

# **Bond Case Briefs**

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## **ANNEXATION - MISSISSIPPI**

### **Matter of Enlarging, Extending , and Defining Corporate Limits and Boundaries v. City of Laurel**

**Supreme Court of Mississippi - September 24, 2020 - So.3d - 2020 WL 5739303**

After city enacted ordinance annexing four parcels of real property, neighboring city contested the annexation of one part of one parcel and community association entered an appearance to contest the annexation of that entire parcel.

After annexing city stipulated to exclude the part contested by neighboring city, the Chancery Court entered judgment after a bench trial approving the annexation. Community association appealed.

The Supreme Court held that:

- Sufficient evidence supported chancellor's finding that city's internal growth favored annexation;
- Sufficient evidence supported chancellor's finding that city's population increase favored annexation;
- Sufficient evidence supported chancellor's finding that city's need for developable land favored annexation;
- Sufficient evidence supported chancellor's finding that increased traffic counts favored annexation;
- Sufficient evidence supported chancellor's finding that city's sales tax revenue history favored annexation;
- Sufficient evidence supported chancellor's finding that city's plans for implementing and fiscally carrying out the proposed annexation favored annexation; and
- Sufficient evidence supported chancellor's finding that city's bonding capacity favored annexation.

Sufficient evidence supported chancellor's finding that city's sales tax revenue history indicated that city had a reasonable financial ability to provide municipal services to real property it proposed to annex, as factor relevant to determining whether the proposed annexation was reasonable; though city's sales tax receipts had fluctuated, its receipts were trending upward, and expert witness testified that city's receipts for most recent year would exceed the amount budgeted by the city.

Sufficient evidence supported chancellor's finding that city's plans for implementing and fiscally carrying out its proposed annexation of real property indicated that city had a reasonable financial ability to provide municipal services to the property it proposed to annex, as factor relevant to determining whether the proposed annexation was reasonable; city undertook extensive planning, including with respect to water and sewer improvements, which was the only area about which community association that opposed the annexation complained.

Sufficient evidence supported chancellor's finding that city's bonding capacity indicated that city had a reasonable financial ability to provide municipal services to real property it proposed to annex, as factor relevant to determining whether the proposed annexation was reasonable; expert witness testified that city had more than \$5.6 million in bonding capacity, more than 18 years of clean audits, and an A-plus rating from rating agency.

