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Bond Issues - Historical Notes

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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A listing of the acts which authorized various bond issues for Fentress County is included below for reference purposes, although these acts are no longer current.

Building

1. Private Acts of 1955, Chapter 38, authorized Fentress County to issue bonds in an amount not to exceed \$200,000 for the purpose of providing funds to be used to purchase a site and to erect a building in commemoration of members of the Armed Forces and Veterans of the various wars in which Tennesseans fought. The bonds were payable 30 years from the date of the act, bearing interest at a rate not to exceed five percent per year.

Courthouse

1. Acts of 1905, Chapter 127, authorized Fentress County to issue bonds to be sold and the proceeds from such sale were to be used to build a courthouse. The bond issue was not to exceed \$15,000 in denominations no less than \$100 and no more than \$1,000. Maturity of the bonds was not to exceed 20 years with a maximum interest rate of four percent annually. A tax levy to pay for the bonds was authorized.

Debts

1. Private Acts of 1929, Chapter 100, authorized Fentress County to issue bonds in an amount not to exceed \$75,000. The purpose of the bond issue was to pay the floating outstanding indebtedness of Fentress County, which included warrants issued for the common school, high school, road, bridge, and for any other general county purposes. The maximum interest rate would be five percent and the maximum maturity date would be 20 years from issuance. It authorized a tax levy to pay for the bonds.
2. Private Acts of 1931, Chapter 25, authorized Fentress County to issue bonds in an amount not to exceed \$100,000. The purpose of the bond issue was to pay the outstanding indebtedness of Fentress County, which included warrants issued for the common school, high school, road, bridge, and for any other general county purposes. The bonds issued under this act matured forty years after the date of issue, bearing interest at a rate not to exceed six percent. The Quarterly County Court was authorized to levy a tax upon all taxable property to pay for the bonds.
3. Private Acts of 1943, Chapter 215, authorized Fentress County to issue bonds not to exceed \$40,000. The purpose of the bond issue was to fund the outstanding floating indebtedness and the interest on the indebtedness owed by the County. The Quarterly County Court was authorized by this act to levy a tax without limits upon all taxable property during the life of the bonds.

Hospital

1. Private Acts of 1957, Chapter 27, authorized the Quarterly County Courts of Fentress County to borrow money and to issue and sell bonds. The purpose of this bond issue was to provide funds to construct, acquire and maintain and operate a county hospital in Fentress County. The bonds matured forty years from the date of issue, bearing an interest rate not to exceed six percent annually. A tax levy was authorized to pay the interest on the bonds.

Jail

1. Public Acts of 1893, Chapter 69, authorized Fentress County to issue bonds in an amount not to exceed \$5,000 for the purpose of erecting and furnishing a county jail and in meeting any outstanding indebtedness. The maximum interest rate would be six percent and the maximum maturity date would be 15 years from the date of issue. The County Court was assigned the duty of levying a tax on the taxable property for the purpose of paying the accrued interest.

Public works

1. Private Acts of 1953, Chapter 331, authorized Fentress County to construct, acquire, extend, repair, and improve water mains, water storage facilities, and fire protection systems. The resolution of the quarterly County Court authorized a bond issue in an unspecified amount at six percent per year and maturing not more than 40 years after the date of issuance.

Refunding

1. Private Acts of 1915, Chapter 130, enabled Fentress County to issue bonds in the amount of \$10,000 for the purpose of refunding the amount of an issue of bonds issued under Acts of 1905, Chapter 127, herein, which authorized the construction of the county courthouse. The interest rate for \$10,000 bond issue was five percent per year, and maturity was ten years from the date

of issuance.

Roads

1. Private Acts of 1915, Chapter 356, authorized Fentress County to issue bonds in the amount of \$150,000 maturing forty years from the issuance for the purpose of building macadamized roads throughout the county. The interest rate for the bond issue was five percent per year. The Quarterly Court was authorized to levy a tax each year on all the taxable property to pay the interest on the bonds. Five individuals were also appointed as Commissioners charged with carrying out the provisions of this act.
2. Private Acts of 1919, Chapter 788, authorized Fentress County to issue bonds in the amount of \$75,000 for the purpose of laying out, grading, and draining designated roads. The bonds were payable twenty years from the date of issuance at a maximum interest rate of five percent. The act authorized the election of five Road Commissioners, who were authorized to demand and receive the bonds. The Commissioners were also given the duties of overseeing the construction of the roads. Before entering their duties, the Commissioners were required to jointly execute a bond with a surety company in the sum of \$75,000 and take an oath of office. The County Court was authorized to levy a tax to pay the interest on the bonds.
3. Private Acts of 1927, Chapter 770, authorized Fentress County to issue bonds in the amount of \$200,000. The proceeds of the sale were handled by County Trustee. A tax on taxable property was allowed provided that no tax levy would be made for the purpose of paying the interest on the bonds, unless the amount paid, agreed to be paid, or refunded to the County by the State of Tennessee was insufficient to pay the principal of said bonds and interest.
4. Private Acts of 1927, Chapter 789, authorized Fentress County to issue bonds in the amount of \$400,000 for highway construction at five percent interest, maturing forty years from the date of issuance with a maximum interest rate of five percent. The proceeds of the sale were to be used in the construction of State Aid Roads in Fentress County.

Schools

1. Acts of 1907, Chapter 284, authorized Fentress County to issue bonds in the amount of \$10,000 for the purpose of purchasing grounds and erecting a building in which to teach a high school in Fentress County. The bonds were payable 20 years from the date of the act, bearing interest at a rate not to exceed six percent per year. The Quarterly Court had the duty to levy a tax on the taxable property to pay the interest on the bonds. The Trustee had the responsibility to collect the tax.
2. Private Acts of 1937, Chapter 408, authorized Fentress County to issue bonds in the amount of \$10,000 for the purpose of building and equipping a public school in the 4th Civil District of the county. The residue from the bonds was placed in the common school fund of the county. W.P.A. was contracted to provide repairs or improvements on the school. The interest rate on the bonds was six percent per year and the maturity date was to be fixed by the Quarterly County Court. The Trustee was responsible for depositing the proceeds of the sale into the General School Fund. The Quarterly County Court had the duty to levy a tax on the taxable property to pay the interest on the bonds.
3. Private Acts of 1937 (2nd Ex. Sess.), Chapter 21, amended Private Acts of 1937, Chapter 408, above, by authorizing the issuance of bonds in sums of \$100, \$500, \$1,000, \$5,000 or in one bond of \$10,000. This act further amended the above act by refusing to allow the county the right to redeem the bonds as it saw fit.

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