

Part I ADMINISTRATION OF THE
GOVERNMENT

Title VII CITIES, TOWNS AND DISTRICTS

Chapter POWERS AND DUTIES OF CITIES
40 AND TOWNS

Section RESERVE FUND FOR FUTURE
13D PAYMENT OF ACCRUED
LIABILITIES FOR COMPENSATED
ABSENCES DUE EMPLOYEE OR
OFFICER OF TOWN UPON
TERMINATION OF EMPLOYMENT

Section 13D. Any city, town or district which accepts the provisions of this section by majority vote of its city council, the voters present at a town meeting or district meeting or by majority vote of a regional school committee may establish, appropriate or transfer money to a reserve fund for the future payment of accrued liabilities for compensated absences due any employee or full-time officer of the city or town upon the termination of the employee's or full-time officer's employment. The treasurer may invest the monies in the manner authorized by section 54 of chapter 44, and any interest earned thereon shall be credited to and become part of the fund. The city council, town meeting or district meeting may designate the municipal official to authorize payments from this fund, and in the absence of a designation, it shall be the responsibility of the chief executive officer of the city, town or district. In a regional school district, funds may be added to the reserve fund for the future payment of accrued liabilities only by appropriation in the annual budget voted on by the city council of member cities or at the annual town meeting of member towns.