

deficit. Unless otherwise provided in the authorizing resolution, the additional bonds shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued for the same purpose.

(3) If the proceeds from the sale of any bond issue exceeds the amount required for the purpose for which the bonds have been issued, the Commission, by resolution, may apply the surplus either to payment of the cost of an additional project or projects or for the retirement of bonds of that issue, as provided in the authorizing resolution.

(4) Where the proceeds from the issue of bonds are expended for the cost of 1 or more projects, whether or not in one or more subdistricts, the Commission shall create separate capital accounts for each project, among which bond proceeds shall be divided and from which the separate costs of each project shall be paid.

(5) As soon as each project is completed, the special assessments or other charges imposed or made by the Commission with respect to the project shall be calculated in whatever manner as to provide a proportion of the annual debt service on the issue of bonds equal to the proportion of the proceeds of the issue expended on the project.

(c) (1) As a method of financing the cost of constructing a project in one or more subdistricts, the District may borrow money from a bank and issue and deliver the money as notes or bonds of the District.

(2) The notes or bonds issued under paragraph (1) of this subsection are of the District but not guaranteed by the County.

(3) All notes or bonds issued by the District under paragraph (1) of this subsection shall constitute obligations of the District, which the District shall pay in full.

(4) (i) Where the proceeds of a note or bond are expended for the costs of one or more projects, the Commission shall create separate capital accounts for each project.

(ii) The note or bond proceeds shall be divided among the separate capital accounts and the separate costs of each project shall be paid from the separate capital accounts.

(iii) As each project is completed, the special assessments or other charges imposed or made by the Commission shall be calculated to provide a proportion of the annual debt service on the issue of notes or bonds equal to the proportion of the proceeds expended on the project. (1957 Code, sec. 536. 1957, ch. 694, sec. 882; 1961, ch. 743, sec. 536; 1963, ch. 568, sec. 534(a); 1970, ch. 86, sec. 534(a); 1970 ed. sec. 28-7; 1984, ch. 289; 1987, ch. 679)

6-502. Revenue bonds; issue; form.

(a) Authorized. For the purpose of financing, in whole or in part, the cost of a project or projects in 1 or more subdistricts, the District, in addition to the authority and power conferred by [Section 6-501 of this title] § 6-501 OF THIS SUBTITLE, may