

Bond Case Briefs

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BOND VALIDATION - MISSISSIPPI

In re Lauderdale County

Supreme Court of Mississippi - August 20, 2015 - So.3d - 2015 WL 4945009

Objectors brought action against county board of supervisors to force election on the issuance of general obligation bonds, alleging board waived petition deadline by posting petition on the internet allowing signatories to remove their signatures after petition was submitted. The Chancery Court overruled the objection to bond validation, entered a validation judgment, and declined to require objectors to post a supersedeas bond for their appeal. Objectors appealed, and board cross-appealed.

The Supreme Court of Mississippi held that:

- Board did not waive deadline to file petition, and
- The Chancery Court did not abuse its discretion in declining request for supersedeas bond.

County board of supervisors did not waive initial deadline for objectors to file petition objecting to issuance of general obligation bonds by posting petition to a public forum on the internet for two weeks to ensure that signatories wanted their names on the petition, and allowing signatories to remove signatures if they so desired. Signatories had a right to withdraw their names before board finally heard the matter, board had duty to verify signatures on petition, and board did not publish names for an improper purpose or to actively persuade signatories to remove their names.

Chancery court did not abuse its discretion in declining county board of supervisors' request for supersedeas bond for objectors' appeal of judgment validating general obligation bonds. Even though stay of judgment was effectively accomplished merely by filing appeal, no stay was technically granted, no monetary judgment existed, board sought bond to cover damages and costs beyond the costs of litigation, judgment had no monetary basis on which court could have based bond amount, and court considered the potential costs to the parties.