

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

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**Legislative Document**

**No. 1547**

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H. P. 1082

House of Representatives, March 23, 1967

Referred to Committee on Education. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Danton of Old Orchard Beach.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-SEVEN

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**AN ACT Creating the Town of Old Orchard Beach School District.**

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**Emergency preamble.** Whereas, the school building which housed the 6th, 7th and 8th grade pupils of the Town of Old Orchard Beach was completely destroyed by fire, resulting in the necessary use of inadequate facilities for the education of the pupils in said graded school; and

Whereas, it is imperative that action be taken at the earliest possible moment to relieve these conditions; and

Whereas, to remedy these conditions construction must be commenced immediately; and

Whereas, in the judgement of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

**Sec. 1. Town of Old Orchard Beach School District, incorporated.** Subject to the provisions of this Act, the inhabitants of and the territory within the Town of Old Orchard Beach are hereby created a body politic and corporate under the name of "Town of Old Orchard Beach School District" for the purpose of acquiring land within the said town for school purposes; and erecting, equipping and maintaining on said land a school building addition to the Old Orchard Beach High School building and gymnasium; with the right to let or lease said property to said town; all for the benefit of the inhabitants of said district.

**Sec. 2. Trustees, powers and duties; limitations.** All the affairs of said district, except the election of teachers who shall serve in said school and the fixing of their salaries, the course of study, the terms of school and all other matters pertaining to the education of pupils, which matters shall be controlled by the superintending school committee of the Town of Old Orchard Beach, as herein provided, shall be managed by a board of 5 trustees, who shall be elected as hereinafter provided. The board of trustees, acting for the district, shall have and exercise all the powers and authority necessary to carry out the purposes of this Act and the powers and authority granted herein.

**Sec. 3. Trustees, how elected; tenure of office; organization of board; officers; vacancies; compensation; reports.** After the effective date of this Act, 5 trustees shall be chosen by the town council of the Town of Old Orchard Beach, who shall hold office for a period of 5 years from the date of their appointment, except as hereinafter provided. As soon as convenient after they have been so chosen, the trustees shall meet upon call of one of their number, after such reasonable notice as he shall deem proper. At the first meeting, the trustees so appointed shall determine by lot the term of office of each trustee so that one trustee shall retire each year and the term of office of the first trustee to expire shall end at the close of the municipal year of the Town of Old Orchard Beach following the effective date of this Act. Thereafter, the term of office of a trustee shall expire and his successor shall be appointed by the town council of the Town of Old Orchard Beach at the close of each municipal year of said town. At such first meeting, they shall organize by the election from their membership of a president, clerk and treasurer, adopt a corporate seal and do all other acts, matters and things necessary to perfect their organization. Thus organized, the trustees shall have the right and authority to employ such officers and agents as they may deem necessary for the proper conduct and management of the affairs of the district. Removal from the Town of Old Orchard Beach by any trustee shall ipso facto vacate his office. Vacancies upon the board of trustees occurring because of removal from town, resignation, death or any other cause shall be filled by the town council of the Town of Old Orchard Beach for the unexpired term in the same manner in which the original board was chosen.

The trustees shall serve without compensation, except the treasurer may receive for his services an amount to be fixed by the board of trustees not to exceed \$200 per year. The treasurer shall give a bond to the district in such sum and with such sureties as the trustees may determine, which bond shall be deposited with the president. The expense of such bond shall be paid by the district.

The treasurer's salary, bond premium and all expenses of the district shall be paid from the funds of the district.

At the close of each fiscal year the trustees shall make a detailed report of their doings, of the financial condition of said district and the physical condition of said school building, and also such other matters and things pertaining to said district as shall show the inhabitants thereof how they are fulfilling the duties and obligations of their trust; said reports to be made, attested to and filed with the town council of said town.

**Sec. 4. How financed.** To procure funds for the purposes of this Act and such other expenses as may be necessary for the carrying out of said purposes, the said district, by its trustees, is authorized to issue its bonds and notes, but shall not incur a total indebtedness exceeding the sum of \$600,000. Each bond or note shall have inscribed upon its face the words "Town of Old Orchard Beach School District" and shall bear interest at such rates as the trustees shall determine, payable semiannually. Said bonds and notes may be issued to mature serially or made to run for such periods as said trustees may determine, but none of which shall run for a longer period than 25 years.

