

By: Representatives Paden, Stamps

To: Local and Private
Legislation

HOUSE BILL NO. 1703

1 AN ACT TO AMEND CHAPTER 912, LOCAL AND PRIVATE LAWS OF 2013,
 2 AS AMENDED BY CHAPTER 909, LOCAL AND PRIVATE LAWS OF 2014, AS
 3 AMENDED BY CHAPTER 918, LOCAL AND PRIVATE LAWS OF 2019, WHICH
 4 ESTABLISHES THE COAHOMA COUNTY RESERVE AND TRUST FUND, TO
 5 AUTHORIZE THE COAHOMA COUNTY BOARD OF SUPERVISORS, WHICH IS THE
 6 TRUSTEE OF THE FUND, TO UTILIZE A CERTAIN AMOUNT OF THE FUND TO
 7 SUPPLEMENT THE COUNTY GENERAL FUND DURING FISCAL YEAR 2022-2023,
 8 DUE TO THE NONPAYMENT OF A CERTAIN LEASE; AND FOR RELATED
 9 PURPOSES.

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

11 **SECTION 1.** Chapter 912, Local and Private Laws of 2013, as
 12 amended by Chapter 909, Local and Private Laws of 2014, as amended
 13 by Chapter 918, Local and Private Laws of 2019, is amended as
 14 follows:

15 Section 1. It is hereby determined and declared that for the
 16 benefit of the people of Coahoma County, Mississippi, for the
 17 continued improvement and maintenance of Coahoma County and for
 18 providing for the fiscal security and sustained revenue for the
 19 county and its citizens, that it is the purpose of this act to
 20 establish an alternative method to make funds available to fulfill
 21 these obligations and important and prudent purposes by



22 authorizing the creation, operation, administration and governance
23 of the Coahoma County Reserve and Trust Fund, through which the
24 ongoing needs of the county shall be met, ongoing improvements to
25 the county be made and the quality and welfare of all residents of
26 Coahoma County will be increased, all to the public benefit and
27 good, as more fully provided in this act. This act shall apply
28 only to the funds creating the Coahoma County Reserve and Trust
29 Fund as more fully provided in this act.

30 Section 2. As used in this act, unless a different meaning
31 clearly appears in the context, the following terms shall have the
32 following meaning:

33 (a) "County" means Coahoma County, Mississippi, acting
34 by and through its board of supervisors.

35 (b) "Clerk" means the clerk of the Board of Supervisors
36 of Coahoma County.

37 (c) "Governing authorities" means the Board of
38 Supervisors of Coahoma County.

39 (d) "Fund" means the Coahoma County Reserve and Trust
40 Fund established by this act for the deposit of all or part, in
41 amounts to be determined by the board of supervisors, of the lease
42 proceeds received by the county as a result of the lease of the
43 real and personal property related to the Northwest Mississippi
44 Regional Medical Center, located in Clarksdale, Coahoma County,
45 Mississippi.



46 (e) "Trustees" means the Coahoma County Board of
47 Supervisors acting in the position of trustees of the fund.

48 (f) "Income" means all capital gains, interest and
49 dividends derived from the investment of monies in the fund.

50 Section 3. The governing authorities are authorized to
51 establish the Coahoma County Reserve and Trust Fund. The
52 governing authorities are authorized to deposit into the fund all
53 or a portion of the proceeds received by the county as a result of
54 the lease of the real and personal property related to the
55 Northwest Mississippi Regional Medical Center, dated December 28,
56 1995, and any income from the investment of those funds.

57 Section 4. (1) There is established the Board of Trustees
58 of the Coahoma County Reserve and Trust Fund. The fund shall be
59 administered, managed, invested and governed by the board of
60 trustees.

61 (2) The governing authorities are authorized to delegate the
62 administration and management of the fund to the trustees and the
63 trustees are hereby authorized to manage and invest the fund as
64 provided in this act.

65 (3) The governing authorities are authorized to appoint
66 three (3) individuals to an advisory committee who shall possess
67 the level of knowledge and skill in investment strategies as
68 necessary, in the discretion of the governing authorities, to
69 provide ongoing advice to the board of trustees in the proper
70 management of the fund. The term of office of members of the



71 advisory committee shall be concurrent with the term of office of
72 the Board of Supervisors of Coahoma County.

73 (4) The board of trustees shall be the Board of Supervisors
74 of Coahoma County.

75 (5) The president and vice president of the board of
76 supervisors shall act in the same capacity on the board of
77 trustees.

78 (6) The board of trustees shall administer and manage the
79 fund, manage the principal and interest income of the fund and
80 establish a comprehensive investment plan for the purposes of this
81 act, with the assistance and advice of the advisory committee.
82 The comprehensive investment plan shall specify the policies to be
83 utilized by the board of trustees in its administration of the
84 fund. The board of trustees shall invest the fund in any of the
85 investments authorized for the Mississippi Prepaid Affordable
86 College Tuition Program under Section 37-155-9, Mississippi Code
87 of 1972, as it may be amended from time to time, and those
88 investments shall be subject to the limitations prescribed by
89 Section 37-155-9, except the fund shall be restricted from
90 investments in the covered call- and put-options allowed in
91 Section 37-155-9(v) (xi), or in the pooled or commingled real
92 estate funds or real estate securities as outlined in Section
93 37-155-9(v) (xiii).

