# MAINE STATE LEGISLATURE

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#### ONE HUNDRED AND FOURTH LEGISLATURE

## Legislative Document

No. 1748

H. P. 1393 House of Representatives, January 6, 1970 The Committee on Education suggested.

BERTHA W. JOHNSON, Clerk Presented by Mr. Bunker of Gouldsboro.

### STATE OF MAINE

# IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND SEVENTY

AN ACT to Create the Eastern Hancock County Community School District.

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

- Incorporation; name; purposes. Subject to approval of the State Board of Education and the provisions of this Act, the inhabitants of and the territory within the Towns of Franklin, Sullivan and Sorrento, and any other towns in the immediate vicinity, or such of them as shall by vote of their inhabitants join therein, are created a body politic and corporate under the name of "Eastern Hancock County Community School District" for the purpose of acquiring property within said district for school and related athletic and recreational purposes; for the purpose of erecting, enlarging, repairing, equipping and maintaining on said property a school building or buildings and related athletic and recreational facilities; for the purpose of completing, grading, furnishing, rebuilding, renovating and otherwise bettering the condition of any or all buildings within said district used for school purposes or which may hereafter be used for school purposes; for the purpose of receiving, accepting and holding gifts, grants or devises of property, real, personal or mixed, to be used for school and related athletic and recreational purposes; for the purpose of organizing and maintaining said community school; all for the benefit of the inhabitants of said district. For the purposes of this Act, the word "school" is defined to mean grades 7 to 12, inclusive. All provisions of the general law relating to public education shall apply to said community school.
- Sec. 2. Trustees; how chosen, organization; powers, limitations. All of the affairs of the district relating to the acquisition of property and construc-

tion of school facilities shall be managed by a board of trustees, composed of 3 members from each participating town, to be elected at the town meeting at which said town votes to accept the terms of this Act or at a subsequent meeting of said town. Vacancies shall be filled by appointment by the remaining trustees of the town in whose representation the vacancy occurs. The trustees so elected, as soon as is convenient thereafter, shall meet for organizational purposes upon call of one of their number after reasonable notice. The said board shall at its first meeting and annually in April thereafter choose by ballot from its membership a chairman and a treasurer, both to serve without compensation. The superintendent of schools of the community school shall ex officio become the secretary of said board. The treasurer shall give bond to the district in such sum and with such sureties as the trustees may determine, which bond shall remain in the custody of the chairman. The cost of such bond shall be borne by the district.

When authorized by the voters of the district, as hereinafter provided, the board of trustees shall proceed to acquire and construct the school facilities authorized by this Act and within the limits of the funds legally voted for such purpose; subject, however, to any limitations imposed upon said board by the voters of the district voted at an annual or special meeting thereof; and for the acquisition of property and construction and equipping of said school facilities the said board, acting for the district, shall have and exercise all the powers and authority necessary to carry out its lawful duties. At the close of the fiscal year the trustees shall make a detailed report of their doings, of the financial condition of the district, and the physical condition of the community school building or buildings, said reports to be made, attested to and filed with the municipal officers of each participating town.

When the said school facilities are acquired, constructed, completed and ready for use and occupancy and formally turned over to the community school committee, as hereinafter provided, the board of trustees shall, at the time of said transfer, submit to the community school committee a complete financial report and the community school committee shall audit, or cause to be audited, the report and submit it to the voters of the district at the next annual meeting thereof and if approved at said meeting the liabilities of the board of trustees shall cease and determine and the bond of its treasurer may be discharged. In the event that further acquisition and construction of school facilities is voted by the district, or if it is determined to refund any bonds or notes of the district pursuant to the provisions of section 7, a new board of trustees shall be elected in the same manner and with the same powers, duties and limitations as herein provided for the original board of trustees.

