1,000) with direct responsibility for their specific programs. The council may also establish advisory boards, such as a planning commission, to conduct studies and make recommendations.

1. Distinct features of the Standard Plan

The council has five or seven members consisting of a mayor, a clerk, and three or five councilmembers.

Voters elect a clerk and a treasurer. The city may combine these offices into one elective office of clerk-treasurer.

The council has all administrative authority and responsibility.

The council has the power to appoint independent and advisory boards and commissions, and to delegate certain functions to these bodies.

B. Plan A

Plan A constitutes a simple change in organization from the Standard Plan. In Minnesota, 635 cities presently operate under the Plan A form of government. One of the distinctive features of this plan is that it removes the clerk from the council and replaces that position with a fourth (or sixth) elected councilmember. Another feature is that the council appoints the clerk and treasurer for indefinite terms of office. The duties of these two appointed officers are the same under Plan A as they are under the Standard Plan of government except that the clerk is not a member of the council and cannot vote at council meetings.

RELEVANT LINKS:

See Handbook, *City Administrative Staff*.

Minn. Stat. § 415.16.

See Handbook, *City Administrative Staff*.

Minn. Stat. §§ 412.601-.751.
See Handbook, *The Home Rule Charter City*.

Minn. Stat. § 412.611.

This plan allows cities to hire trained and experienced people who can perform the complex duties of the clerk and treasurer. Because the council appoints people to these positions, it has more control over how these employees perform their functions than it does in the Standard Plan where voters elect these employees.

To help ensure the selection of qualified people for these positions, state law allows the council to appoint people who are not residents of the city and prohibits the council from requiring residence as a condition of employment. In the selection of a clerk, for example, many cities have gone outside the city to hire a person with training and experience in city management.

1. Distinct features of Plan A

A five or seven-member council, consisting of a mayor and four or six councilmembers, runs the government.

The council appoints a clerk and a treasurer (or a combined clerk-treasurer) for indefinite terms. The council may remove these employees at any time in accordance with state law and any personnel policy, contract, or ordinance in effect for that city.

The council may appoint independent boards and commissions, such as a utilities commission, and advisory bodies, such as a planning commission.

The council appoints all personnel, including the police chief, attorney, fire chief, and liquor-store manager.

The council has all the administrative and legislative authority and responsibility that councils in Standard Plan cities have.

C. Plan B

Optional Plan B embodies the council-manager plan of government. At present, only 18 statutory cities operate under this plan. About 30 cities in Minnesota have adopted the council-manager form under their home rule charters. Some of these cities previously operated as Plan B statutory cities.

Under Plan B, the elected city council consists of a mayor and four or six councilmembers. All policy and legislative decisions are the responsibility of the council. The council delegates the administrative duties to a city manager. The manager is accountable to the council for the effective administration of city business in accordance with council decisions.

RELEVANT LINKS:

[Minn. Stat. § 412.641](#). [Minn. Stat. § 415.16](#).
See Handbook, *City Administrative Staff*.

[Minn. Stat. § 412.651](#).

[Minn. Stat. § 412.651](#), subd. 3.
[Minn. Stat. § 412.681](#).
[A.G. Op. 469-a-2](#) (Sept. 20, 1951).

[Minn. Stat. § 412.691](#)

[Minn. Stat. § 412.621](#).

1. City manager

Under Plan B, the council chooses a manager on the basis of training, experience, and administrative qualifications. The manager does not need to be a resident of the city. The council must appoint the first manager as soon as practicable after adopting this plan. The term of office is indefinite so the council may remove the manager at any time.

If the manager has been in office for one year or more, however, he or she may demand that the council make written charges and hold a public hearing prior to discharge.

The law does not require specific grounds for dismissal, either before or after the hearing. Pending the hearing, the council may suspend the manager and designate some properly qualified person to perform those duties.

