3/14/12 11:01 A.M.

Chapter No. 909
14/SS01/R759
CRL / TB/RC

SENATE BILL NO. 2930

Originated in Senate Liz Welch Secretary

SENATE BILL NO. 2930

AN ACT TO AMEND CHAPTER 912, LOCAL AND PRIVATE LAWS OF 2013, WHICH AUTHORIZES THE BOARD OF SUPERVISORS OF COAHOMA COUNTY, MISSISSIPPI, TO ESTABLISH THE COAHOMA COUNTY RESERVE AND TRUST FUND, TO PROVIDE THAT THE BOARD OF TRUSTEES OF THE FUND MAY DELEGATE TO INVESTMENT ADVISORS THE POWER TO ASSIGN, TRANSFER AND DISPOSE OF ANY OF THE SECURITIES AND INVESTMENTS OF THE FUND; TO MAKE IT CLEAR THAT THE EARNINGS COMPONENT OF THE FUND SHALL BE COMPOSED OF ALL INCOME EARNED ON THE CORPUS COMPONENT OF THE FUND; TO PROVIDE THAT IF THE EARNINGS COMPONENT IS INSUFFICIENT TO PAY THE AMOUNTS REQUIRED IN CONNECTION WITH THE MANAGEMENT BY THE TRUSTEES OF THE FUND, THE CORPUS COMPONENT MAY BE UTILIZED TO PAY SUCH AMOUNTS; TO PROVIDE THAT THE EARNINGS COMPONENT SHALL BE TRANSFERRED FROM THE FUND TO THE GENERAL FUND OF THE COUNTY AT THE DIRECTION OF THE BOARD OF SUPERVISORS; AND FOR RELATED PURPOSES.

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

SECTION 1. Chapter 912, Local and Private Laws of 2013, is amended as follows:

Section 1. It is hereby determined and declared that for the benefit of the people of Coahoma County, Mississippi, for the continued improvement and maintenance of Coahoma County and for providing for the fiscal security and sustained revenue for the county and its citizens, that it is the purpose of this act to establish an alternative method to make funds available to fulfill

these obligations and important and prudent purposes by authorizing the creation, operation, administration and governance of the Coahoma County Reserve and Trust Fund, through which the ongoing needs of the county shall be met, ongoing improvements to the county be made and the quality and welfare of all residents of Coahoma County will be increased, all to the public benefit and good, as more fully provided in this act. This act shall apply only to the funds creating the Coahoma County Reserve and Trust Fund as more fully provided in this act.

Section 2. As used in this act, unless a different meaning clearly appears in the context, the following terms shall have the following meaning:

(a) "County" means Coahoma County, Mississippi, acting by and through its board of supervisors.

(b) "Clerk" means the clerk of the Board of Supervisors of Coahoma County.

(c) "Governing authorities" means the Board of Supervisors of Coahoma County.

(d) "Fund" means the Coahoma County Reserve and Trust Fund established by this act for the deposit of all or part, in amounts to be determined by the board of supervisors, of the lease proceeds received by the county as a result of the lease of the real and personal property related to the Northwest Mississippi Regional Medical Center, located in Clarksdale, Coahoma County, Mississippi.

(e) "Trustees" means the Coahoma County Board of Supervisors acting in the position of trustees of the fund.

(f) "Income" means all capital gains, interest and dividends derived from the investment of monies in the fund.

Section 3. The governing authorities are authorized to establish the Coahoma County Reserve and Trust Fund. The governing authorities are authorized to deposit into the fund all or a portion of the proceeds received by the county as a result of the lease of the real and personal property related to the Northwest Mississippi Regional Medical Center, dated December 28, 1995, and any income from the investment of those funds.

Section 4. (1) There is established the Board of Trustees of the Coahoma County Reserve and Trust Fund. The fund shall be administered, managed, invested and governed by the board of trustees.

(2) The governing authorities are authorized to delegate the administration and management of the fund to the trustees and the trustees are hereby authorized to manage and invest the fund as provided in this act.

(3) The governing authorities are authorized to appoint three (3) individuals to an advisory committee who shall possess the level of knowledge and skill in investment strategies as necessary, in the discretion of the governing authorities, to provide ongoing advice to the board of trustees in the proper management of the fund. The term of office of members of the

advisory committee shall be concurrent with the term of office of the Board of Supervisors of Coahoma County.

(4) The board of trustees shall be the Board of Supervisors of Coahoma County.

(5) The president and vice president of the board of supervisors shall act in the same capacity on the board of trustees.

