

220.370 Borrowing money for preliminary expense.

To facilitate the preliminary work and payment of that work, the board of directors may borrow money for the district at a rate or rates or method of determining rates as they may determine, and may issue and sell, or deliver directly to its creditors, negotiable warrants signed for the district by the members of the board of directors. The board may pledge the preliminary tax authorized by KRS 220.360, less a reasonable allowance for interest, after the tax has been levied, for the repayment of the warrants. If any warrant is presented for payment and is not paid for want of funds in the Treasury, that fact, with the date of refusal to pay, shall be indorsed on the back of the warrant, and the warrant shall then draw interest at the rate or rates or method of determining rates set out in this section until there is money on hand, derived from the tax levy, sufficient to pay the amount of the warrant with interest.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 53, effective July 15, 1996. --
Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat.
sec. 2062g-38.