

**CHAPTER 40-53.1
DISSOLUTION OF CITIES**

40-53.1-01. Dissolution - Petition - Notice of election.

1. If qualified electors of a city equal in number to one-fourth of the number of qualified electors voting at the last regular city election petition the board of county commissioners of the county wherein the city is situated to dissolve the city, the board of county commissioners shall order a special election to be held within the city on the question of dissolving the city.
2. Notice of the election shall be published once each week for four consecutive weeks and shall state that the question of dissolving the city will be submitted to the qualified electors of the city on the designated day.

40-53.1-02. Dissolution - Ballots.

The form of the ballot shall be:

For the dissolution of _____
(insert name of city) .

Against the dissolution of _____
(insert name of city) .

40-53.1-03. Dissolution - Conduct of election.

The election shall be conducted in the same manner as a regular city election except that all election officials shall be appointed by the board of county commissioners. The election returns shall be made to the board of county commissioners and canvassed in the same manner as are general election returns.

40-53.1-04. Dissolution - Vote required - Effect on debts and contracts.

If a majority of the votes cast on the question are in favor of dissolution, the county commissioners shall, by motion and proclamation, set a date upon which dissolution will become effective and the city shall be dissolved, provided provision has been made for payment of its current indebtedness, contracts, and obligations, and for levying the requisite tax to do so. The current indebtedness, contracts, and obligations do not include funded or bonded indebtedness nor any contract whose termination date is more than one year beyond the date the election was held.

40-53.1-05. Disposition of records after dissolution - Pending business.

All public records of the dissolved city shall be deposited with the county auditor.

40-53.1-06. Notice of dissolution - Publication.

Whenever a city is dissolved, the county auditor shall publish a notice once a week for four consecutive weeks that the city is dissolved. A certified copy of the notice shall be sent to the secretary of state.

40-53.1-07. Dissolution - Care of property - Manager - Disposition of funds.

If a city is dissolved, the board of county commissioners shall assume control of all property belonging to the dissolved city and shall employ a qualified person to manage and operate the property and to collect all charges due from the operation of such property or dispose of the property in accordance with chapter 11-27. The person employed shall execute a bond to the county in an amount determined by the board of county commissioners, conditioned that that person will faithfully perform that person's duties and will promptly pay all money that person receives to the county treasurer monthly on the first day of each month. The bond shall be executed by the person employed and a surety company authorized to do business in the state. The premium on the bond shall be paid by the board of county commissioners from city funds, if any, and if none, from county funds.

40-53.1-08. Income from property of a dissolved municipality.

Money received from the operation of property of a dissolved city shall be used in the following priority:

1. To pay employees engaged in the operation, maintenance, and protection of the property.
2. To pay the interest on the bonded indebtedness of the municipality.
3. To purchase or redeem bonded indebtedness of the municipality.
4. After all bonded indebtedness has been paid, to the general fund of the county.

40-53.1-09. Dissolution - Insufficient income to pay obligations - Levy of tax - Duty vested in board of county commissioners.

If insufficient money is received from the operation of the property of the dissolved city to pay the obligations in the order designated, the board of county commissioners shall levy a tax on all taxable property within the boundary of the city at the time of its dissolution. This tax shall be sufficient to pay the obligations incurred in the operation of the property of the city and to comply with the terms and conditions of the evidences of the bonded indebtedness. The board of county commissioners shall, without charge, perform the duties of the governing body of the dissolved city to satisfy the terms of the bonds, obligations, or contracts of the dissolved city.

40-53.1-10. Dissolution by district court - Application.

Any city not subject to dissolution under existing laws may be dissolved by the district court upon presentation of an application by the state's attorney of the county. The application shall contain:

1. The name of the city.
2. The date of incorporation.
3. Boundaries.
4. Original plat and additions thereto.
5. Names of the officers.
6. Assets.
7. Debts.
8. A general statement of the reasons for dissolution.

40-53.1-11. Filing application - Order.

If the court is satisfied the petition contains the required information, it shall order the petition be filed, and the clerk of the district court shall give notice thereof by publication once each week for four consecutive weeks.

40-53.1-12. Objections.

Any time during the period of publication and within a period of thirty days after the last publication, any person may file objections to the application.

40-53.1-13. Hearing on application - Order of dissolution.

After the period of publication, but not less than thirty days thereafter, the court, upon five days' notice to any person who has filed objections to the application, or without further notice if no objections have been filed, shall hear and determine the application. If the court finds the city should be dissolved, it shall dissolve the same upon such terms or conditions as justice may require, vacate the boundaries, order the sale of assets and the payment of debts, and order any surplus paid into the general fund of the county treasury.

40-53.1-14. Judgment roll - Right of appeal.

The petition, notice and proof of service thereof, objections, orders of the court, and the judgment shall constitute the judgment roll, and an appeal may be taken from the judgment in the same manner as in a civil action.