94 (7) In furtherance of the powers granted in this section,
95 the board of trustees shall have such powers as necessary or



96 convenient to carry out the purposes and provisions of this act,
97 including, but not limited to, the following express powers:

98 (a) To contract for necessary goods and services, to
99 employ necessary personnel, and to engage the services of
100 investment advisors, consultants for fund management,
101 administrative and technical assistance in carrying out its duties
102 and responsibilities in administering the fund;

103 (b) To administer the fund in a manner that is
104 sufficiently actuarially sound to meet the obligations of this
105 act;

106 (c) Subject to the terms, conditions, limitations and
107 restrictions specified in Section 37-155-9 and those set forth in
108 this section, the board of trustees shall have the power to sell,
109 assign, transfer and dispose of any of the securities and
110 investments of the fund, and shall have full authority to delegate
111 this authority to investment advisors, provided that any such
112 sale, assignment, transfer or delegation has the majority approval
113 of the entire board of trustees; and

114 (d) To annually prepare, or cause to be prepared, a
115 report setting forth in appropriate detail an accounting of the
116 fund and a description of the financial condition of the fund at
117 the close of each fiscal year. The report shall be submitted to
118 the governing authorities on or before July 1 of each year. In
119 addition, at all times, the governing authorities shall have the



120 right upon reasonable notice to review, inspect and/or audit fund
121 records and accounts maintained by the trustees.

122 Section 5. The fund shall be invested and disbursed as
123 follows:

124 (a) The fund shall be divided into two (2) components:

125 (i) The corpus component; and

126 (ii) The earnings component.

127 (b) The corpus component of the fund shall consist of
128 the funds deposited as set out in Section 3 of this act, and
129 additional subsequent deposits from the annual income earned from
130 the investment of the fund. Except as otherwise provided in this
131 act, the corpus shall be inviolate and maintained and used to
132 generate interest income and shall not be invaded or used by the
133 trustees.

134 (c) The earnings component shall be composed of a
135 percentage of the income earned on the corpus component of the
136 fund, and shall be available for distribution by the trustees as
137 described in this section.

138 (d) On or before July 1 of each year, the trustees
139 shall determine the portion of the earnings component of the trust
140 fund, and shall report to the governing authorities as set out in
141 Section 4 of this act. Trustees are specifically given the power
142 to expend from the earnings component or corpus component, if the
143 earnings component is insufficient, to pay the amounts required in
144 connection with the management by the trustees of the fund,



145 including, but not limited to, payments for accounting fees, legal
146 fees and investment advisor or fund-management fees. These
147 expenditures shall be included in the full report as required in
148 Section 4 of this act.

149 (e) An amount not to exceed one hundred percent (100%)
150 of the earnings component shall be transferred from the fund to
151 the general fund of the county at the direction of the board of
152 supervisors and shall be available for appropriation and spending
153 in the same manner as provided for the expending of earned
154 interest in Section 3, Chapter 927, Local and Private Laws of
155 1999, as it may be amended from time to time. That portion of the
156 earnings component not transferred to the county for such general
157 purposes shall remain in the fund and be added to, and be
158 considered a part of, the corpus component for the ensuing fiscal
159 years.

160 Section 6. (1) In addition to the disbursements provided in
161 Section 5 of this act, the board of supervisors, upon a majority
162 vote, is authorized to withdraw monies from the corpus component
163 of the trust:

164 (a) In an amount not to exceed five percent (5%) during
165 each fiscal year;

166 (b) In any amount in the event a state emergency or
167 local emergency has been declared under federal, state or local
168 law;



169 (c) In an amount not to exceed Five Hundred Thousand
170 Dollars (\$500,000.00) to supplement the county general fund for
171 fiscal year * * * 2022-2023 due to the nonpayment of the lease or
172 the delay of payment for the lease * * * by * * * Delta Health
173 Systems or its assignee. If any supplement is made to the county
174 general fund as specified under this paragraph, any lease payments
175 that are due and are received pursuant to the lease agreement
176 dated December 28, 1995, from the lease of the real and personal
177 property related to the Northwest Mississippi Regional Medical
178 Center shall be repaid to the fund.

179 (2) In the event of withdrawal of any portion of the corpus
180 component by the county pursuant to subsection (1) of this
181 section, annual disbursements by the trustees of the earnings
182 components authorized in Section 5 of this act shall cease and all
183 income shall be retained by the trustees and repaid to the corpus
184 until such time as the corpus component equals its full amount
185 prior to the withdrawal, at which time disbursement of earnings
186 component in accordance with Section 5 of this act may continue.

187 Section 7. In the event the monies in the trust account
188 equals a zero balance, the trust will thereupon be dissolved and
189 the act shall be repealed.

190 **SECTION 2.** This act shall take effect and be in force from
191 and after its passage.