The manager has responsibility for the administration of all city business, and is answerable to the council. The law prohibits the council as a whole or any of the individual councilmembers from interfering with the manager's authority to hire employees. It also prohibits any individual councilmember from attempting to deal with or control any administrative person who is subordinate to the manager. Instead, the council must exert all of its control through the manager. This provision, however, does not prohibit individual councilmembers from obtaining information pertaining to city business from employees other than the manager.

2. Clerk, treasurer

Plan B provides for a manager, an appointed clerk, an appointed treasurer, and any other officers subordinate to the manager as the council may create by ordinance. The manager also appoints the attorney, but the council must confirm the appointment. In the performance of their duties, the clerk and treasurer are subject to the direction of the manager, but their functions are the same as those of their counterparts in other cities. The only exception to this rule is that the manager, not the clerk, signs written instruments, such as contracts, on behalf of the city. The council may also give additional duties to the clerk and treasurer. Or the council can abolish or combine positions, including these offices, as it deems fit. It may also direct the manager to perform the duties of any of the various offices except that of treasurer.

3. Boards and commissions

Plan B abolishes all independent administrative boards and commissions except for the civil-service commission, if there is one.

RELEVANT LINKS:

[Minn. Stat. § 412.651.](#)

[Minn. Stat. § 412.691.](#)

The council itself, then, must assume the functions of such boards as the library board, park board, and public-utility commission. The council may continue or create commissions for joint operations with other units of government. For example, the council could create a park board that would administer parks under a cooperative program with two or more cities acting together. The council also could establish advisory boards or commissions to study any municipal function or to investigate any subject of interest to the city.

As a result, the city may continue to have a planning commission after the adoption of Plan B. If a city abandons Plan B and adopts the Standard Plan or Plan A, the city may again establish independent boards and commissions as authorized by law.

4. Manager's duties

Under Plan B, the manager has the following duties:

- Enforcing city ordinances and resolutions.
- Appointing and removing, on the basis of merit and fitness, the clerk and all department heads and subordinate employees. Where there are civil-service provisions applicable to the city, they are binding upon the manager.
- Exercising administrative control over all city departments and divisions created by law or by the council.
- Attending all meetings of the council and participating in the discussion, but not voting.
- Recommending to the council measures necessary for the welfare of citizens and the efficient administration of the city.
- Making reports on the financial condition and needs of the city.
- Preparing, if the council directs, an administrative code for council adoption.
- Assuming all duties required under state laws, city ordinances, and council resolutions.
- Acting as the chief purchasing agent for the city. As purchasing agents, managers are responsible for all purchasing. Managers may, in conformance with the budget, but without prior council approval, make purchases and let contracts when the amount does not exceed \$20,000, unless the city council provides for a lower limit. City councils must audit claims resulting from such transactions. Larger purchases and contracts need council approval.

RELEVANT LINKS:

[Minn. Stat. §§ 412.701-.731.](#)

[Minn. Stat. § 412.741.](#)
See Handbook, *Expenditures Purchasing and Contracts.*

5. City budget

One of the most important provisions of Plan B is that the manager must prepare estimates for an annual budget and submit them to the council. The manager must budget on a “funds” basis and must include all city funds except for the bond, utilities, and special-assessment funds. Inclusion of these is optional, but budgeting and appropriations procedures should include all the moneys the city receives and spends. The manager may use either a cash or an accrual basis for preparing the budget.

A cash budget is one that includes only those items for which the city actually receives money (cash) in the case of receipts or pays out in the case of disbursements or expenditures, during the 12-month period covered by the budget.

An accrual basis budget is one that includes only those funds that become due and payable to the city during the budget year, whether the city actually receives payment, and those expenses that the city incurred during the year no matter when the city pays them.

The main purpose of a budget is to collect data on the anticipated revenues and expenses of the city for the coming year, and to allow for comprehensive fiscal planning. The budget should include anticipated revenues and expenditures for the next year. Once the council has approved the budget, the manager may not change it without the council’s consent.

The laws establishing the Plan B form of government detail the procedures for preparing and adopting a budget. These procedures are flexible and could easily apply to all cities regardless of their form of government.