Sec. 3. Power to borrow money. To procure funds for the purposes of this Act, and for such other expenses as may be necessary to carry out said purposes, the said district, through its trustees, is hereby authorized from time to time to borrow money and to issue its bonds and notes therefor, but shall not incur a total indebtedness in excess of 10% of the total valuation of the participating towns. All sums to be borrowed to carry out the purposes of this Act shall be fixed at an annual meeting of said district or at

a special meeting thereof called and held for the purpose. Each bond and note shall have inscribed upon its face the words "Eastern Hancock County Community School District", shall bear interest at such rates as said trustees shall determine, payable semi-annually. 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 40 years from the date of the original issue thereof. Said bonds may be made callable at any interest date at or without premium and may be refunded within the period of the original time limit set. All bonds and notes issued by said district shall be signed by the treasurer of the board of trustees and countersigned by the chairman of said board and if coupon bonds be issued, each coupon shall be attested by the facsimile signatures of the chairman and treasurer printed therein.

Said bonds and notes shall be legal obligations of said district which is hereby declared to be a quasi-municipal corporation within the meaning of the Revised Statutes of 1964, Title 30, section 5053 and all the provisions of said section shall be applicable thereto. The said bonds and notes shall be legal investments for savings banks. The said district is authorized and empowered to enter into such an agreement with the State or Federal Government, or any agency thereof 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 said district is hereby authorized to carry out, as may be necessary or desirable to accomplish the purposes of this Act.

Sec. 4. Community school committee; organization, powers, duties, limitations. The community school committee shall consist of the members of the school committee of each of the participating towns and membership on the community school committee shall be coterminous with the member's term of office on the school committee of the town which he represents. Vacancies shall be filled by the school committee of the town in whose representation the vacancy occurs. Six months prior to the date on which it is estimated by the board of trustees that the school facilities or any unit thereof will be completed, said board shall notify the superintendent of schools of the estimated completion date and he in turn shall give notice thereof to the school committees of the participating towns. The said school committees shall thereupon meet and organize into the community school committee and shall choose by ballot from its membership a chairman, a treasurer and a finance committee composed of one member from each town. The treasurer may receive such reasonable compensation as is voted by said committee and shall give bond to said committee in such amount as it shall determine, the cost thereof to be borne by the district. The treasurer shall be custodian of all funds accruing to the district and shall pay all bills when properly attested by the superintendent of schools and approved by 2 members of the finance committee. Election of officers shall be held annually at the annual meeting of the committee to be held in April.

Upon transfer of the school facilities by the board of trustees to the community school committee, as hereinbefore provided, the said committee shall conduct all of the affairs of the district and in so doing, acting for the district, shall have and exercise all the powers and authority necessary to carry out the purposes of this Act. The community school committee shall have the power to make bylaws to facilitate the operation of the proposed school as long as these bylaws are not repugnant to the terms of this Act or the general statutes. In addition to the duties and powers enumerated herein, the community school committee shall have all the powers and duties with respect to the community school conferred upon school committees under the general statutes.

- Sec. 5. Superintendent of schools. The superintendent of schools of the supervisory union in which the community school is located shall be superintendent of the community school and shall have the same duties, powers and responsibilities with respect to said school and its committee as are prescribed by law for public school superintendents.
- Sec. 6. Transportation. Transportation shall be provided by the community school committee in the same manner as is provided for transportation of elementary school pupils in the Revised Statutes of 1964, Title 20, section 3561, the expenditures for transportation to be considered an expense of operation of the school.
- Sec. 7. Sinking fund; refunding bonds provided for. In case any bonds or notes at any time issued are made to run for a period of years, the community school committee shall establish a sinking fund for such bonds or notes for the purpose of redeeming the same when they become due. The amount to be paid annually into such sinking fund shall not be less than 21/2% of the total principal amount of such bonds or notes originally issued. In addition to such annual sinking fund payment, the community school committee shall have authority from time to time to add to any such sinking fund any funds of said district not required for other purposes. Funds in any sinking fund may be deposited in any national bank, savings bank or trust company within the State or may be invested in whole or in part in any bonds of the United States, of the State of Maine, or of any political subdivision thereof, as the committee may 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 committee, to redeem the bonds or notes for the benefit of which sinking fund was established, all further payments to such sinking fund shall 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 committee, 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, purchased or redeemed, and cancelled, be reissued.

In case the amount in any sinking fund shall not be sufficient to pay the total amount when due of the bonds and notes for which such sinking fund was provided, or in case it shall become desirable in the opinion of said committee to call for redemption any outstanding bonds or notes and to issue

new bonds or notes in their stead, authority is hereby granted to refund so many of said original bonds or notes as cannot be paid or redeemed from the sinking fund provided therefor, if any, but in no case shall such new bonds or notes mature more than 40 years from the original date of issue of the original bonds or notes so refunded.

