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authorized various bond issues for DeKalb County is included below for reference purposes, although these acts are no longer current.

Bridges

1. Acts of 1911, Chapter 278, authorized a bond issue of \$30,000 for bridges in DeKalb County, with a maximum interest rate of 5% per annum, to mature serially within thirty years. A Board of Bridge Commissioners was to be appointed to oversee construction of bridges from these bonds. The County Court would levy an annual tax upon all taxable property in the county sufficient to pay the interest and principal.
2. Acts of 1911, Chapter 589, authorized DeKalb, Putnam and Smith by a majority vote of their respective Quarterly County Courts to each issue bonds not exceeding \$6,000, payable within thirty years, maximum interest rate of 4½% per year; for the purpose of building a bridge across the Caney Fork River near the bridge of the Tennessee Central Railroad Company. An appropriate tax levy was prescribed.
3. Private Acts of 1919, Chapter 768, authorized a bond issue of up to \$100,000, maximum interest rate of 6% per year, to mature within thirty years - for the purpose of constructing not more than six steel, concrete or wood bridges in DeKalb County at the locations specified in the Act. A tax levy was authorized. A five member County Bridge Commission and the County Judge would carry out the provisions of this Act.
4. Private Acts of 1931 (Ex. Sess.), Chapter 82, authorized a bond issue of up to \$20,000 for the sole purpose of repairing the bridge over the Caney Fork River at the site of the present Holmes Creek Bridge, with a maximum interest rate of 6% per year, to mature in not less than ten years nor more than thirty. A tax levy was authorized.

Buildings - Memorials

1. Private Acts of 1919, Chapter 799, authorized a bond issue not to exceed \$100,000 for the construction and maintenance of a new courthouse in the town of Smithville, with a maximum interest rate of 6% per annum to mature within 30 years. A tax levy was authorized. A five member Court House Finance and Executive Committee, appointed by the Quarterly Court, would carry out the provisions of this Act. This Act was amended by Private Acts of 1949, Chapter 807, by requiring a referendum in the City of Smithville.
2. Private Acts of 1943, Chapter 200, authorized a bond issue by DeKalb County and the City of Smithville of \$50,000 each, maximum interest rate of 5% per year, to mature within thirty years, for the purpose of constructing a joint County-City Building. DeKalb County had the option of proceeding independently and erecting a county building.

Debts

1. Private Acts of 1927, Chapter 105, authorized a bond issue not to exceed \$180,000 for the purpose of paying outstanding elementary school warrants, outstanding court house warrants and outstanding pike and bridge warrants, and to pay for the erection of two bridges now being built. Of the \$180,000, \$30,000 would be allocated to the school warrants and \$50,000 to court house warrants with the remainder to the bridges and bridge warrants. A majority vote at an election for this purpose was required. A tax levy was authorized. These bonds were to have a maximum interest rate of 6% per annum.
2. Private Acts of 1935, Chapter 183, provided that the Finance Committee and County Judge would be authorized to issue coupon notes for \$32,000 to pay outstanding indebtedness. These bonds were not taxable by the state or by any county or city and had a maximum interest rate of 5%, to mature within five years. The Quarterly County Court was empowered to levy a special property tax.
3. Private Acts of 1937, Chapter 62, validated the issuance of \$20,000 worth of funding bonds, which had an interest rate of 3¼%, dated January 1, 1937, by the Quarterly County Court. A tax levy was authorized.

Roads

1. Private Acts of 1919, Chapter 751, authorized a bond issue of not more than \$150,000, to be used for road construction, purchase, and repair along routes designated in the Act and approved

- by the Tennessee State Highway Commission with a maximum interest rate of 6% per year, to mature in not less than ten years. A tax levy was authorized. The State would supervise the road construction. The State was required to contribute one-half the cost before bonds could be issued.
2. Private Acts of 1925, Chapter 333, authorized a bond issue of up to \$30,000 for the purpose of purchasing turnpikes or toll bridges for free public use. These bonds had a maximum interest rate of 6% and were due not later than ten years from the date of their issuance. A tax levy was authorized.
 3. Private Acts of 1945, Chapter 518, provided for the issuance of bonds in the amount of up to \$75,000 for the improvement and construction of roads, highways and bridges, and the erection and repair of public buildings, maximum interest rate of 4% per annum, to mature within twenty years. A tax levy was authorized. This authorization to issue bonds would expire on January 1, 1947.
 4. Private Acts of 1953, Chapter 540, validated \$80,000 worth of bonds issued by the DeKalb County Quarterly Court for road purposes, dated November 1, 1952.

Schools

1. Private Acts of 1921, Chapter 659, authorized the Smithville Special School District to issue bonds not to exceed \$55,000, maximum interest rate of 6%, payable semi-annually, and maturing within twenty years for the purpose of acquiring additional school lands and the erection of a new school building. A referendum was required to approve the issuance and the County Court was empowered to levy a tax on property within the District.
2. Private Acts of 1923, Chapter 130, authorized the Smithville School Tax District to issue coupon bonds in an amount not exceeding \$40,000 for the purpose of purchasing a site, erecting and equipping a school building within the school district. A five member Building Committee was created to carry out the purposes of this Act.
3. Private Acts of 1931, Chapter 202, authorized the Smithville Special School District to issue bonds in the sum of \$12,000 to retire existing indebtedness. These bonds had a maximum interest rate of 6% and matured within six years. A referendum was required and provisions for a 50 cents per \$100 tax levy were included.
4. Private Acts of 1953, Chapter 541, validated Public School Building and Library Bonds issued by the Quarterly County Court on August 1, 1952 in the amount of \$125,000.
5. Private Acts of 1957, Chapter 270, attempted to authorize a bond issue of \$550,000 for school building and repair purposes but this was rejected by the Quarterly County Court.

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