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authorized various bond issues for Hardin County is included below for reference purposes, although these acts are no longer current.

Courthouse

1. Acts of 1905, Chapter 312, allowed the Quarterly County Court of Hardin County to issue bonds in an amount up to \$25,000, at an interest rate not to exceed six percent and on a maturity schedule no longer than twenty-five years for the purpose of building a court house in Savannah. A committee of five would be appointed to sell the bonds and to supervise the expenditures. Records were required to be kept and a special tax to be levied to pay for the bonds. The tax would not exceed fifteen cents per \$100 property valuation, and ten cents on each poll.

County Buildings

1. Private Acts of 1945, Chapter 19, ratified and validated all the proceedings of the Quarterly County Court of Hardin County in connection with the issuance of bonds in the aggregate amount of \$70,000. The County Building Bonds, dated December 1, 1944, carried a two and one-half per cent interest rate. The Quarterly County Court was required to levy a tax sufficient for payment of the bonds.
2. Private Acts of 1957, Chapter 10, allowed the Quarterly County Court of Hardin County to borrow up to \$12,000, and to execute a note or notes to the lender, for the purpose of paying, settling, or compromising claims and debts arising from the construction of a county building at Saltillo. Maturity dates would not go beyond 12 years, nor the interest rate exceed six per cent. The Trustee was required to collect the proceeds and pay them out upon warrant of the County Judge. The act was not presented to the Hardin County Court for ratification and did not become effective.

Debts

1. Public Acts of 1866-67, Chapter 41, Section 5, authorized the County Court of Hawkins County to issue coupon bonds upon approval by a two-thirds vote of the Court in the amount of the indebtedness of the County. No part of the proceeds of sale could be used to pay a debt which was incurred in aid of the recent rebellion. Section 5 of the act extended the same privileges to Wayne County and Hardin County.
2. Private Acts of 1931, Chapter 248, authorized Hardin County to execute short-term notes in an amount not to exceed \$40,000 and secure the pay back of such notes by assigning to the holder of the notes the obligation owing Hardin County by Caldwell and Company of Nashville. Hardin County had previously deposited funds with that company.
3. Private Acts of 1937, Chapter 132, validated all prior actions had by the Quarterly County Court of Hardin County in connection with the issuance of \$45,000 worth of Funding Bonds, dated January 1, 1937. \$5,000 in bonds would mature in 1938, and \$4,000 worth of bonds would mature annually for the next ten years, all bearing four and one-half percent interest. They were declared to be the incontestable obligations of the County and the Quarterly County Court was required to levy an annual tax for the purpose of creating a sinking fund to pay the principal and interest when due.
4. Private Acts of 1939, Chapter 584, validated and ratified the proceedings of the Hardin County Quarterly County Court with reference to the issuance by the Court of bonds in the amount of \$60,000. The bonds were dated May 1, 1938 and were called Funding Bonds of Hardin County, Tennessee. They carried an interest rate of four and one-half percent per year and the last series matured in 1964. The act required that a tax be levied sufficient to pay for the bonds.

Railroad

1. Private Acts of 1917, Chapter 84, authorized Hardin County to issue bonds in the sum of \$150,000 so that the County could subscribe to and purchase \$150,000 worth of stock in the Wayne-Hardin Railroad Company. The County could issue the bonds at five percent interest to the Railroad Company directly or, alternatively, the County could issue the bonds at interest not exceeding six percent per year and apply the cash proceeds of sale to the purchase of the stock. The authority was granted the County following a referendum in which the stock purchase was approved by County voters.

Roads

1. Private Acts of 1917, Chapter 10, validated and confirmed the proceedings of the Hardin County

Quarterly Court in connection with the issuance of \$100,000 in road improvement bonds, which were authorized by resolution dated April 13, 1916, and approved by a majority of the voters in an election held for that purpose. The act declared the bonds legal despite the failure of the court to publish a list of roads to be improved, as required by law at that time, and despite any other irregularity which may have occurred in the proceedings.