All notes or bonds issued by said district shall be signed by the treasurer and countersigned by the president of the district, and if coupon bonds are issued each coupon shall be attested by a facsimile signature of the president and treasurer printed thereon. The said district is authorized and empowered to enter into such an agreement with the State or Federal Government or any corporation or board authorized by the State or Federal Government to loan money or otherwise assist in the financing of such projects as this school district is authorized to carry out, as may be necessary or desirable to accomplish the purpose of this Act.

**Sec. 5. Sinking fund; refunding bonds provided for.** In case said bonds are made to run for a period of years, a sinking fund shall be established by the trustees of said district for the purpose of redeeming said bonds when they become due, and not less than 5% of the total cost of the school building and its appurtenances, and the expenses incidental to the carrying out of the purposes of this Act, shall be added to said sinking fund each year, which may be deposited in a savings bank within the State or may be invested in any United States Government bonds, state bonds or the bonds of any political subdivision thereof as the trustees shall determine. Interest received on any funds so invested shall be added to the sinking fund. When and if the amount accumulated in any sinking fund, together with interest received or to be received thereon, shall be sufficient to pay at maturity or, at the option of the trustees, to redeem the bonds or notes for the benefit of which such sinking fund was established, all further payments to such sinking fund may cease.

Whenever any bonds or notes issued by said district may become due or can be purchased or called for redemption by said district on favorable terms, said trustees, if sufficient funds have accumulated in the sinking fund provided therefor, shall pay, purchase or redeem said bonds or notes and cancel them. In no case shall bonds or notes so paid, purchase or redeemed, and cancelled, be reissued.

In case the amount in the sinking fund shall not be sufficient to pay the total amount of the bonds falling due at any one time, authority to issue new bonds sufficient to redeem so many of said bonds as cannot be redeemed from the sinking fund is granted to said district, but in no case shall the new bonds run beyond 25 years from the date of the original issue so refunded.

**Sec. 6. Assessment of taxes authorized to meet indebtedness; how collected.** The trustees of the Town of Old Orchard Beach School District shall determine the sum to be paid annually into the sinking fund, or, if the bonds authorized by this Act shall be issued to mature serially, what amount is required each year to meet the bonds falling due, and what sum is required each year to meet

the interest on said bonds or other obligations and other necessary expenses in the district, and shall each year thereafter, before the first day of April, issue their warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessors of the Town of Old Orchard Beach, requiring them to assess the sum so determined upon the taxable polls and estates within said district and to commit their assessment to the constable or collector of taxes of said town, who shall have all power and authority to collect said taxes as is vested by law to collect state, county and municipal taxes. On or before the 31st day of December of the year in which said tax is so levied, the treasurer of said town shall pay the amount of the tax so assessed against said district to the treasurer of said district. In the case of the failure on the part of the treasurer of the town to pay the said sum, or in the case of his failure to pay any part thereof on or before said 31st day of December of the year in which said tax is so levied, the treasurer of said district may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid, to the sheriff of York County, requiring him to levy by distress and sale on real and personal property of any of the inhabitants of said district, and the sheriff or any of his deputies shall execute said warrant, except as is otherwise provided herein. The same authority as is vested in county officials for the collection of county taxes under the provisions of the Revised Statutes is vested in the trustees of said district in relation to the collection of taxes within said district.

**Sec. 7. Authorization.** The Town of Old Orchard Beach School District is authorized to receive from the Town of Old Orchard Beach, and the town council of said Town of Old Orchard Beach is authorized to convey to said district the school land situated in the Town of Old Orchard Beach and to turn over to said school district such sums of money as it may raise either by taxation or by bond issue for the purpose of construction of a 6th, 7th and 8th grade building addition to the high school building, together with the sum of \$120,000, being the balance of moneys representing insurance coverage upon the destroyed grade building. Said school district is authorized to accept gifts, grants or devises for the purpose of construction of said elementary school building.

**Sec. 8. Provisions for termination of the board of trustees.** At such time as the school building shall have been completed, equipped and occupied by pupils of said district and the board of trustees of the district shall have discharged all of its principal obligations and the property of said district shall be free and clear of all indebtedness, the board of trustees shall automatically cease to function and all the duties, management, care and maintenance shall revert to the school board of the Town of Old Orchard Beach or such other board as may, at that time, have jurisdiction over similar school property, and the then president and treasurer shall cause to be executed, signed and delivered, a good and sufficient deed of all property in said district, to the Town of Old Orchard Beach. This money shall be used only for school purposes and shall be kept separate from all other money until authorized by the councilmen of the Town of Old Orchard Beach to be expended as hereinbefore stated.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.