

MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

Senate Document

No. 73

S. P. 174

In Senate, Feb. 11, 1927.

Referred to Committee on Judiciary and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Foster of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND TWENTY-SEVEN

AN ACT Relating to the Establishing and Administration of a
Public Debt Amortization Fund in the City of Waterville.

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

(1) There is hereby established in the city of Waterville,
2 a fund separate and distinct from every other fund and
3 designated as the public debt amortization fund. Sources
4 of said fund shall be:

(a) All interest on moneys on hand in the city treasury
2 or which may accrue to the city treasury of said city as
3 interest earned on cash advanced for funding street im-
4 provements or delayed special assessments;

(b) Beginning on the first day of January of the first
2 year after this section takes effect, one-third of all interest

3 money received from time to time by the city treasury on
4 any city funds whatsoever and one-third of all interest
5 received by the city treasury on any other funds to the
6 interest of which the city is entitled;

(c) All such other moneys from any source whatsoever
2 as the city council may by resolution by a two-thirds vote
3 from time to time direct to be paid into said fund;

(d) Moneys received by gift or bequest to such fund.
2 Provided, however, that as a condition precedent to the
3 acceptance of any such gift or bequest the city shall enter
4 into a contract to be executed by its proper officers and the
5 custodians of said fund with the donor of any such gift,
6 or the heirs of any testator making any such bequest, by
7 which contract the city and the custodians of said fund
8 shall in consideration of such gift or bequest bind them-
9 selves and their successors in office to keep said fund, and all
10 of it, intact forever, except only as it may be used for the
11 purposes for which by this section it is established. Such
12 contract shall be for the express benefit of such donor, and
13 his heirs and assigns, the heirs and assigns of such testator,
14 and also for the benefit of every taxpayer in said city.

(2) The proper city officers shall segregate such moneys
2 annually from the general fund and other funds of the city
3 and credit the same to the public debt amortization fund.

(3) Said fund shall not be considered an offset to the
2 constitutional debt limit.

(4) The custodians of said public debt amortization fund

2 shall be a public debt commission, consisting of three
3 citizens appointed by the mayor, on the first Mon-
4 day of January, one for one year, one for two years,
5 and one for three years; and at the expiration of the term
6 of office of each of said members, the term of office of the
7 successor of each member shall be three years. In case
8 of vacancy, the mayor shall appoint a successor to fill out
9 the unexpired term. Said commission shall elect from its
10 own members a chairman and a secretary.

(5) All necessary work incident to the administration
2 of said amortization fund shall be done by the city auditor's
3 office.

(6) Expenses incident to the administration of said fund
2 shall be paid from the public debt amortization fund.

(7) The secretary of said commission shall keep books
2 of record of all proceedings of said custodians relating to
3 said fund, and an accurate account of the transactions,
4 investments, earnings and expenditures and shall make a
5 report annually on or about January fifteenth of each year
6 to the city council and shall permit examination of its
7 accounts and records by the city council, the city treasurer
8 and by any interested party.

(8) The state bank commissioner is hereby empowered
2 and directed to examine, invoice, check up and audit the
3 said public debt amortization fund at least once each year
4 and report the condition of said fund to the city council.

(9) Said commission is hereby authorized and enjoined,

2 when necessary, to demand and enforce by proper pro-
3 ceeding the appropriation, segregation and payment of any
4 amortization moneys due under this act.

(10) Disbursements, investments, sale or transfer of se-
2 curities shall be by resolution of said custodians by majority
3 vote on checks signed by the chairman of said public debt
4 commission and the city treasurer and countersigned by
5 the city auditor.

(11) Said public debt commission shall, from time to
2 time, cause investment of said fund or part thereof as it
3 accrues, to be made by the proper officer in the bonds or
4 securities or other evidences of indebtedness of the United
5 States, of any of the New England States, and of the State
6 of New York, and in the bonds of the counties, cities, and
7 towns of any of the New England States.

(12) All interest earned by said fund on its investments
2 shall, when it accrues, be added to said fund to augment
3 the same for the purposes for which said fund is provided.

(13) When the total of principal and accrued interest
2 in such fund is substantially equal to three-fourths of the
3 outstanding bonds of said city, then three-fourths of the
4 annual interest on said fund shall be applied to pay the
5 interest on any outstanding bonds and to assume new bond
6 issues of said city, or as the public debt commission may
7 from time to time with the approval of the city council
8 apply the same for any purpose for which municipal bonds
9 may be legally issued.

(14) Nothing herein contained shall be construed to
2 amend, abolish, or take the place of any other sinking fund
3 provided by statute.