

3/24/14

11:01 A.M.

Chapter No. 920  
14/SS02/R1049  
aj /LR/Rc

**SENATE BILL NO. 2929**

Originated in Senate Liz Welch Secretary

SENATE BILL NO. 2929

AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF ABBEVILLE, MISSISSIPPI, TO BORROW MONEY IN AN AMOUNT NOT TO EXCEED \$200,000.00 FOR THE PURPOSE OF PURCHASING THE ABBEVILLE WATER ASSOCIATION; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

**SECTION 1.** The governing authorities of the Town of Abbeville, Mississippi, in their discretion, may borrow money in an amount not to exceed Two Hundred Thousand Dollars (\$200,000.00) for the purpose of purchasing the Abbeville Water Association.

**SECTION 2.** (1) Before any money is borrowed under this act, the governing authorities shall adopt a resolution declaring the necessity for such borrowing and specifying the purpose for which the money borrowed is to be expended, the amount to be borrowed, the date or dates of the maturity thereof, and how the indebtedness is to be evidenced. The resolution shall be certified over the signature of the mayor of the municipality.

(2) The borrowing shall be evidenced by negotiable notes or certificates of indebtedness of the municipality which shall be

signed by the mayor and clerk of the municipality. All such notes or certificates of indebtedness shall be offered at public sale by the governing authorities after not less than ten (10) days' advertising in a newspaper having general circulation within the Town of Abbeville. Sale of the notes or certificates of indebtedness shall be made to the bidder offering the lowest rate of interest or whose bid represents the lowest net cost to the municipality; however, the rate of interest shall not exceed that authorized in Section 75-17-101, Mississippi Code of 1972. No such notes or certificates of indebtedness shall be issued and sold for less than par and accrued interest. All notes or certificates of indebtedness shall mature in approximately equal installments of principal and interest over a period not to exceed ten (10) years from the date of the issuance. Principal shall be payable annually, and interest shall be payable annually or semiannually; however, the first payment of principal or interest may be for any period not exceeding one (1) year. Notes or certificates of indebtedness shall be issued in the form and denominations determined by the governing authorities and may be made payable at the office of any bank or trust company selected by the governing authorities. In such case, funds for the payment of principal and interest due thereon shall be provided in the same manner provided by law for the payment of the principal and interest due on bonds issued by the governing authorities.

(3) For the prompt payment of notes or certificates of indebtedness at maturity, both principal and interest, the full faith, credit and resources of the municipality are pledged. If the municipality does not have available funds in an amount sufficient to provide for the payment of principal and interest according to the terms of such notes or certificates of indebtedness, then the governing authorities shall annually levy a special tax upon all of the taxable property in the municipality at a rate the avails of which will be sufficient to provide such payment. Funds derived from the tax shall be paid into a sinking fund and used exclusively for the payment of principal of and interest on the notes or certificates of indebtedness. Until needed for expenditure, money in the sinking fund may be invested in the same manner as the governing authorities are elsewhere authorized by law to invest surplus funds.

**SECTION 3.** The proceeds of any notes or certificates of indebtedness issued under this act shall be placed in a special fund and shall be expended only for the purpose or purposes for which they were issued as shown by the resolution authorizing the issuance. If a balance remains of the proceeds of the notes or certificates of indebtedness after the purpose or purposes for which they were issued have been accomplished, the balance shall be used to pay such obligations at or before maturity and may be transferred to any sinking fund previously established for the payment thereof.

Proceeds from the sale of notes or certificates of indebtedness not immediately necessary for expenditure shall be invested in the same manner as surplus funds of the municipality may be invested.

**SECTION 4.** The governing authorities may expend any available funds in the general fund of the municipality to pay the notes or certificates of indebtedness issued pursuant to this act.

**SECTION 5.** This act, without reference to any other statute not referred to herein, shall be deemed to be full and complete authority for the borrowing of money as authorized by the governing authorities, shall be construed as an additional and alternate method to those allowed by law and shall not prohibit the use of such funds in combination with any other funds that may be lawfully expended for such purposes.

**SECTION 6.** The governing authorities may adopt any lawful resolutions, orders and/or ordinances to do and perform any acts or things necessary and requisite to carry out the purposes of this act.

**SECTION 7.** This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE  
March 4, 2014



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PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES  
March 13, 2014



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SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



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GOVERNOR

3/24/14 11:01am