

condition of state and private banks required by law to be made by the state treasurer. Such compensation shall not exceed two hundred dollars in any one year.

SECTION 2. This act shall apply to reports which have already been compiled for the year 1899.

SECTION 3. This act shall take effect and be in force from and after its passage and publication.

Approved May 3, 1899.

No. 349, S.]

[Published May 4, 1899.

CHAPTER 348.

AN ACT to authorize cities and villages to acquire waterworks and issue bonds therefor.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Cities of the third and fourth class are hereby authorized to purchase or build waterworks to supply such cities and the inhabitants thereof with water for fire or domestic purposes or both.

Third and fourth class cities may buy water-works.

SECTION 2. Before proceeding with the purchase or building of such water works the common council of such city shall by resolution passed and signed in the same manner as other resolutions are passed and signed, submit at any municipal or special election to the electors of such city, the question of the purchase or building of such water works, and such electors shall vote

Question to be submitted to electors.

upon such question on a separate ballot, which shall be substantially in the following form :

For the purchase or building of water works . . (As the case may be.)	
Against the purchase or building of water works (As the case may be.)	

Votes, how
 canvassed.

And the electors shall designate the nature of their vote by making an X in the square immediately opposite the proposition for which they intend to vote, and such ballots shall be counted, canvassed and returned in the same manner as other ballots cast at such election are counted, canvassed and returned.

Bonds not to
 be a municipal
 liability.

SECTION 3. If a majority of the ballots cast shall be in favor of the purchase or building of such water works (as the case may be) the common council of such city may authorize the mayor and city clerk of such city to issue bonds for the payment of the unpaid portion of the purchase price or cost of construction of such water works, which bonds shall recite upon their face that the same are secured by a trust deed or mortgage upon the water works so purchased or constructed, and that no municipal liability is created thereby, provided always, that such bonds shall bear interest not to exceed five per cent. per annum payable semi-annually, shall not be sold for less than par value, and shall be made payable at the option of such city in not less than five years from the date thereof and absolutely in not more than twenty years from the date thereof.

Bonds, how
 secured.

SECTION 4. To secure the payment of the principal and interest of such bonds 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 water works 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 water works 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. That the income of such water works 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 water works.

Provisions for
sinking fund.

SECTION 5. This act shall take effect and be in force from and after its passage and publication.

Approved May 3, 1899.