

220.500 Subsequent issue of bonds for additions and improvements.

A sanitation district acquiring any sanitary works under the provisions of KRS 220.010 to 220.520 may provide for the extension, addition or improvement of the works by an additional issue or issues of bonds, in the same manner as for the original bonds. Such bonds shall be junior in standing to the bonds of the original issue, and shall constitute a second lien upon the revenues of the district, secured by a second statutory mortgage lien upon the property of the district, and an additional bond and interest payment fund shall be established by resolution at the time of the issuance of such second lien bonds. Any surplus of funds that would otherwise be placed in the depreciation account shall be placed in the bond and interest payment fund for the payment of the principal and interest of such second lien bonds. The rates for services charged to the users of the works of the district may be increased to provide the additional revenue necessary to amortize such second lien bonds.

Effective: October 1, 1942

History: Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 2062g-52.