6. Payment of claims and emergency borrowing

Two other special features of Plan B relate to the payment of claims against the city and to emergency-borrowing procedures.

Plan B cities follow the usual city procedure for the payment of claims: filing of a claim, audit, approval, and issuance of orders. In Plan B cities, however, the manager rather than the clerk must sign the order, and there is no authorization for marking an order “not paid for want of funds.” Every council resolution or motion authorizing a disbursement must specify the purpose of the disbursement and the fund the city will use to pay it. The manager must make a notation on each contract showing which fund the city will use to pay it.

RELEVANT LINKS:

[Minn. Stat. § 412.751.](#) [Minn. Stat. § 475.755.](#)

Although the law prohibits the council from marking an order “not paid for want of funds,” Plan B city councils may authorize the treasurer to sell emergency-debt certificates under certain circumstances. The emergency-debt certificates must mature within two years or less and must be repaid by levy.

7. Distinct features of Plan B

Plan B cities have the following distinct features:

- A council composed of an elected mayor and four (or six) elected councilmembers runs the government. The council exercises legislative authority and appoints a city manager to exercise administrative authority.
- A city manager, appointed by and responsible to the council, must effectively administer city business in accordance with the decisions of the council.
- The manager appoints a clerk and treasurer for indefinite terms.
- The manager appoints an attorney subject to the approval of the council.
- All independent administrative boards and commissions, except for a civil-service board (if there is one), expire and the council assumes their functions.
- Advisory boards and commissions may continue to operate.
- The manager has full responsibility, subject to existing civil-service rules and regulations, to appoint all city administrative officials and employees.
- The manager must prepare estimates for an annual budget and submit them to the council.
- No authorization exists for marking an order “not paid for want of funds.”
- A council may, in specified circumstances, authorize the treasurer to issue emergency-debt certificates.

D. Changing the form of government

Changing the form of government in a statutory city requires two procedures. The first procedure involves completing the necessary legal steps, which include the initiation of the proposal, its submission to the voters, and the certification of the results to the county auditor and the secretary of state.

[Minn. Stat. § 412.551.](#)

RELEVANT LINKS:

Minn. Stat. § 412.571. Minn. Stat. § 412.572. Minn. Stat. § 412.541.

Minn. Stat. §§ 412.541-.572. Minn. Stat. § 412.601.

Minn. Stat. § 412.551.

See Handbook, *Election Procedures*. See LMC information memo, *City Special Elections*.

Minn. Stat. § 205.10, subd. 1.

A.G. Op. 472-0 (Mar. 20, 1961).

The second procedure is the gradual alteration of the government structure to conform to the requirements of the new plan. This step takes time because the change cannot cut short the term of office for an elected official or change the time of election for any elected person. All cities use the Plan A form of organization, unless they have voted to remain on the Standard Plan or to adopt Plan B. If a city abandons an Optional Plan, its government reverts to the Standard Plan unless the abandonment procedure specifies the adoption of an Optional Plan previously in effect.

1. Changing to an Optional Plan

Cities must take several steps to change to an Optional Plan.

a. Initiating the proposal

A city may initiate the proposal in one of two ways. The council may, upon its own motion, submit an Optional Plan for voter consideration. Alternatively, the voters may require the council to submit the question at an election by presenting a written petition with signatures from a number of voters equal to at least 15 percent of the total number of people voting in the last city election.

Once the council has received a petition requesting a referendum on one of the optional forms of government, it is doubtful that the council could submit a different plan at the same election or could call an earlier election for a vote on a different plan. Such actions would circumvent the provision making the petition mandatory.

b. Submitting the plan to the voters

Ordinarily, the council has discretion to determine whether the Optional Plan question should go to the voters at either a regular election or a special election. If the council decides on a special election, it must also set its date. The procedures for calling a special election on the adoption of an Optional Plan are the same as for any other special election.

