§ 15.10 Allocation of indebtedness. a. Several indebtedness and joint indebtedness contracted or incurred for a joint service or a joint water, sewage or drainage project shall be included as gross indebtedness in the debt statement of the municipal corporation or municipality which has contracted or incurred such indebtedness, except that such indebtedness contracted or incurred by a school district, other than a school district in a city, shall not be included unless it is evidenced by bonds or bond anticipation notes or is included as indebtedness of a merged or annexed school district pursuant to section 121.00 of this chapter.

b. The amount of joint indebtedness which is to be included as gross indebtedness in the debt statement of a participating municipal corporation or municipality shall not exceed the amount of such indebtedness allocated and apportioned to such municipal corporation in the bond resolution or note resolution authorizing such indebtedness to be contracted. In the case of other joint indebtedness for such a joint service or joint water, sewage or drainage project arising out of real property liabilities and contract liabilities, the amount thereof to be included as gross indebtedness in a debt statement of a participating municipal corporation or municipality shall not exceed the amount of such indebtedness required to be allocated and apportioned to such municipal corporation in the agreement of the participating municipal corporations in relation to such joint service. Where the agreement does not provide for any such allocation and apportionment, or in the case of involuntary joint indebtedness, the amount to be allocated and apportioned to a participating municipal corporation or municipality shall be in the same proportion as the full valuation of the real estate subject to taxation or assessment for such joint service or joint water, sewage or drainage project by such municipal corporation or municipality bears to the full valuation of the real estate subject to taxation or assessment by all of the participating municipal corporations or municipalities for such joint service or project. Full valuations shall be determined by applying to the latest assessed valuation the appropriate state equalization rate established on the same period price level. Where such rate has not been established on the same period price level for all participants, application may be made to the commissioner

of taxation and finance for the establishment of a special rate or rates as so required and the commissioner shall have power to establish the same, which special rate or rates shall then be used. The amounts of joint indebtedness so allocated and apportioned shall not exceed in the aggregate the total amount of such joint indebtedness.

c. The agreement between the participating municipal corporations and municipalities may provide for apportionment and allocation of joint indebtedness on a ratio of full valuations of real property or on a basis of the amount of services rendered or to be rendered, or benefits received or conferred or to be received or conferred, or on any other equitable basis.

d. Any allocation and apportionment of joint indebtedness which has been contracted or incurred or which is proposed to be contracted or incurred shall be conclusive if made or approved by the state comptroller. The application to the state comptroller for any such allocation and apportionment may be made on behalf of the participating municipal corporations or municipalities by the finance boards thereof acting jointly or by the chief fiscal officers thereof acting jointly upon the direction of such finance boards, or by the finance board of any such participating municipal corporation or municipality or the chief fiscal officer thereof upon the direction of such finance board. The application shall be verified by the finance board or boards or by the chief fiscal officer or officers making the application. It shall be in such form and shall contain such information as shall be prescribed by the state comptroller. If the application is not made by the finance boards or by the chief fiscal officers of all of the participating municipal corporations or municipalities, written notice of such application shall be given to the chief fiscal officer of any other participating municipal corporation or municipality prior to the filing of the application with the state comptroller.

e. If the application to the state comptroller is for the allocation or apportionment of existing or proposed indebtedness exceeding one hundred thousand dollars in amount, then within five days after the filing of such application with the state comptroller, the chief fiscal

officer or chief fiscal officers of the applicant or applicants shall cause a notice to be published that such application has been filed with the state comptroller. Such notice shall be published in accordance with the provisions of paragraph c of section 15.20 of this chapter. The notice also shall contain a description of the existing or proposed indebtedness sought to be allocated and apportioned and the nature of the joint service or joint water, sewage or drainage project in relation to which such existing or proposed indebtedness is to be contracted or incurred. Proof of publication of such notice shall be filed in the office of the state comptroller. A copy of the application and of all data and information which will be submitted to the state comptroller in support of such application shall be filed in the office or offices of such chief fiscal officer or chief fiscal officers and shall be public records.

f. After the filing of the application, the state comptroller shall review the facts set forth therein. Notwithstanding the provisions of paragraph e of this section, the state comptroller may require notice of the application to be published in any such proceeding. The state comptroller shall have power to examine the accounts and records of the municipal corporations or municipalities with respect to the joint service or joint water, sewage or drainage project concerning which the application is made. He may also require the chief fiscal officer and other public officers, boards and agencies of the municipal corporations or municipalities involved to furnish such additional data and information in their possession as he deems necessary to enable him to make his determination.

g. The state comptroller shall issue a written certificate setting forth his determination as to how such existing or proposed indebtedness should be allocated and apportioned. The certificate of the state comptroller shall not be issued until ten days after the filing of such application or proof of publication of the notice of such application, whichever date is the later, and the certificate shall be issued within forty-five days after such filing. The certificate of the state comptroller shall be executed under his hand and seal. Such certificate shall be filed in the department of audit and control and duplicate

certificates shall be executed under the hand and seal of the state comptroller and filed in the offices of the chief fiscal officers of each of the participating municipal corporations or municipalities.