

**11-32-5 Bonds authorized to pay costs of purchase of delinquent tax receivables.**

- (1) A financing authority may issue and sell its bonds on behalf of the participant members for the purpose of:
  - (a) paying the costs of purchasing the delinquent tax receivables of the participant members;
  - (b) paying the costs associated with the issuance of the bonds, including fees and premiums for letters of credit, bond insurance, or other forms of credit enhancement; and
  - (c) funding any reserve funds with respect to the bonds.
- (2) The aggregate principal amount of any bonds issued pursuant to this section may not exceed 90% of the delinquent tax receivables to be purchased with the proceeds of the bonds.
- (3) Bonds shall be fully negotiable for all purposes, shall bear such date or dates, shall be issued in such denominations and in such form, shall be serial bonds or term bonds, or both, shall mature at such times not exceeding 4-1/2 years from date of issue, shall bear such interest rate or rates, shall have such registration privileges, shall be executed in such manner, and shall be payable at such places and in such medium of payment as specified by the board of trustees of the financing authority in the proceedings authorizing the bonds.
- (4) The bonds may bear interest at a variable interest rate as the board of trustees may authorize. The board of trustees may establish a method, formula, or index pursuant to which the interest rate on the bonds may be determined from time to time.
- (5) The board of trustees of the financing authority may provide for an option to redeem all or a part of the bonds issued prior to maturity upon terms established by it. The bonds shall be sold at public or private sale upon the terms, in the manner, and at such prices, either at, in excess of, or below their face value, as determined by the board of trustees of the financing authority. Bonds may be issued in one or more series. No person executing any bond or assignment agreement under this chapter is subject to personal liability or accountability by reason of this. Bonds shall be authorized, executed, and issued in accordance with this chapter, the articles of incorporation, and the bylaws of the financing authority. No bonds may be issued by a financing authority unless the issuance of the bonds and the terms of the bonds have been approved by the governing body of the county.

Enacted by Chapter 143, 1987 General Session