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# Bond Issues - Historical Notes

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Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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# Bond Issues - Historical Notes

A listing of the acts which authorized various bond issues for McNairy County is included below for reference purposes, although these acts are no longer current. Also referenced below are acts which repeal prior law without providing new substantive provisions.

## **County Buildings**

1. Private Acts of 1945, Chapter 8, validated, confirmed, and legalized all the prior proceedings of the Quarterly County Court held in connection with the issuance of \$50,000 in 3½%, 15 year County Building Bonds. The form of the bonds, the details of the issue and the required tax levy were all validated by this Act.
2. Private Acts of 1945, Chapter 39, also validated all the prior proceedings of the Quarterly County Court of McNairy County held on July 1, 1944 in the issuance of \$30,000 in 3½% bonds in \$1,000 denominations to be called County Building Bonds. All things were legitimated and the bonds declared to be the obligations of the County.

## **Courthouse and Jail**

1. Private Acts of 1945, Chapter 20, allowed the Quarterly County Court of McNairy County to issue \$250,000 in 5%, 40 year bonds to construct and equip a county courthouse and jail. The Act also validated the actions of the Court on January 1, 1945, in which \$150,000 of the above amount was issued. These Resolutions and all the expenses connected with the issue are legitimated.

## **Debts**

1. Private Acts of 1927, Chapter 821, permitted the McNairy Quarterly County Court to issue bonds to pay its outstanding debts evidenced by warrants already issued and due. The bonds could not bear any interest rate higher than 6% and could mature upon any timetable determined by the Court but generally according to the schedule of maturity in the Act. The amount would not exceed \$72,000. The County Judge, the County Trustee, and H. P. Wood, Terry Abernathy and Millard Lee would be the Funding Commission of the county and supervise the issuance of the bonds and the payment of the debts.
2. Private Acts of 1929, Chapter 205, allowed the County Court and County Chairman to issue \$122,000 in 6% 25 year bonds, to pay off the outstanding debts of the county incurred for school purposes, and which were evidenced by warrants already issued and past due. All the details were fixed and the tax levy for the sinking fund required. These bonds were declared to be exempt from taxation by other governments.
3. Private Acts of 1935, Chapter 811, validated all the prior actions taken on October 1, 1934, with reference to an issue of \$98,000 in bonds to pay outstanding debts and the debts to which they would be applied were also validated by this Act.
4. Private Acts of 1937, Chapter 863, legalized all prior actions taken on May 12, 1927 in the issuance of \$308,000 in Refunding Bonds as they are all declared to be the legal and binding obligations of McNairy County. Several different blocs of bonds are written into the act with different maturity days and with interest rates running from 3 to 5.75%. This Act further validated a \$150,000 bond issue authorized on the same day, May 12.

## **General**

1. Private Acts of 1929, Chapter 524, provided that all bonds heretofore issued in McNairy County upon the full faith and credit of the county which have been negotiated and sold, and all actions taken in connection therewith are hereby confirmed and validated despite any defects, errors, or omissions occurring in such bonds or proceedings declaring them to be the incontestable obligations of the county.
2. Private Acts of 1939, Chapter 353, recites in the preamble that the normal issue of county warrants which have been lost and which it is desirable to identify and liquidate, will be honored upon the holders presenting them to the County Judge the County Court Clerk, and the County Trustee to be identified and certified, whereupon the County Court may issue up to \$150,000 in bonds at interest not to exceed 4½% and to mature no later than 20 years from date of issuance. The bond forms, details, and tax levy would all be decided by the County Court.

## **Roads**

1. Private Acts of 1907, Chapter 214, allowed the issuance of \$100,000 in 5%, 20 year bonds to

build public roads and bridges and to make necessary and incidental repairs to the existing roads but all of this would be subject to the approval of the voters in a referendum which would be initiated by a petition. The County Court would have the bonds prepared and fix the details of the issue. The program would be supervised by a "Good Roads Commission" composed of three citizens appointed by the Court who must execute bond and select a chairman who would be paid \$300, a Secretary, paid \$200 and the other member would draw \$100 a year. Their duties and responsibilities were enumerated including the right to employ an engineer, appoint overseers for sections of the road and generally take the place of the District Road Commissioners and the County Bridge Commissioners as they were provided in the general state law. The tax levy to liquidate these bonds was not to exceed forty cents per \$100 property valuation. This Act was repealed by the one below.

2. Private Acts of 1913, Chapter 1, specifically repealed Chapter 214, Private Acts of 1907, above, in its entirety.
3. Private Acts of 1935, Chapter 810, validated and legalized all the prior proceedings of the County Court held in connection with the issuance of \$219,000 in Highway Refunding Bonds at 5% interest and on a 15 year maturity schedule, making them the incontestable obligations of the County.
4. Private Acts of 1947, Chapter 581, appointed Otis Plunk, Calvin Hamm, W. W. Thompson, Robert Burns, and Lyde Gooch to the "Gravel Road Board" which the act created. The Board would be concerned with supervising the improvement of those roads over which the school busses and rural mail carriers traveled. The Board would exist as long as there was any money left in the bond issues. The maximum interest was 5% and the maturity schedule could not exceed 20 years but the Board could not issue any bonds until the project was approved by the people in a referendum. The act contained a long list of roads from which the Board could draw.

### **Schools**

1. Private Acts of 1929, Chapter 93, ratified, confirmed, and legalized all the prior actions of the County Court of McNairy County heretofore had with reference to a \$50,000, 5%, 13 year bond issue, dated September 1, 1928 and called School Building Warrants. The authority to levy a tax as long as any amount remained outstanding was granted to the court.
2. Private Acts of 1929, Chapter 282, authorized the Quarterly County Court to issue \$50,000 in 5%, 25 year bonds in substitution for a like amount of interest bearing warrants previously issued as a temporary means of paying cost of the construction, equipping, and repairing school buildings in the County. They would become general obligation bonds of the County.
3. Private Acts of 1931, Chapter 138, recites in the preamble that the Board of Education of McNairy County issued bonds to pay off all the debts of the Michie-Tulu and McNairy Special School Districts in order that they could be abolished but some question has been raised concerning the validity of the said bonds whereupon this Act ratifies, confirms, validates, and legalizes all actions in connection therewith, and abolishes the School Districts created by Chapter 572 of the Private Acts of 1923, and Chapter 303, of the Private Acts of 1923.
4. Private Acts of 1939, Chapter 133, concerns warrants more than bonds but granted authority to the Board of Education to borrow money up to \$5,000 to equip high school buildings in the county.
5. Private Acts of 1941, Chapter 479, validated \$41,380 in school bonds issued April 1, 1940, by Resolution of the County Court at 4½% interest, and at 22 years maturity; and also validated \$40,000 issued the same day which was due in 25 years at 4½% interest. All the actions of the Court, the Building Committee and every other agency having a part were completely ratified.
6. Private Acts of 1947, Chapter 209, allowed the Quarterly County Court to issue \$250,000 at 4%, for 30 years, for the purpose of building, erecting, and equipping an elementary school at or near the town of Selmer. All the essential details were present in the Act and a tax levy for the sinking fund was required.

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