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Chapter III - Bond Issues

Dear Reader:

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We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

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which authorized various bond issues for Henry County is included below for reference purposes, although these acts are no longer current.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.

Airport

1. Private Acts of 1949, Chapter 66, authorized Henry County to issue a note in the amount of \$5,000 for the purpose of providing in cash a portion of the funds agreed to be paid by the County in constructing an Administration Building at the Henry County Airport in Henry County. The note was payable 12 months after issuance, bearing interest at the rate of three percent per year to Commercial Bank & Trust Company in Paris, Tennessee.
2. Private Acts of 1957, Chapter 288, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$75,000, for the purpose of providing funds to acquire additional lands for Henry County Airport and making improvements and maintaining said airport. The bonds had an interest rate of five percent per year and maturing not more than 25 years after the date of issuance. The details of the issue were prescribed in the act and a tax levy for the sinking fund was required.

County Workhouse

1. Private Acts of 1935 (Ex. Sess.), Chapter 90, authorized the Quarterly County Court of Henry County to issue bonds in amount not to exceed \$30,000, for the purpose of paying the cost of acquiring lands and erecting buildings to be used as a County Workhouse and County Hospital. The maximum interest rate was not to exceed six percent per year and the maximum maturity date was not to exceed 30 years from the date of issue. The act provided that the bonds not be issued until submitted for majority voter approval in the county at a special election.

Funding

1. Private Acts of 1937, Chapter 32, validated all the prior actions of the Quarterly County Court in Henry County in connection with a bond issuance in the amount of \$70,000. The bonds were payable semi-annually on January 1 and July 1 in the years of 1940 through 1953, bearing an interest rate of three percent per year. The act provided for the levy and collection of a tax on all taxable property in the county for the purpose of paying the principal and interest on the bonds.
2. Private Acts of 1941, Chapter 53, validated the proceedings of the Quarterly County Court in Henry County in connection with a \$17,000 Funding Bond issuance. The bonds were payable on January 1 and July 1 of each year, bearing an interest rate of 1 1/2 percent per year. The bonds were used to retire and pay an outstanding indebtedness of the county on a note. The County Court was authorized to levy a tax on all taxable property to pay the principal and interest on the said bonds.

Indebtedness

1. Private Acts of 1917, Chapter 11, authorized the Quarterly County Court of Henry County to issue and sell bonds in an amount not to exceed \$65,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County, which included warrants issued for building a County Jail and a County Home for Paupers, constructing public roads and bridges, and maintaining the common schools in the County. The bonds issued under this act matured five years after the date of issue, in payments of \$13,000 annually and bearing an interest rate no more than five percent per year. The Court was authorized to levy a tax in an amount sufficient to meet this obligation and would be used exclusively to pay off the outstanding indebtedness of the County.
2. Private Acts of 1923, Chapter 204, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$85,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County, which included warrants issued for bridges, roads and other warrants then due. The bonds issued under this act matured not more than 20 years after the date of issue, bearing an interest of six and one-half percent per year. The issuance could only be made after a majority voter approval.
3. Private Acts of 1933, Chapter 39, authorized the Henry County Quarterly Court to issue and sell bonds in an amount not to exceed \$85,000. The purpose of the bond issue was to pay the

outstanding indebtedness of Henry County, created by warrants other than school and road warrants. Maturity of the bonds was to exceed 30 years with a maximum interest rate of five percent per year. The County Court was authorized to levy a special tax upon all taxable property to pay for the issuance. The act created a sinking fund to pay off and retire the bonds.