A petition requesting the submission of an Optional Plan to the voters may also request a special election on the question. A special-election petition, however, requires a number of signers equal to 20 percent of the number of voters voting at the last city election, rather than the 15 percent for the Optional Plan petition. If petitioners present a special-election request that meets the 20-percent requirement, the council must order a special election and set a date for it. If the council fails to comply within a reasonable time, a court order could presumably force the city to act.

RELEVANT LINKS:

[Minn. Stat. § 205.16, subd. 4.](#)

[Minn. Stat. § 412.551, subd. 2.](#)

[Minn. Stat. § 412.551, subd. 4.](#)

[Minn. Stat. § 205.10.](#)

[Minn. Stat. § 205.185, subd. 3.](#)

[Minn. Stat. § 414.02, subd. 3.](#)

The attorney general has determined the city must hold an election when voters submit a proper petition.

If the council receives a petition asking for the submission of an Optional Plan before a regular city election and there is enough time to allow for the necessary 74-day notice to the county auditor, the council probably cannot delay submitting the question until a later time without the consent of the petitioners.

When submitting an Optional Plan question to the voters, the question on the ballot must follow substantially one of the following:

For plan A: “Shall Optional Plan A, modifying the Standard Plan of city government by providing for the appointment by the council of the clerk and treasurer (or clerk-treasurer), be adopted for the government of the city?”

For plan B: “Shall Optional Plan B, providing for the council-manager form of city government, be adopted for the government of the city?”

The question should be followed by the words: “yes” and “no” with an oval or similar target shape to the left of each word so that voters may indicate their choices.

Passage requires a majority vote on the question. Once an Optional Plan goes into effect, the city may not change it for three years. If a majority of the votes are negative, the Optional Plan proposal fails and the city continues to operate under its existing form of government. In this case, voters may not petition the council to call a special election on the question of adopting an Optional Plan within the following six months. This restriction does not apply to the council, which may generally call a special election at any time.

c. Certifying the plan’s adoption

When a majority of the voters approve an Optional Plan, the clerk must promptly notify the county auditor and the secretary of state by filing a certificate stating the date of the election, the question submitted, and the vote. If the voters reject a proposed change in the form of government, the clerk must certify the election results to the county auditor.

New cities are incorporated directly under Plan A, but may adopt an alternate plan by following the procedures outlined above.

RELEVANT LINKS:

See generally [Minn. Stat. § 412.571](#).

[A.G. Op. 470-L \(Oct. 8, 1951\)](#).
[A.G. Op. 471-M \(Apr. 12, 1956\)](#).

[A.G. Op. 472-C \(Sept. 10, 1964\)](#).

[A.G. Op. 484e-4 \(Dec. 17, 1957\)](#).

See generally [Minn. Stat. § 412.571](#).

2. Changing to Plan A

After the adoption of Plan A, the elected clerk and treasurer serve out the balance of their respective terms. During this period, their relationship to the council is the same as before, with the clerk continuing in the dual role of councilmember and administrative officer. If a vacancy occurs in any of these offices before the end of the incumbent's term, the council must fill the vacancy just as it would have done had the city not adopted the Optional Plan. A successor, during the unexpired term, serves in the same manner and with the same duties as the predecessor. The successor to the clerk, for example, would continue to act as a member of the council until the end of the term.

Plan A goes into effect upon the expiration of the term of the incumbent clerk. When that term expires, the council appoints a new clerk who performs the duties given by statute and by council action. The differences in the relationship to the council are that the council appoints the clerk for an indefinite term, the clerk is no longer a member of the council, and the council may remove that person at any time as permitted under the city's personnel policy, any relevant city contracts, and state law. When the treasurer's term ends, the council should appoint someone to fill this position.

To replace the clerk on the council, voters elect an additional councilmember at the election that precedes the end of the incumbent clerk's term. The new councilmember serves a term of four years beginning on the first Monday in January of the next year. This new councilmember is like any other person serving as a member of the council and receiving a councilmember's compensation.

