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# NINETY-EIGHTH LEGISLATURE

### **Legislative Document**

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H. P. 749 House of Representative, February 28, 1957. Referred to the Committee on Legal Affairs. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Mathieson of Montville.

## STATE OF MAINE

#### IN THE YEAR OF OUR LORD NINETEEN HUNDRED FIFTY-SEVEN

#### AN ACT to Incorporate The Northport School District in Northport.

**Emergency preamble.** Whereas, the accommodations for the schools in the town of Northport were destroyed by fire; and

Whereas, an increase in the school population of the town is anticipated; and

Whereas, new building construction is vitally necessary; and

Whereas, further delay in building a suitable school building or buildings will endanger the health of the students in said town and will prevent their receiving the proper instruction to which they are entitled; and

Whereas, it is impossible for the town of Northport to borrow all the necessary money with which to build a school building or buildings; and

Whereas, in the judgment 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. Incorporation; name; purposes. Subject to the provisions of this act, the inhabitants of and the territory within the town of Northport are hereby created a body politic and corporate under the name of "The Northport School District" for the purpose of acquiring property within the said town for school and related athletic and recreational purposes; for the purpose of erecting, equipping and maintaining on said property a school building or school

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buildings for school purposes and related athletic and recreational facilities; for the purpose of completing, grading, furnishing and equipping said building or buildings; for the purpose of letting or leasing any property of said district to said town; 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; all for the benefit of the inhabitants of said district.

Sec. 2. Trustees; how elected; organization of board; election of officers; tenure of office; vacancies; compensation. The affairs of said district shall be managed by a board of 5 trustees to be appointed by the board of selectmen of the said town of Northport. The term of office of the trustees shall begin on the date of any election provided for in this act. As soon as convenient after all the members of said board have been so chosen, the trustees shall hold a meeting at the town hall in the town of Northport, to be called by one of the trustees upon such reasonable notice therefor as he may deem proper. They shall organize by the election from their own membership of a president, clerk and treasurer, adopt a corporate seal, and may employ all needful officers and agents for the proper conduct and management of the affairs of the district; and annually thereafter, following the annual town meeting of the town of Northport, the trustees shall organize as hereinbefore provided.

At the first meeting of the trustees, they 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 annual town meeting of the town of Northport following the appointment of the first board of trustees. Thereafter, the term of office of a trustee shall expire and his successor shall be elected by the people of Northport at the annual town meeting. The trustees so elected shall serve the full term of 5 years and in case any vacancy arises in the membership of the board of trustees, it shall be filled by the board of selectmen of the town of Northport for the unexpired term. When any trustee ceases to be a resident of said district, he vacates the office of trustee and the vacancy shall be filled as aforesaid. All trustees shall be eligible for reelection. No member, except the treasurer, shall receive compensation for his services; and the treasurer shall receive in full compensation for his services an amount to be fixed by the board of selectmen of the said town of Northport. Such salary and all expenses of the district shall be paid from the funds of the district. At the close of each fiscal year of said town, 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 or buildings 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 report to be made, attested to and filed with the municipal officers of said town.

Sec. 3. Authorized to issue bond or notes; limit; formal requirements. 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 trustees are hereby authorized from time to time to borrow money and to issue bonds and notes therefor, but shall not incur a total indebtedness exceeding the sum of \$50,000. Each bond and note shall have inscribed upon its face the words "The North-

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port School District," shall bear interest at such rates as the trustees shall determine, payable semiannually, and shall be subject to such other provisions as the trustees shall determine. Said bonds may be issued to mature serially, or made to run for such periods, with or without call provisions, as said trustees may determine, but none of which shall run for a longer period than 20 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 be issued, each coupon shall be attested by a facsimile signature of the president and treasurer printed thereon. 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 section 136 of chapter 53 of the Revised Statutes of 1954, 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 trustees are hereby authorized and empowered to enter such an agreement with the Federal or State Government, or any board or 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 this school district is authorized to carry out, as may be necessary or desirable to accomplish the purposes of this act. The treasurer shall give bond to the district in such sum and with such sureties as said trustees shall determine, which bond shall remain in the custody of the president. The expenses of said bond shall be paid by the district.

Sec. 4. Sinking fund; how constituted; investment of fund. In case any bonds or notes at any time issued are made to run for a period of years as distinguished from serial maturity, the trustees shall establish a sinking fund for such bonds or notes for the purpose of redeeming the same when they shall become due. The amount to be paid annually into such sinking fund shall not be less than 2% of the total principal amount of such bonds or notes originally issued during the first 7 years from the date of issue, beginning the 2nd year thereafter, and not less than 10% of the total principal amount of such bonds or notes originally issued annually thereafter. In addition to such annual sinking fund payment, the trustees 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, the State of Maine or any political subdivision thereof, as the trustees 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 trustees, to redeem the bonds or notes for the benefit of which such sinking fund was established, all further payments to such sinking fund shall cease. 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 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 hereby granted to said trustees, but in no case shall new bonds run beyond 20 years from the date of the original issue.

Assessment of taxes authorized to meet indebtedness; how col-Sec. 5. lected; procedure. The trustees of The Northport 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 interest on said bonds or other obligations, and other necessary expenses in the district, and shall each year thereafter, before the ist 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 Northport, 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 Northport, 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 case of the failure on the part of the treasurer of the town to pay said sum, or in case of his failure to pay any part of said tax 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 Waldo 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 hereby vested in the trustees of said district in relation to the collection of taxes within said district.

Sec. 6. Authority to receive property from the town of Northport; provisions for termination of board of trustees. The trustees of The Northport School District are hereby authorized to receive from the town of Northport and the town of Northport is hereby authorized to transfer and convey to said trustees, any property, real, personal or mixed, now or hereafter owned or held by said town of Northport for school purposes, and any sums of money or other assets which the said town of Northport has raised or may raise, either by taxation, borrowing or otherwise, for school purposes. At such time as the school building or buildings and related athletic and recreational facilities 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 superintending school committee of the town of Northport, 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 Northport. All money, if any remaining in the treasury of the board of trustees at the time it ceases to function, shall be given to the town treasurer of the town of Northport. This money shall be used only for school purposes and shall be kept separate from all other money until authorized by vote of the town of Northport to be expended as hereinbefore provided.

Emergency clause: referendum: effective date. In view of the emergency cited in the preamble, this act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of the territory embraced within the limits of said district present and voting at a special town meeting called and held for the purpose or at the annual town meeting of the town of Northport, such annual or special meeting to be held not later than 30 days after the effective date of this act. Such special town meeting shall be called, advertised and conducted according to the law relating to town meetings; provided, however, that the board of selectmen in said town of Northport shall not be required to prepare for posting, nor the town clerk to post, a new list of voters; and for the purpose of registration of voters said board shall be in session the day of such meeting. The town clerk shall prepare the required ballots, on which he shall reduce the subject matter of this act to the following question: "Shall the Act to Incorporate The Northport School District in Northport, passed by the 98th Legislature, be accepted?" and the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same. This act shall take effect for all the purposes hereof immediately upon its acceptance by a majority of the legal voters voting at said meeting; provided that the total number of votes cast for and against the acceptance of this act equals or exceeds 20% of the total vote for all candidates for Governor in said town at the next previous gubernatorial election.

The result of the vote shall be declared by the municipal officers of the town of Northport and due certificate thereof filed by the town clerk with the Secretary of State.