(6) The board of trustees shall administer and manage the fund, manage the principal and interest income of the fund and establish a comprehensive investment plan for the purposes of this act, with the assistance and advice of the advisory committee. The comprehensive investment plan shall specify the policies to be utilized by the board of trustees in its administration of the fund. The board of trustees shall invest the fund in any of the investments authorized for the Mississippi Prepaid Affordable College Tuition Program under Section 37-155-9, Mississippi Code of 1972, as it may be amended from time to time, and those investments shall be subject to the limitations prescribed by Section 37-155-9, except the fund shall be restricted from investments in the covered call- and put-options allowed in Section 37-155-9(v)(xi), or in the pooled or commingled real estate funds or real estate securities as outlined in Section 37-155-9(v)(xiii).

(7) In furtherance of the powers granted in this section, the board of trustees shall have such powers as necessary or

convenient to carry out the purposes and provisions of this act, including, but not limited to, the following express powers:

(a) To contract for necessary goods and services, to employ necessary personnel, and to engage the services of investment advisors, consultants for fund management, administrative and technical assistance in carrying out its duties and responsibilities in administering the fund;

(b) To administer the fund in a manner that is sufficiently actuarially sound to meet the obligations of this act;

(c) Subject to the terms, conditions, limitations and restrictions specified in Section 37-155-9 and those set forth in this section, the board of trustees shall have the power to sell, assign, transfer and dispose of any of the securities and investments of the fund, and shall have full authority to delegate this authority to investment advisors, provided that any such sale, assignment * * *, transfer or delegation has the majority approval of the entire board of trustees; and

(d) To annually prepare, or cause to be prepared, a report setting forth in appropriate detail an accounting of the fund and a description of the financial condition of the fund at the close of each fiscal year. The report shall be submitted to the governing authorities on or before July 1 of each year. In addition, at all times, the governing authorities shall have the

right upon reasonable notice to review, inspect and/or audit fund records and accounts maintained by the trustees.

Section 5. The fund shall be invested and disbursed as follows:

(a) The fund shall be divided into two (2) components:

(i) The corpus component; and

(ii) The earnings component.

(b) The corpus component of the fund shall consist of the funds deposited as set out in Section 3 of this act, and additional subsequent deposits from the annual income earned from the investment of the fund. Except as otherwise provided in this act, the corpus shall be inviolate and maintained and used to generate interest income and shall not be invaded or used by the trustees.

(c) The earnings component shall be composed of a percentage of the * * * income earned on the corpus component of the fund, and shall be * * * available for distribution by the trustees as described in this section.

(d) On or before July 1 of each year, the trustees shall determine the portion of the earnings component of the trust fund, and shall report to the governing authorities as set out in Section 4 of this act. Trustees are specifically given the power to expend from the earnings component or corpus component, if the earnings component is insufficient, to pay the amounts required in connection with the management by the trustees of the fund,

including, but not limited to, payments for accounting fees, legal fees and investment advisor or fund-management fees. These expenditures shall be included in the full report as required in Section 4 of this act.

(e) An amount not to exceed one hundred percent (100%) of the earnings component shall be transferred from the fund to the general fund of the county at the direction of the * * * board of supervisors and shall be available for appropriation and spending in the same manner as provided for the expending of earned interest in Section 3, Chapter 927, Local and Private Laws of 1999, as it may be amended from time to time. That portion of the earnings component not transferred to the county for such general purposes shall remain in the fund and be added to, and be considered a part of, the corpus component for the ensuing fiscal years.

Section 6. (1) In addition to the disbursements provided in Section 5 of this act, the board of supervisors, upon a majority vote, is authorized to withdraw monies from the corpus component of the trust:

(a) In an amount not to exceed five percent (5%) during each fiscal year;

(b) In any amount in the event a state emergency or local emergency has been declared under federal, state or local law;

(2) In the event of withdrawal of any portion of the corpus component by the county pursuant to subsection (1) of this section, annual disbursements by the trustees of the earnings components authorized in Section 5 of this act shall cease and all income shall be retained by the trustees and repaid to the corpus until such time as the corpus component equals its full amount prior to the withdrawal, at which time disbursement of earnings component in accordance with Section 5 of this act may continue.

Section 7. In the event the monies in the trust account equals a zero balance, the trust will thereupon be dissolved and the act shall be repealed.

SECTION 2. This act shall take effect and be in force from and after its passage.

PASSED BY THE SENATE
February 25, 2014

Tate Reeves

PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 10, 2014

Philip Gunn

SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR

Phil Bryant

GOVERNOR

3/19/2014 11:01 am