When the voters adopt an Optional Plan at the same election at which they elect the clerk, the elected clerk becomes the fourth or sixth councilmember upon taking office in January, unless the council wishes to appoint that person to the office of clerk. The council must then declare a vacancy in the position of the councilmember and fill the vacancy as it normally would. When voters elect the treasurer in the election at which they adopt an Optional Plan, the election for treasurer is nullified. At the first council meeting in the following year, the council should fill the office of treasurer by appointment for an indefinite term.

3. Changing to Plan B

When a city adopts Plan B, the status of the incumbent clerk and treasurer is the same as in a city adopting Plan A. Plan B goes into effect as soon as the voters adopt it, but it does not become fully operative until the council appoints and qualifies the first city manager.

RELEVANT LINKS:

[Minn. Stat. § 412.571, subd. 2.](#)
[Minn. Stat. § 412.681.](#)

The council must make this appointment as soon as practicable after voters adopt the plan. When the manager has taken office, the independent boards and commissions go out of existence, except for an existing civil-service commission.

When changing from a Standard Plan to Plan B, the manager cannot remove the elected incumbent clerk and treasurer before the expiration of their respective terms, but these positions become subordinate to the manager and are subject to the manager's direction. The statutes, however, specify the duties of the treasurer; therefore, the manager may not curtail the treasurer's duties or assign another officer to perform those duties during the holdover period.

If a vacancy in the office of the elective clerk or treasurer occurs before the expiration of the incumbent's term, it is the council and not the manager who appoints the successor. As in the case of Plan A cities, the appointment is only for the unexpired term. When the terms of the clerk and treasurer expire, the manager appoints the successors. The manager also has the power to remove them.

4. Changes to all optional plans

[Minn. Stat. § 412.561, subd. 2.](#)

The statutory city code is applicable to all cities operating under the Standard Plan, Plan A, and Plan B, except to the extent that it is inconsistent with the statutory provisions relating to the plan under which the city is operating. The same is true of all the ordinances passed by the city prior to the adoption of the new plan. The old ordinances are still in effect until the council repeals or amends them, unless they are inconsistent with the state law governing the newly adopted Optional Plan. Thus, the ordinances for the preservation of the peace would still be valid and effective, but ordinances establishing certain council committees or prescribing duties for certain officers might be inoperative.

The change to another plan does not change judicial proceedings that began prior to the city's adoption of another plan, nor does it change rights or liabilities the city acquired before such an adoption. The council and city officers must make organizational, accounting, and other adjustments in accordance with the scheme of their new form of government.

5. Changing from one plan to another

[Minn. Stat. § 412.551.](#)

Any time more than three years following the adoption of a plan, the voters or the council may request a change to another plan. The three steps of initiation, submission to voters, and certification are the same as for the original adoption proceedings.

RELEVANT LINKS:

[Minn. Stat. § 412.571.](#)

[A.G. Op. 484-E-4 \(Nov. 20, 1957\).](#)

[Minn. Stat. § 412.551, subd. 4.](#)

[Minn. Stat. ch. 412. Minn. Stat. § 412.211. Minn. Stat. § 412.221.](#)

When a city changes from one Optional Plan to another, incumbent members of the council continue to serve until the expiration of their respective terms, and the change does not affect the election schedule. The new Optional Plan goes into effect as soon as is practicable after approval.

When the council receives a petition requesting a transfer to another Optional Plan, or when the council itself initiates such a proposal, only one question, that of adopting the suggested Optional Plan, goes on the ballot. An affirmative vote means the adoption of the suggested Optional Plan. A negative vote, however, means only the rejection of the suggested option. In such a case, the city continues to operate under the Optional Plan that was in effect at the time of the election; it does not revert to the Standard Plan.

E. Abandoning Plan A or Plan B

The council may submit a question on the abandonment of a plan to the voters at any time after three years have elapsed since the plan's adoption. A vote in favor of abandoning an Optional Plan means the city will revert to the Standard Plan. Either the voters through petition, or the council through its own motion, may request an abandonment.

The question goes to the voters in the same manner as the original adoption question did. The only change in the procedure is the substitution of the word "abandoned" in the proposition statement on the ballot. If the voters favor abandonment, the incumbent councilmembers continue in office until their terms expire.

