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## Chapter III - Bond Issues

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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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# Chapter III - Bond Issues

## Bond Issues - Historical Notes

A listing of the acts which authorized various bond issues for Decatur County is included below for reference purposes, although these acts are no longer current.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 1941, Chapter 95, was the authority for Decatur County to issue and sell up to \$50,000 in bonds, at an interest rate not to exceed 5%, and to mature no longer than 30 years, to build a county building, provided the same is approved by a majority of the Quarterly County Court meeting in regular session. The bonds were to be the general obligation bonds of the County and conform to the form and details of the same as they were specified in the act. They were declared to be exempt from taxation by other levels of government, and the Quarterly Court must levy a tax annually to repay the principal and interest as they accrue. The Act nominated W. H. Walker, K. K. Houston, L. R. Carrington, Jack Moore, and H. L. Townsend as a Commission to supervise the sale of the bonds and the construction of the building which would be used for such public purposes as the Quarterly Court might designate.

### **Courthouse**

1. Private Acts of 1927, Chapter 294, recited in the preamble that the old Courthouse was destroyed by fire on March 25, 1927, and the Quarterly County Court had directed that it be rebuilt, and, in that connection, the Court had appointed J. W. Blount, V. A. Lancaster, R. E. Spence, J. A. Chalk, and Stanley Dennison as a Committee to accomplish that purpose. Since there were no funds available, the County Court authorized the issuance of \$30,000 in interest bearing warrants at a rate not to exceed 6%. To dispel any and all doubts about the bonds, or warrants, this Act confirms, ratifies, validates and legalizes all the actions of the Quarterly Court taken in connection therewith.
2. Private Acts of 1929, Chapter 87, allowed the County Judge and the County Court Clerk, of Decatur County, to issue up to \$46,000 in interest bearing coupon bonds to pay the outstanding warrants of the County issued by the Quarterly Court for Courthouse building purposes. The bonds could have no interest rate higher than 6%, nor could they mature for a period longer than 30 years. All the essential details of valid bond legislation were furnished and a special tax levy required to amortize the bonds.
3. Private Acts of 1929, Chapter 124, was an exact duplicate of Private Acts of 1929, Chapter 87, Item 2, above.

### **Debts**

1. Private Acts of 1935, Chapter 316, validated, ratified and confirmed all the preceding actions of the Decatur County Quarterly Court in the issuance of \$65,000 in bonds, dated January 1, 1935, at an interest rate of 5½%, payable semi-annually on January 1, and on July 1, of each year and maturing in the amounts each year which were scheduled in the Act ranging through 1955. A tax levy for the sinking fund was required, and all delinquent taxes collected during those years shall be applied first to these bond payments.

### **Nursing Home**

1. Private Acts of 1959, Chapter 367, allowed the Decatur County Quarterly Court to issue up to \$50,000 in bonds to construct a boarding, or nursing, home in that county. The form of the bonds, the denominations of them, the details of the sale, and the interest rate shall be fixed by proper resolution of the Quarterly County Court. The bonds shall not, however, be sold for less than par value and accrued interest.

### **Roads**

1. Private Acts of 1911, Chapter 277, allowed the County Court of Decatur County to issue up to \$100,000, in blocks of \$25,000, to locate, bed, build, repair and improve county roads and bridges. The interest rate could not exceed 5%, nor the maturity period go beyond the 30 years specified. After the roads to be affected had been selected the whole proposition would be submitted to the people in a referendum. The tax levy to amortize could not exceed 25 cents per \$100 property valuation. The County Court would appoint a three member Highway Commission which would select a Chairman and a Secretary. The Commission would take charge of the

program and supervise the work, retaining 25% of the contract price of each segment. The power of eminent domain was given to the Commission but was to be exercised only in strict accordance with the guidelines established by law.

### **Schools**

1. Private Acts of 1947, Chapter 328, recited in the preamble that the Quarterly Court of Decatur County had adopted a Resolution authorizing the issuance of \$50,000 in bonds, at an interest rate of 3%, maturing semi-annually with which to build a public school building at Parsons, and, in order that no question may be raised concerning the validity of the bonds, this Act ratifies, confirms, validates, and legalizes all the prior actions taken in connection with the same, declaring the bonds to be the legal, binding, and incontestable obligations of the County, notwithstanding the lack of any statutory authority at the time of issuance.

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