

MAINE STATE LEGISLATURE

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E I G H T Y - E I G H T H L E G I S L A T U R E

Legislative Document

No. 848

H. P. 1741

House of Representatives, March 19, 1937.

Received by unanimous consent, referred to Committee on Legal Affairs and sent up for concurrence. 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Norwood of Southwest Harbor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
THIRTY-SEVEN

AN ACT to Incorporate the Southwest Harbor School District.

Emergency preamble. Whereas, the building used as the high school of the town of Southwest Harbor is in very bad condition and cannot be repaired at any reasonable cost commensurate with the results obtained; and,

Whereas, the present building cannot accommodate the number of pupils that are entitled to education therein; and

Whereas, because of the over-crowded condition, it is impossible to properly instruct the students of said school; and

Whereas, the said over-crowded conditions make it almost impossible to maintain sanitary conditions therein; and

Whereas, it is now possible that an application can be made to the Federal Public Works Administration for a grant and a loan to build an adequate school; and

Whereas, further delay in building said school building would endanger the health of the students of said school and prevent their receiving the proper instruction they are entitled to; and

Whereas, in the judgment of the legislature these facts create an emergency within the meaning of section 16 of Article XXXI 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. Southwest Harbor School District, incorporated. The town of Southwest Harbor, its territory and the people therein, subject to the provisions of this act, shall constitute a body politic and corporate under the name of the "Town of Southwest Harbor School District" for the purpose of providing additional school facilities within said district, for the purpose of buying land for the use of said school district, for the purpose of erecting and constructing a new high school building upon land provided and secured for school purposes under the provisions of this act, and for the further purpose of equipping and maintaining said building and grading the grounds about the same, all as herein after provided and for the benefit of the inhabitants of said district.

Sec. 2. Trustees, how chosen; organization; compensation. All the affairs of said district, as are herein provided, shall be managed by a board of trustees composed of 3 members who shall hold office for the period of 3 years from the date of their appointment except as hereinafter provided for. Three trustees shall be chosen by the municipal officers of the town of Southwest Harbor as soon as may be after the acceptance of this act as hereinafter provided. Removal from the town of Southwest Harbor by any trustee shall ipso facto vacate his office. Vacancies upon the board of trustees occurring because of expiration of the official term of 3 years, removal from city, resignation, death or any cause shall be filled by the municipal officers of the town of Southwest Harbor in the same manner in which the original board was chosen.

The members of the board as soon as convenient after they have been chosen as above provided, shall meet upon call of 1 of their number after such reasonable notice as he shall deem proper. At the 1st meeting the trustees so appointed shall determine by lot the term of office of each trustee so that 1 trustee shall retire each year and the term of office of the 1st trustee to expire shall end at the close of the municipal year of the town of Southwest Harbor following the acceptance of this act. And thereafter the term of office of a trustee shall expire and his successor shall be appointed by the municipal officers of Southwest Harbor at the close of each municipal year of said town. They shall then elect from their membership 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.

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 \$100 per year. At the close of the 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 said trustees are fulfilling the duties and obligations of their trust, said reports to be made, attested to and filed with the municipal officers of said town.

Sec. 3. How financed. To procure funds for the purposes of this act and such other expense as may be necessary to the carrying out of said purposes, the said district is hereby authorized to issue its bonds and notes, but shall not incur a total indebtedness exceeding the sum of \$50,000. Each bond shall have inscribed upon its face the words: "Town of Southwest Harbor School District" and shall bear interest at such rates as the trustees shall determine, payable annually; provided, however, that the interest rate shall not exceed 4%. Said bonds 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 30 years. All notes or bonds issued by said school district shall be signed by the treasurer and countersigned by the president of the district, and if coupon bonds be issued, each coupon shall be attested by a facsimile signature of the president and treasurer printed thereon. The treasurer shall give bond to the district in such sum and with such sureties as said trustees may determine, which bond shall remain in the custody of the president. The expenses of said bond shall be paid by the district. The said district is hereby authorized and empowered to enter into such an agreement with the federal government or any certified corporation or board to loan money or otherwise assist in the financing of such projects as this school district is authorized to carry out.

Sec. 4. Sinking fund. 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, which sinking fund shall not be less than $3\frac{1}{3}\%$ of the par value of the bonds issued and outstanding, which may be deposited in a savings bank or savings department of a national 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 may determine. Whenever any bonds issued by said district become due or can be purchased by said trustees on favorable terms, said trustees shall, if sufficient funds have accumulated in said sinking fund, redeem or purchase said bonds and cancel them. In no case shall bonds so cancelled or redeemed be re-issued. 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 hereby granted to said district but in no case shall new bonds run beyond 10 years from the date of the original issue.

Sec. 5. Provisions for sinking fund. The trustees of the "Southwest Harbor 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 in the said bonds or other obligations, and other necessary expenses in the district, and shall each year thereafter, before the 1st 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 Southwest Harbor, 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 said town of Southwest Harbor, who shall have all authority and powers 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 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 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 law, is hereby vested in the trustees of said district in relation to the collection of taxes within said district.

Sec. 6. 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 of the duties, management, care and maintenance shall revert to the school board of the town of Southwest Harbor 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 the property in said district, to the town of Southwest Harbor. All money, if any remaining in the treasury of the board of trustees at the time it ceases to function, shall be deposited to the credit of the town of Southwest Harbor, which money shall be used only for school purposes and shall be kept separate from all other money until authorized by the municipal officers of the town of Southwest Harbor to be expended as hereinbefore stated.

Sec. 7. Effective date; referendum. In view of the emergency recited in the preamble hereof, this act shall take effect when approved so that it shall be submitted to the voters of the town of Southwest Harbor at a special town meeting called for that purpose by an appropriate article inserted in the call for said meeting, and notice of such approval if voted by said town, in the form of a certified copy of the record of said meeting, shall be filed with the secretary of state. This act shall take effect for all the purposes of this act immediately upon the acceptance of this act at said special town meeting. Such election shall be called, advertised and conducted according to the law relating to municipal elections, provided, however that the board of registration in said town of Southwest Harbor shall not be required to prepare for posting or the town clerk to post a new list of voters. The town clerk shall prepare the required ballots upon which he shall reduce the subject matter of this act to the following question: "Shall the act to incorporate the Southwest Harbor School District be accepted?" and the voters shall indicate by a cross placed over the words "Yes" or "No" their opinion of the same. The result of the vote in said district shall be declared by the municipal officers of the town of Southwest Harbor and a certificate thereof filed by the town clerk with the secretary of state.