

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1635

S.P. 516

In Senate, March 13, 2001

An Act to Increase the Debt Limit of the Calais School District Trustees.

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Education and Cultural Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator SHOREY of Washington.

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

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Sec. 1. Calais school district, incorporated. Subject to the provisions of section 7, the Calais School District, referred to in this Act as the "district" is established as a body politic and corporate and includes the inhabitants and territory within the City of Calais. The purposes of the district are, for the benefit of the inhabitants of the city, acquiring properties within the City of Calais for school and related athletic and recreational purposes; erecting, enlarging, equipping and maintaining on those properties school buildings and related athletic and recreational facilities with the right to lease or let those properties to the City of Calais; and maintaining and improving other school buildings in the district and maintaining elementary and secondary schools.

Sec. 2. Authority to receive property from City of Calais. The district is authorized to receive from the City of Calais and the City of Calais is authorized to transfer and convey to the district any real, personal or mixed property owned or held by the City of Calais for school purposes and any sum of money or other assets that the City of Calais raises or borrows for school purposes.

Sec. 3. Trustees, how chosen; organization; compensation. The affairs of the district are managed by a board of trustees composed of 3 members who hold office a period of 3 years from the date of their appointment except as otherwise provided by this Act. The trustees must be chosen by the municipal officers of the City of Calais. A trustee must be a resident of the City of Calais. A trustee who ceases to be a resident of the City of Calais vacates the trustee's office. A vacancy upon the board of trustees occurring because of expiration of the official term of 3 years, a trustee's moving from the city, resignation or death or for any other cause must be filled by the municipal officers of the City of Calais in the same manner in which that original member was chosen.

When the term of office of a trustee expires, a successor must be appointed by the municipal officers of the City of Calais. The trustees shall elect from their membership a president, clerk and treasurer, adopt a corporate seal and do all other acts, matters and things necessary to perfect the district. The trustees may employ officers and agents as the trustees determine necessary for the proper conduct and management of the affairs of the district.

The trustees serve without compensation, except the treasurer may receive an amount to be fixed by the board of trustees not to exceed \$100 per year for services performed for

2 the district. At the close of the fiscal year, the trustees
3 shall make a detailed report of activities of the board, the
4 financial condition of the district, the physical condition of
5 the school buildings and other matters pertaining to the district
6 that show the district's inhabitants how the trustees are
7 fulfilling the duties and obligations of the board. The reports
8 must be attested and filed with the municipal officers of the
9 City of Calais.

10 **Sec. 4. How financed.** To procure funds for the purposes of
11 this Act, the district is authorized to issue bonds and notes but
12 may not incur a total indebtedness exceeding the sum of
13 \$6,000,000. Each bond must have inscribed upon its face the
14 words: "City of Calais School District" and must bear interest at
15 a rate the trustees determine and be payable semiannually. The
16 bonds may be issued to mature serially or made to run for such
17 periods as the trustees determine but none may run for a period
18 longer than 30 years. A note or bond issued by the district must
19 be signed by the treasurer and countersigned by the president,
20 and, if coupon bonds are issued, each coupon must be attested by
21 a facsimile signature of the president and treasurer. The
22 treasurer shall give bond to the district in such sum and with
23 such sureties as the trustees determine, and the bond must remain
24 in the custody of the Clerk of the City of Calais. The expenses
25 of the bond must be paid by the district. The district is
26 authorized to enter into an agreement with the Federal Government
27 or any certified corporation or board to loan money or otherwise
28 assist in the financing of a project that the district is
29 authorized to carry out.

30 **Sec. 5. Sinking fund.** If a bond is made to run for a period
31 of years, a sinking fund must be established by the trustees for
32 the purpose of redeeming the bond when the bond becomes due. The
33 sinking fund may not be less than 3 1/3% of the par value of the
34 bond issued and outstanding, which may be deposited in a savings
35 bank or savings department of a national bank within the State or
36 may be invested in any United States government bonds, state
37 bonds or the bonds of any political subdivision the trustees may
38 choose. If sufficient funds have accumulated in the sinking
39 fund, whenever any bond issued by the district becomes due or can
40 be purchased by the trustees on favorable terms, the trustees
41 shall redeem or purchase and cancel the bond. A bond that is
42 cancelled or redeemed may not be reissued. In case the amount in
43 the sinking fund is not sufficient to pay the total amount of the
44 bonds falling due at one time, authority to issue new bonds
45 sufficient to redeem the bonds that can not be redeemed from the
46 sinking fund is granted to the district, but in no case may a new
47 bond run beyond 30 years from the date of the original issue.

Sec. 6. Provisions for sinking fund. The trustees shall
2 determine the sum to be paid annually into the sinking fund, or,
if the bonds authorized by this Act are issued to mature
4 serially, the amount required each year to meet the bonds falling
due and the sum required each year to meet the interest on the
6 bonds or other obligations and other necessary expenses in the
district. Before April 1st of each year, the trustees shall
8 issue a warrant in the same form as the warrant of the Treasurer
of State for taxes, with proper changes, to the assessors of the
10 City of Calais, requiring the assessors to assess the sum
determined upon taxable estates within the district and to commit
12 the assessment to the collector of the City of Calais, who has
the authority to collect state, county and municipal taxes. On
14 or before December 31st of the year in which the tax is levied,
the treasurer of the City of Calais shall pay the amount of the
16 tax assessed against the district to the treasurer of the
district. In the case of the failure on the part of the
18 treasurer of the City of Calais to pay the amount of the tax
assessed against the district or in the case of a failure to pay
20 any part of the amount of the tax assessed against the district
on or before December 31st of the year in which the tax is
22 levied, the treasurer of the district may issue a warrant for the
amount of the tax, or so much as remains unpaid, to the sheriff
24 of Washington County requiring the sheriff to levy by distress
and sale on real and personal property of any of the inhabitants
26 of the district, and the sheriff or a sheriff's deputy shall
execute the warrant except as otherwise provided in this Act.
28 The same authority that is vested in county officials for the
collection of county taxes is vested in the trustees for the
30 collection of taxes within the district.

Sec. 7. Provisions for termination of board of trustees. When all
32 of the school buildings have been completed, equipped and
occupied by pupils of the district and the board of trustees of
34 the district has discharged all of its principal obligations, and
the property of the district is free and clear of all
36 indebtedness, the board of trustees automatically ceases to
function and all of the duties, management, care and maintenance
38 revert to the school board of the City of Calais or other board
that has jurisdiction over similar school property. The
40 president and the treasurer of the district shall execute, sign
and deliver a deed of all the property in the district to the
42 City of Calais. All money remaining in the treasury of the board
of trustees at the time the board ceases to function must be
44 deposited to the credit of the City of Calais and may be used
only for school purposes and must be kept separate from all other
46 money until authorized by the municipal officers of the City of
Calais to be expended as authorized under this Act.
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