In the election in the year when the terms of two councilmembers expire, voters will elect only one councilmember. They will also elect a clerk. The clerk does not serve as a member of the council until the first council meeting in the year following the election.

The appointed treasurer would continue to hold office until voters elect a successor and he or she officially begins the term of office.

III. General powers of a statutory city

The basic listing of powers of statutory cities, whether they are Standard Plan, Plan A, or Plan B cities, is in the law called the statutory city code (city code). That list contains most, but not all, of the powers councils can exercise. For example, the city code authorizes cities to do the following:

- Create departments and advisory boards, and appoint officers, employees, and agents for the city to conduct city affairs.
- Prescribe the duties, compensation, and employment conditions for its employees.

RELEVANT LINKS:

[Minn. Stat. §§ 462.351-.365.](#)

[Minn. Stat. § 469.001-.047.](#)

[Minn. Stat. ch. 429.](#)
[Minn. Stat. ch. 475.](#)

[Minn. Stat. § 462.358.](#) [Minn. Stat. ch. 505.](#)
[Minn. Stat. § 459.14.](#)
[Minn. Stat. § 459.06.](#)

[Minn. Stat. § 416.01.](#)

[Minn. Stat. § 134.07.](#)
[Minn. Stat. § 360.032.](#)

See Handbook [Table of Contents](#).
See Handbook, [The Home Rule Charter City](#).

- Make the annual tax levy, and exercise full authority over the financial affairs of the city.
- Own and operate any waterworks, gas, light, power or heat plant.
- Purchase gas, electricity, water or heat for wholesale prices and resell it to local consumers.
- Provide parks, parkways, recreational facilities, and, in cities of more than 1,000 population, a park board.
- Designate a legal newspaper.
- Prosecute people who violate ordinances.

Scattered throughout the statutes are many powers that statutory cities can exercise. Among these are the following:

- Plan for the future development of the city and take steps to implement that plan.
- Carry out a program of housing and redevelopment in the city.
- Levy special assessments for public improvements.
- Borrow money.
- Control the subdivision of land.
- Provide off-street parking facilities.
- Acquire and maintain a municipal forest.
- Construct and maintain war memorial buildings.
- Operate libraries.
- Construct and operate municipal airports.

Cities have many powers in addition to these. To determine whether a statutory city has a certain power, begin by checking the table of contents of this Handbook, use the search engine connected to the online version of this Handbook, or contact the League. City officials in statutory cities should refer to statutes when they have questions concerning city authority. Both statutes and the city charter govern home rule charter cities.

A common problem that arises in a discussion of city powers is the interpretation of how such powers apply in actual practice. Will the courts allow cities to exercise only those powers that the law strictly spells out, or will they allow a city to exercise any functions or powers reasonably related to a statutory grant of authority? Traditionally, the courts solved this problem by referring to a rule that Judge John F. Dillon put forth in 1872. Dillon's rule held that a strict or literal interpretation of the law should be used in defining municipal powers.

RELEVANT LINKS:

City of Duluth v. Cerveny, 218 Minn. 511, 16 N.W. 779 (Minn. 1944). See also *Tousley v. Leach*, 180 Minn. 293, 230 N.W. 788 (Minn. 1930). *Sverkerson v. City of Minneapolis*, 204 Minn. 388, 283 N.W. 555 (Minn. 1939). *City of St. Paul v. Fielding & Shepley*, 155 Minn. 471, 194 N.W. 18 (Minn. 1923).

Minnesota courts, however, have deviated markedly from Dillon’s rule. They have tended toward more liberal interpretations of statutory or charter grants of authority to cities. In commenting upon the interpretation of city authority “to provide for the general welfare,” the Minnesota Supreme Court has stated: “The council’s estimate of the general welfare should be followed unless it is plainly erroneous.” The important point is that cities can generally assume that they can exercise any powers the statutes expressly grant to them or any powers that directly relate to the statutory grant and that are necessary for its fulfillment.