

No. 966, A.]

[Published June 20, 1911.]

CHAPTER 411.

AN ACT to amend section 926—131 of the statutes, relating to the security for bonds issued by cities of the third or fourth class, for the purchase or construction of light and water plants and to a sinking fund therefor.

The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. Section 926—131 of the statutes is amended to read: Section 926—131. 1. To secure the payment of the principal and interest of such bonds and any bonds heretofore or hereafter issued by any city for the purchase of electric light or waterworks, plants and appurtenances of such plants, the common council of such city is hereby authorized to cause the mayor and city clerk of such city to execute to the purchasers of such bonds, or to a trustee, selected by such common council, a trust deed or mortgage in such manner and form as such common council may by ordinance prescribe upon such light or waterworks so purchased or constructed, and upon all future additions and extensions thereto, which trust deed or mortgage shall, among other things, provide: that the lien of such trust deed or mortgage upon the property therein mentioned, and upon the income from such light or waterworks shall be the only security which the holders of such bonds shall have, and that by such trust deed or mortgage, and by such bonds, no municipal liability shall be created.

2. That the income of such light or waterworks over and above the actual and necessary running expenses and necessary repairs shall be kept as a separate fund in the treasury of such city, out of which fund the interest on such bonds shall be paid as in said bond; provided, that out of the excess an amount equal to four per cent of the face value of such bonds shall be annually set aside as a sinking fund, and invested as other sinking funds of such city are invested to meet the principal of such bonds at maturity, and that the income in excess of such running expenses and repairs, interest and sinking fund, may be used for the extension and improvement of such light or waterworks, or otherwise as the common council may direct.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved June 16, 1911.