458D.14 BONDS, CERTIFICATES AND OTHER OBLIGATIONS.

Subdivision 1. **Budget anticipation certificates.** At any time or times after adoption of its annual budget and in anticipation of the collection of tax and other revenues estimated and set forth by the board in such budget, except (a) taxes already anticipated by the issuance of certificates under subdivision 2, (b) deficiency taxes levied pursuant to this subdivision, and (c) taxes levied for the payment of certificates issued pursuant to subdivision 3, the board may, by resolution, authorize the issuance, negotiation and sale in accordance with subdivision 5 in such form and manner and upon such terms as it may determine of its negotiable general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of such tax collections and other revenues and maturing not later than three months after the close of the budget year in which issued. The proceeds of the sale of such certificates shall be used solely for the purposes for which such tax collections and other revenues are to be expended pursuant to such budget. All such tax collections and other revenues included in the budget for such budget year, after the expenditure of such tax collections and other revenues in accordance with the budget, shall be irrevocably pledged and appropriated to a special fund to pay the principal and interest on the certificates when due. If for any reason such tax collections and other revenues are insufficient to pay the certificates and interest when due, the board shall levy a tax in the amount of the deficiency on all taxable property in the district and shall appropriate this amount when received to the special fund.

Subd. 2. MS 1996 [Repealed, 1998 c 254 art 1 s 89]

Subd. 3. **Emergency certificates.** If in any budget year the receipts of tax and other revenues should for some unforeseen cause become insufficient to pay the board's current expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary expenditures, the board may by resolution authorize the issuance, negotiation, and sale in accordance with subdivision 5 in such form and manner and upon such terms and conditions as it may determine of its negotiable general obligation certificates of indebtedness in an amount sufficient to meet such deficiency and the board shall forthwith levy on all taxable property in the district a tax sufficient to pay the certificates and interest thereon, and shall appropriate all collections of such tax to a special fund created for the payment of such certificates and the interest thereon. Certificates issued under this subdivision shall mature not later than April 1 in the year following the year in which such tax is collectible.

Subd. 4. **General obligation bonds.** The board may by resolution authorize the issuance of general obligation bonds for the acquisition or betterment of any part of the district disposal system, including but without limitation the payment of interest during construction and for a reasonable period thereafter and the establishment of reserves for bond payments and for working capital, or for the refunding of outstanding bonds, certificates of indebtedness, or judgments. The board shall pledge its full faith and credit and taxing powers for the payment of such bonds and provide for the issuance and sale and for the security of such bonds in the manner provided in chapter 475, and shall have the same powers and duties as a municipality issuing bonds under that law, except that no election shall be required and the debt limitations of chapter 475, shall not apply to such bonds. The board may also pledge for the payment of such bonds any revenues receivable under section 458D.11.

Subd. 5. **Manner of sale and issuance of certificates.** Certificates issued under subdivisions 1, 2, and 3 may be issued and sold by negotiation, without public sale, and may be sold at a price equal to such percentage of the par value thereof, plus accrued interest, and bearing interest at such rate or rates as may be determined by the board. No election shall be required to authorize the issuance of such certificates. Such

certificates shall bear the same rate of interest after maturity as before and the full faith and credit and taxing power of the board shall be pledged to the payment of such certificates.

History: *1971 c 478 s 13*