START\_STATUTE15-1022.  Tax levy for bonds; administration and disposition of tax; cancellation of paid bonds; security

A.  The board of supervisors, at the time of making the levy of taxes for county purposes, shall levy a tax for the year on the taxable property in a school district or former school district canceled by election, which has outstanding school bonds for the interest and redemption of the bonds. The tax shall not be less than sufficient to pay the interest of the bonds for the year and the portion of the principal of the bonds becoming due during the year and in any event shall be enough to raise, annually, for the first half of the term of the bonds a sufficient amount to pay the interest thereon, and during the remainder of the term enough to pay the annual interest and to pay, annually, a portion of the principal of the bonds equal to an amount produced by taking the whole amount of bonds outstanding and dividing it by the number of years the bonds then have to run.

B.  All monies, when collected, shall be paid into the county treasury to the credit of the debt service fund of the school district and shall be used only for payment of principal and interest on the bonds. The county treasurer shall keep the debt service fund separate from all other funds in the county treasury.  The principal and interest on the bonds shall be paid by the county treasurer from the fund provided therefor.

C.  The county treasurer or the treasurer's designated agent shall cancel all bonds and coupons when paid.

D.  All bonds, heretofore and hereafter issued, are secured by a lien on all revenues received pursuant to the tax levy.  The lien arises automatically without the need for any action or authorization by the school district, the school district's governing board or the county treasurer. The lien is valid and binding from the time of the issuance of the bonds.  The revenues received pursuant to the levy of the tax are immediately subject to the lien.  The lien attaches immediately to the revenues and is effective, binding and enforceable against the school district, the school district's governing board and the county treasurer, their successors, transferees and creditors and all other parties asserting rights in the revenues, irrespective of whether the parties have notice of the lien, without the need for any physical delivery, recordation, filing or further act. END\_STATUTE