Sec. 8. Fiscal year; operational costs and capital reserve funds, how determined. The fiscal year of the district shall begin on the first day of January and end on the 31st day of December of each calendar year. On or before January 15th of each year, the community school committee shall render to the municipal officers of each of the participating towns a report in writing showing the affairs and conditions of the community school for the preceding fiscal year and a detailed estimate in the form of a budget of the amount necessary for the operation and maintenance of said community school for the current year. Copies of such report shall be distributed to the inhabitants of the district in the same manner and form as is provided for town reports, except that the same shall be made available for distribution not later than the first Monday of February of each year.

The voters of the district at each annual meeting of the district shall determine what sum, not less than the amount prescribed by the general law, is required for the operation and maintenance of said community school for the current year, and what sum is required to meet the necessary capital expenses of the district for the current year, exclusive of the amount required to meet the indebtedness of the district as provided in section 9, and they may determine an amount to be set aside by the district for the current year to establish a capital reserve fund for the purpose of financing all or part of the cost of acquisition of property and construction and equipping of school facilities; provided, that the amount wheh may be set aside in any one year shall not exceed 21/2% of the total principal amount of any bonds or notes originally issued by the district, and such amounts set aside shall be carried on the books of the district as a separate item, to be known as the capital reserve account, and deposited or invested by the treasurer of the community school committee in the same manner provided by law for town or county capital reserve funds; and expenditures from said fund shall be only for or in connection with a capital improvement within the specific purpose herein set forth.

Sec. 9. Assessment of taxes authorized to meet indebtedness; how collected; procedure. The community school committee shall determine what sum is required each year for sinking fund payments or, if the bonds and notes authorized by this Act shall be issued to mature serially, what sum is required each year to meet the bonds and notes falling due, and what sum is required each year to meet interest on said bonds or other obligations, and shall add thereto such further sum as the voters of the district at the annual meeting thereof shall determine is required each year to meet the other necessary capital expenses of the district, and such further sum as said voters as said meeting may determine is to be set aside in the capital reserve fund, as provided in section 8, and shall each year, before the first day of April, apportion the total sums so determined among the towns comprising

the district in the same ratio that each town's valuation is to the total valuation of the several towns, said valuation to be determined by the board of equalization, and issue its warrant in the same form as the warrant of the Treasurer of State for taxes, with proper changes, to the assessors of the towns comprising the district, requiring that they assess upon the taxable polls and estates within each town, including all village corporations therein, an amount in proportion to the total sum required each year as that town's valuation bears to the total valuation of all the towns comprising the district, and to commit their assessment to the constable or collectors of said towns, who shall have all authority and powers to collect said taxes as is vested by law to collect state, county and municipal taxes. The treasurers of said towns shall pay the amount of the tax so assessed against the said district to the treasurer of the community school committee as follows: 1/2 thereof on or before the first day of September of the year in which said tax is so levied and the balance on or before the 31st day of December of said year. The treasurer of the community school committee shall rebate to the treasurer of each of said village corporations the same percentage of the district tax assessed against it as its charter provides in the case of town taxes. In case of a failure on the part of the treasurer of any town to pay said sum, or in case of their failure to pay any part thereof on or before said 31st day of December of the year in which said tax is levied, the treasurer of the community school committee may issue his warrant for the amount of said tax or so much thereof as shall then remain unpaid to the sheriff of Hancock 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 either 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 hereby vested in the community school committee of said district in relation to the collection of taxes within said district.

Sec. 10. Operational costs; apportionment, collection. The community school committee shall annually before the first day of April pro-rate the sum required for the operation and maintenance of the community school, as determined by the voters of the district at the annual meeting thereof, among the towns comprising the district on the basis of the maximum membership at said community school of pupils from each participating town during the school year ending the preceding June; provided, that until the community school has been in operation for one full school year, such prorating shall be based on the maximum membership of pupils from each town attending the elementary schools during the preceding year. The committee shall then issue warrants in the same form as the warrant of the Treasurer of State for taxes with proper changes to the assessors of the towns comprising the district, who shall deduct the amount of subsidies, if any, accruing to said towns because of their share in the community school, and shall assess the remaining sum upon the taxable polls and estates within the district as provided in section 9.