4. Private Acts of 1935, Chapter 251, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$50,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County, represented by warrants, excluding road warrants. The maturity date was to be set by the Court, with a maximum interest of five percent. A tax levy was authorized to pay the interest on the bonds.
5. Private Acts of 1935 (Ex. Sess.), Chapter 66, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$25,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County, represented by warrants, excluding road warrants. The maturity date was to be set by the Court, with a maximum interest of five percent. A tax levy on all taxable property was authorized to pay the interest on the bonds.
6. Private Acts of 1937, Chapter 359, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$40,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County created by warrants and open accounts for the Henry County Highway Commission. The maximum maturity date was not to exceed 30 years from the date of issue with a maximum interest rate of three percent per year. A tax levy on all taxable property was authorized to pay the interest on the bonds.
7. Private Acts of 1939, Chapter 284, authorized the Quarterly County Court of Henry to issue bonds in an amount not to exceed \$35,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County. The maximum maturity date was not to exceed 30 years, with a maximum interest of three percent. A tax levy on all taxable property was authorized to pay the interest on the bonds.
8. Private Acts of 1943, Chapter 176, authorized the Quarterly County Court of Henry County to issue bonds in an amount not to exceed \$50,000. The purpose of the bond issue was to pay the outstanding indebtedness of Henry County. The maximum maturity date was not to exceed 30 years, with a maximum interest of three percent. A tax levy on all taxable property was authorized to pay the interest on the bonds.

Roads

1. Private Acts of 1919, Chapter 305, authorized Henry County to issue bonds in the amount of \$200,000, maturing within twenty years, for the purpose of procuring funds with which to pay the County's share of fifty percent of the cost of construction and completion on Federal Aid Road No. 11, located within Henry County from Paris to the Carroll County line. The State and Federal government was to pay the other fifty percent. Interest rate for the bond issue was five percent per year.
2. Private Acts of 1947, Chapter 39, validated the \$200,000 road bond issuance authorized by the Quarterly County Court of Henry County. The bonds were due serially together with unlimited ad valorem tax, to pay interest on the principal.

Schools

1. Private Acts of 1929, Chapter 500, authorized the Henry County Court, upon majority voter approval at a specially called election, to issue bonds in the amount of \$90,000, for the purpose of providing funds to pay the cost of building, repairing and equipping the public high school buildings for the County. The bonds were payable not more than 10 years from the date of issue, bearing interest at a rate not to exceed five percent. A tax levy was also authorized upon all taxable property to create a sinking fund to pay the principal on the bonds upon maturity.
2. Private Acts of 1931, Chapter 424, authorized the Quarterly County Court of Henry County to empower the County Board of Education to borrow on short term warrants or notes up to \$21,000, to complete a school building program, subject to majority voter approval. The warrants were payable three years from the date of issue, bearing interest at a rate not to exceed six percent per year. The County Court was empowered to levy a special school tax ranging between seven and ten cents on each one hundred dollars worth of taxable property to pay out the principal and interest on the warrants for the years 1931-33. The money was allocated for the following schools: \$6,000 for Cottage Grove; \$6,000 for Puryear; \$2,500 for Buchanan and; \$6,500 for Central Colored High School.
3. Private Acts of 1935, Chapter 644, authorized Henry County to issue bonds in an aggregate amount not exceeding two-thirds of the anticipated current revenue, to pay off the debts and to

defray and meet current operating expenses of the county, the county school expense and the payment of interest on the bonded debt. This authority could be exercised only upon resolution of the County Court. The interest rate could not exceed six percent per year and the County Court was to establish the maturity schedule.

4. Private Acts of 1937, Chapter 31, validated all prior actions of the Quarterly County Court in Henry County in connection with the issuance of school bonds in the amount of \$55,000, bearing an interest rate of three percent per year and payable semi-annually in the amount of \$5,000 from 1940 to 1950. They were declared to be the general obligations of the County and the County Court was required to levy a sufficient tax on all taxable property in the County for the payment of the bonds.
5. Private Acts of 1949, Chapter 510, validated the creation of the Paris Special School District in Henry County and authorized said school district to borrow money and issue bonds in the amount of \$120,000 for the purpose of constructing and equipping additions and improvements to school buildings in the district. The bonds were payable within twenty-five years from the date of issue, bearing interest at a rate of four percent per year. Authority was given to levy a tax on taxable property in the special school district to pay the principal and interest on the school bonds.

Workshop Program

1. Private Acts of 1941, Chapter 169, validated the proceedings of the Quarterly County Court of Henry County in the execution of two notes in the amount of \$2,000 for the purpose of contributing to a Workshop Program sponsored by the National Youth Administration. The notes were due on April 1 in 1942 and 1943 and an additional tax rate of three cents for the year of 1941 and two cents for 1942 was to be levied to retire and pay the notes.

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