

CHAPTER 324.

[Published April 15, 1862.]

AN ACT to enable the city of Fond du Lac to settle with its bondholders.

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

SECTION 1. For the purpose of compromising and taking up the bonds of the city of Fond du Lac, issued to the Chicago, St. Paul and Fond du Lac railroad company, by authority of an act entitled "an act to authorize the city of Fond du Lac to loan its credit to aid in the construction of railroads," approved March 16th, 1854, the city council of the city of Fond du Lac shall have power to issue the bonds of said city at a rate and in the manner as hereinafter provided.

Compromise of bonds in aid of Ch., St. P. and F. du L. R. R.— Issue of new bonds.

SECTION 2. The bonds herein provided for, shall be issued in amounts of not less than five hundred dollars, and not exceeding one thousand dollars each, except in fractional amounts due to individual bondholders, on the terms hereinafter specified, for sums less than five hundred dollars, in which case they may be issued for the actual sum due. All of said bonds shall bear date January 1st, 1862, and be issued on time, not exceeding twenty-five years, and with coupons or interest warrants attached, drawing an annual interest of six per cent., to be paid semi-annually at any solvent bank or banking house in the city of New York, notice of the time and place being given for ten days in some New York city paper.

Denomination of bonds, date, interest, &c.

SECTION 3. For the better security and more prompt payment of said bonds, the city council aforesaid are hereby authorized and required, annually, to assess and levy upon the taxable property of said city, a sinking fund sufficient to redeem the whole of said bonds, within twenty years, commencing five years after date. The sinking fund shall be expended in the purchase of the bonds herein authorized, at a price not exceeding their New York market value, and not above par, or otherwise to be invested in United States or state stocks, at not exceeding their New York market value, to be disposed of exclusively for the redemption of such bonds, whenever they can be purchased as aforesaid.

Sinking fund for redemption of bonds.

Terms of proposed compromise with holders of old bonds.

SECTION 4. The city council of said city, the city officers and its agents, are hereby expressly prohibited from issuing and delivering any of the bonds herein provided for, except in exchange for the bonds and coupons first recited in this act, and then only upon a compromise, at a rate not exceeding twenty-five per cent. on the principal and interest due upon said bonds so issued by said city to said railroad company; and no bonds shall be issued under the provisions of this act, at any rate whatever, without all the bonds so issued to said railroad company, under the aforesaid act, can be compromised at or under the aforesaid rate, and a surrender of all of said bonds obtained; and any delivery of said bonds, contrary to the provisions of this section, by any city officer or agent of the city council, shall be deemed an embezzlement, and subject the offender, upon conviction thereof, to fine and imprisonment, at the discretion of the court.

Tax for payment of coupons and sinking fund.

SECTION 5. For the payment of the bonds herein authorized, the city council of said city are authorized and required, annually, to levy and assess upon the taxable property of said city, a tax of sufficient amount to pay the coupons and sinking fund, and such portion of the bonds as may become due during the ensuing year, the levying whereof shall be ordered by a vote of the city council, taken by ayes and noes, and recorded upon the journal; and if said levying of such tax shall be neglected or defeated, except for cause over which the city council may not have control, any number [member] thereof so neglecting, or acting knowingly contrary to the requirements of this section, shall be personally liable to a fine of five hundred dollars.

Individual liability of members of council.

Judge of circuit court may order levy of tax.

SECTION 6. In case of any such neglect or omission to levy such tax by the city council aforesaid, upon the application of any one or more persons holding such bonds or coupons so to become due or over due, to the judge of the circuit court, and showing such neglect or omission of the city council to the satisfaction of said judge, he is hereby authorized to issue his precept to the city clerk of said city, or to any other person, commanding such clerk or person so designated to levy the necessary tax (specifying the amount to be raised) to pay the coupons, sinking fund and bonds so due or to become due, and [the] assessment so made shall be as legal and binding in all respects, as if ordered

by the city council; and for the purpose of facilitating the assessment of such tax, in the manner prescribed, the person so directed by said judge shall have free access to all the city records, assessment rolls or other papers necessary for such purpose; and the taxes so levied shall be collected by the city treasurer, and returns made in every respect like other city taxes, and when collected, shall be appropriated exclusively for the purpose specified in this act.

SECTION 7. The city council, by vote of two-thirds of all its members, shall have power to purchase the bonds of the city before due, at such reduced rates below their value as they may deem for the best interest of the city, and they may levy taxes as aforesaid for the payment of the same, not exceeding ten thousand dollars in any one year for such purpose. Purchase of bonds before maturity.

SECTION 8. Coupons falling due in any one year, shall be receivable for the city taxes of the year in which they may be assessed. Coupons receivable for taxes.

SECTION 9. The city council of said city are hereby prohibited from issuing the bonds of said city, hereafter, for any other purpose whatever, except in the payment of the bonded debt of said city. Prohibition.

SECTION 10. The city council of the city of Fond du Lac are hereby authorized to require of the city treasurer any additional bonds and sureties which they may deem necessary for the safe keeping and disbursement of the moneys collected by the authority of this act, and for the faithful performance of all the duties imposed by the same. Additional bond from treasurer.

SECTION 11. If any member of the city council, or any city officer or agent, shall neglect or refuse to comply with the provisions of this act, not made the subject of special penalty, he or they, as the case may be, shall be liable to such fine or imprisonment, or both, on conviction thereof, as the circuit court, in its discretion, may impose; and all fines imposed by the provisions of this act may be collected by action in the circuit court, upon complaint of any person or party interested, and shall be paid into the city treasury, and appropriated exclusively for the payment of the coupons and bonds hereinbefore mentioned. Penalty.

SECTION 12. This act shall take effect and be in force from and after its passage.

Approved April 7, 1862.