2. Private Acts of 1925, Chapter 657, validated and approved the issuance of bonds in the amount of \$155,000 bearing interest at five percent per year for the purpose of constructing certain roads in Hardin County in cooperation with the Department of Highways and Public Works.
3. Private Acts of 1929, Chapter 105, ratified and confirmed the proceedings of the Quarterly County Court of Hardin County with respect to the issuance of \$120,000 of Highway Bonds bearing a five per cent interest rate and payable at \$6,000 per year through 1946 despite any non-compliance with statutory provisions. The act required a tax levy to pay principal and interest when due.
4. Private Acts of 1929, Chapter 861, validated the actions of the Quarterly Court in issuing bonds in the amount of \$300,000 for road purposes bearing five per cent interest and maturing in 20 years. These bonds had been previously approved in a referendum by a two-thirds majority vote.
5. Private Acts of 1931, Chapter 247, authorized Hardin County, to issue interest bearing warrants in an amount not in excess of \$24,000. The proceeds from the sale of the warrants were to be used to pay off debts incurred in the construction of roads during the year 1930. The funds from a prior bond issue had been deposited in the Bank of Tennessee, as trustee, and the bank had failed. The warrants were to replace the funds.

Schools

1. Public Acts of 1911, Chapter 60, authorized Tennessee Counties of 190,000 population and under, including Hardin County, to issue school bonds in denominations as high as \$100,000, bearing interest at five percent and maturing no later than twenty-five years after issue date.
2. Private Acts of 1923, Chapter 445, validated and confirmed the action of the Quarterly County Court of Hardin County in passing a resolution ordering the issuance of bonds in the amount of \$35,000 for the purpose of funding the Central High School building. The bonds carried an interest rate of five percent per year and matured within twenty-five years of issue date.
3. Private Acts of 1925, Chapter 59, validated the issuance of Hardin County warrants in the total amount of \$16,000 for the purpose of completing the Central High School Building and equipping and furnishing the building.
4. Private Acts of 1925, Chapter 609, ratified the issuance of bonds by the Quarterly Court of Hardin County for the purpose of funding the construction of the building for Central High School. The voters of the County had approved the bonds in a special election. The issue was in the total amount of \$25,000.
5. Private Acts of 1935, Chapter 718, allowed the County Board of Education in Hardin County to borrow up to \$45,000 at interest of six per cent, or less, to pay off and discharge outstanding school debts. The Board was permitted to pledge as security for repayment of the debt the taxes which were then delinquent. The term of the loan would not exceed nine months.
6. Private Acts of 1939, Chapter 25, validated the issuance of bonds in the amount of \$36,000 and called the Elementary School Building Bonds, which was part of the Public Works program of the U. S. Government. The bonds were dated January 15, 1939, and carried an interest rate of four and one-half per cent or less.
7. Private Acts of 1939, Chapter 40, validated all prior proceedings of the Hardin County Quarterly County Court in relation to the issuance of interest-bearing, general County Warrants in the amount of \$12,000 to build a gymnasium at Savannah's Central High School, and \$4,000 for a gymnasium at Saltillo High School.
8. Private Acts of 1939, Chapter 172, validated the proceedings of the Quarterly County Court in issuing \$36,000 worth of Elementary School Bonds, dated January 15, 1939, and maturing in specified amounts through January 15, 1953, at four and one-half per cent interest. A tax levy was authorized to support the bond issuance.
9. Private Acts of 1939, Chapter 585, directed the County Judge and the County Court Clerk of Hardin County to issue bonds in the amount of \$16,000 at four and three-fourths per cent interest or less, of which \$12,000 would be used for a gymnasium at Savannah and \$4,000 for a gymnasium at Saltillo. The actual form of the bonds and all the essential details were prescribed in the act, and a tax levy was required to pay for the bonds.
10. Private Acts of 1941, Chapter 89, validated and ratified the issuance by Hardin County of \$30,000

worth of school bonds dated October 1, 1940 and bearing interest at the rate of six per cent per year.

11. Private Acts of 1945, Chapter 431, validated and ratified the issuance by the County Court of \$10,000 in school warrants, with interest payable at three per cent per year and with a maturity schedule ending in 1948.

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