

By Mr. Switzler of Wellesley, petition of John J. Prybyla relative to the use of surplus funds by municipal light boards. Government Regulations.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty.

AN ACT RELATIVE TO USE OF A SURPLUS BY A MUNICIPAL LIGHT BOARD.

Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:

1 Chapter 164 of the General Laws is hereby amended by striking
2 out section 57, as most recently amended by chapter 327 of the acts
3 of 1977, and inserting in place thereof the following section: —

4 *Section 57.* At the beginning of each fiscal year, the manager of
5 municipal lighting shall furnish to the mayor, selectmen or municip-
6 al light board, if any, an estimate of the income from sales of gas
7 and electricity to private consumers during the ensuing fiscal year,
8 and of the expense of the plant during said year, meaning the gross
9 expenses of operation, maintenance and repair, the interest
10 on the bonds, notes or certificates of indebtedness issued to pay for
11 the plant, an amount for depreciation equal to three percent of the
12 cost of the plant exclusive of land and any water power appurte-
13 nant thereto, or such smaller or larger amount as the department
14 may approve, the requirements of the sinking fund or debt incurred
15 for the plant, and the loss, if any, in the operation of the plant
16 during the preceding year, and of the cost, as defined in section
17 fifty-eight, of the gas and electricity to be used by the town. The
18 town shall include in its annual appropriations and in the tax levy
19 not less than the estimated cost of the gas and electricity to be used
20 by the town as above defined and estimated. By cost of the plant is
21 intended the total amount expended on the plant to the beginning
22 of the fiscal year for the purpose of establishing, purchasing,

23 extending or enlarging the same. By loss in operation is intended
24 the difference between the actual income from private consumers
25 plus the appropriations for maintenance for the preceding fiscal
26 year and the actual expense of the plant, reckoned as above, for
27 that year in case such expenses exceeded the amount of such
28 income and appropriation. The income from sales and the money
29 appropriated as aforesaid shall be used to pay the annual expense
30 of the plant, defined as above, for the fiscal year, except that no
31 part of the sum therein included for depreciation shall be used for
32 any other purpose than renewals in excess of ordinary repairs,
33 extensions, reconstruction, enlargements and additions. All appro-
34 priations for the plant shall be either for the annual expense
35 defined as above, or for extensions, reconstruction, enlargements or
36 additions; and no appropriation shall be used for any purpose
37 other than that stated in the vote making the same. No bonds, notes
38 or certificates of indebtedness shall be issued by a town for the
39 annual expenses as defined in this section.