Sec. 11. Annual meeting of district; qualifications of voters of district. After the acceptance of said charter and the organization of the board of

trustees, the annual meeting of the district shall be held within the district, and at the community school building when completed, on the first Monday of February between 9 o'clock in the forenoon and 8 o'clock in the afternoon. Notice of said meeting, signed by the chairman of the board of trustees or chairman of the community school committee, and specifying the time and place at which the meeting is to be held, shall be posted in some public and conspicuous place in each of the towns comprising the district, not less than 7 days before the meeting. Special meetings may be called by the board of trustees or the community school committee in like manner at any time, and notice of special meetings shall state the business to be transacted thereat. Ten per cent of the voters qualified to vote in such meetings shall constitute a quorum. If for any reason a legally sufficient annual meeting is not held on the date provided above, a meeting in lieu thereof may be called in like manner to be held within one month from said date. Every person resident in said district and qualified to vote for Governor in the town in which he resides shall be entitled to vote in any meeting of the district.

Sec. 12. Participating towns; withdrawal. Towns not originally in the participating group of towns may be included upon vote of all the towns concerned, in the same manner as is prescribed for the establishing of the community school, under such terms and arrangements as may be recommended by the community school committee and approved by such vote, provided that the cost to applying towns shall be based on a fair valuation as determined by the State Tax Assessor.

When any one town decides to withdraw from the district, it must decide affirmatively to do so by a  $\frac{2}{3}$  vote of the legal voters in said town present and voting at a special town meeting called for that purpose, and by giving to the community school district a 2-year notice of their intent to withdraw; provided the withdrawing town may claim and demand a share equal to 50% of the equity in its capital investment after deduction of depreciation costs; provided further, that the remaining towns in the district shall assume and be liable for the outstanding indebtedness of the district notwithstanding the provision of section 3. The Superior Court in equity shall have jurisdiction for the enforcement of the provisions of this section.

Sec. 13. Authority to receive property. The Eastern Hancock County Community School District is authorized to receive from any of the towns in said district, and said towns are hereby authorized to transfer and convey to said district, any property, real, personal or mixed, now or hereafter owned or held by them for school purposes, and any sums of money or other assets which the said towns have raised or may raise, either by taxation, borrowing or otherwise, for school purposes. Before transferring and conveying any of said property or turning over any of said funds or assets, the municipal officers of the town shall be duly authorized to do so by a majority vote of the legal voters present at any annual or special town meeting, the call for which shall have given notice of the proposed action. The said school district is hereby authorized to sell, transfer, convey, pledge or exchange property so received.

Sec. 14. Referendum. This Act shall take effect 90 days after the adjournment of the Legislature only for the purpose of permitting its submisson to the legal voters within each respective town, voting at a regular town meeting or at a special meeting thereof called and held for the purpose by the municipal officers of each town, Franklin, Sullivan and Sorrento, at its regular place for holding town meetings. The date of holding said elections shall be determined by the municipal officers of each respective town, but in no case shall it be later than one year from the effective date of this Act.

Each such special election shall be called, advertised and conducted according to the law relating to municipal elections; provided, however, that the selectmen in the respective towns shall not be required to prepare for posting or the town clerk to post a new list of voters, and for the purpose of registration of voters, said selectmen shall be in session in their respective towns one hour preceding such town meetings. The town clerk in each respective town shall reduce the subject matter of this Act to the following question: "Shall the Act to Create the Eastern Hancock County Community School District be accepted?" The voters shall indicate by secret ballot by the words "Yes" or "No" their opinion of the same. The results in said towns shall be declared by the municipal officers of the Towns of Franklin, Sullivan and Sorrento and returns filed by the town clerks with the Secretary of State. This Act shall take effect when approved by a majority vote of the legal voters within each respective town voting at said election. Provided, however, when at least 2 towns shall have accepted the terms of this Act, the school committees of accepting towns shall assemble and decide upon an actual and convenient date not later than 13 months after the effective date of this Act, when the Eastern Hancock County Community School District shall come into being; and provided, further, that any town not voting to enter the school district shall not be bound by the terms of this Act.