

FILE COPY

FAYETTE COUNTY LEGISLATIVE BODY

JULY 27, 2010

BE IT REMEMBERED that the Fayette County Legislative Body met in regular session at the Bill G. Kelley Criminal Justice Complex in Somerville, Tennessee, on the 27th day of June, 2010. Present and presiding was Chairman Rhea Taylor. Also present were the following: Sue W. Culver, County Clerk; James R. "Bobby" Riles, Sheriff; and the following County Commissioners: Ed Allen, Jo Ann Allen, Steve Anderson, Charles Brewer, Odis Cox, Lee "Sissy" Dowdle, Ron Gant, Willie German, Ronald Harris, Tom Karcher, Bill Kelley, David Lillard, Sylvester Logan, George McCloud, Claude Oglesby, Debbie Perkins, and Myles Wilson.

Joe B. Burnette, Jr and Larry Cook were absent. Seventeen Commissioners being present, a quorum was met.

The floor was opened to the public for comments on non-agenda items. With no one coming forth, the floor was closed.

Commissioner Logan moved that the minutes from the June 22, 2010 meeting be approved. The motion was seconded by Commissioner Kelley and passed unanimously.

The floor was opened for discussion regarding a proposed 20 mph speed limit on Fern Road in Somerville. With no one speaking "for" or "against" the matter the floor was closed. Commissioner McCloud then moved that the following resolution establishing the speed limit be approved. The motion was seconded by Commissioner Dowdle and passed unanimously as follows:

BE IT RESOLVED by the Board of County Commissioners and/or County Legislative Body of Fayette County, Tennessee, in regular session assembled on this 27th day of July, 2010, being the fourth Tuesday of said month and the regular monthly meeting date of the July said County Legislative Body, in the Criminal Justice Complex at Somerville, Tennessee, that pursuant to the provisions of Chapter No. 357 of the Private Acts of Tennessee 1967-68, and amendments thereto, it shall be unlawful for any person to operate or drive a motor vehicle in excess of twenty (20) MPH on Fern Road in it's entirety, from it's intersection with Hill Drive on the south to its intersection with Old Jackson Road on the north, a distance of 0.53 miles, being located in the 1st Civil District of Fayette County, Tennessee; and **BE IT FURTHER RESOLVED** that any person violating the provisions of this Resolution shall be guilty of a misdemeanor and punished accordingly.

John Pitner, Planning Director, submitted a summary of the amendments to the zoning ordinances for discussion. The floor was opened to the public for comments "for" or "against" the amendments. With no one coming forth the floor was closed.

Commissioner Joann Allen moved that the following amendments be adopted. The motion was seconded by Commissioner Gant, and passed unanimously as follows:

A RESOLUTION TO AMEND THE FAYETTE COUNTY ZONING RESOLUTION TO BETTER CORRESPOND SUBDIVISION CONFORMITY TO BUILDING PERMIT ISSUANCE; TO PREVENT MISINTERPRETATION OF THE RESIDENTIAL ROAD FRONTAGE REQUIREMENT; TO REVISE THE NUMBERING OF CERTAIN SECTIONS; TO SIMPLIFY CERTAIN SITE PLAN REQUIREMENTS; TO CORRECT CERTAIN TERMINOLOGY IN THE AIRPORT HEIGHT REGULATION DISTRICT; TO ELIMINATE THE AUTOMATIC ESCALATION OF REZONING FEES; AND TO AUTHORIZE THE BUILDING COMMISSIONER TO MAINTAIN CORRECT SECTION NUMBERING WITH APPROPRIATE OVERSIGHT AND RECORD-KEEPING

WHEREAS, pursuant to Tennessee Code Annotated Sections 13-7-101 and 13-7-102 the Fayette County Board of Commissioners has adopted a Zoning Resolution and Zoning Map for Fayette County; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 the Fayette County Board of Commissioners is empowered to amend the number, shape, boundary, area, or any regulation of or within any district or districts or any other provision of the zoning resolution; and

WHEREAS, pursuant to Article IV of the Fayette County Zoning Resolution a public hearing was held on the proposed Amendment by the Fayette County Regional Planning Commission on July 6, 2010, the time and place of which was published with at least five (5) days advance notice in the Fayette Falcon newspaper of general circulation in Fayette County; and

WHEREAS, pursuant to Tennessee Code Annotated Section 13-7-105 and Article IV of the Fayette County Zoning Resolution a public hearing was held before the Fayette County Board of Commissioners on July 27, 2010, the time and place of which was published with at least fifteen (15) days advance notice in the Fayette Falcon newspaper of general circulation in Fayette County;

NOW, THEREFORE, BE IT RESOLVED BY THE FAYETTE COUNTY BOARD OF COMMISSIONERS, IN REGULAR SESSION ASSEMBLED THIS 27th DAY OF JULY, 2010:

SECTION 1. That there be revised the third sentence of Article II – "Administration" in Section 1.2, "Issuance of Building Permit," which reads: "If the erection, alteration or moving proposed in the application conforms to the provisions of this Resolution and other Resolutions of Fayette County, Tennessee, the building commissioner shall issue a building permit for such building" to read: "If the erection, alteration or moving proposed in the application conforms to the provisions of this Resolution and other Resolutions of Fayette County, Tennessee, as well as comports with conformity to the Fayette County Subdivision Regulations, the building commissioner shall issue a building permit for such building."

and

SECTION 2. That there be revised Article V – "General Provisions" in Section 3 (road frontage), which reads: "No building shall be sited on a lot of record that does not abut at least one (1) public road for at least fifty (50) feet, provided that this section shall not apply to a lot of record abutting a private road for at least fifty (50) feet" to read: "No building shall be sited on a lot of record that does not abut at least one (1) public road for at least fifty (50) feet, provided that this section shall not apply to a lot of record abutting a private road for at least fifty (50) feet; and whether along a public or a private road, such road frontage shall not narrow to less than fifty (50) feet as measured parallel to the bearing or chord of the frontage."

and

SECTION 3. That there be revised from "10" to "9" the Section number of that provision of Article V – "General Provisions" entitled "Access Control" and that there be revised from "9" to "10" the Section number of that provision of Article V – "General Provisions" entitled "Off-Street Loading and Unloading."

and

SECTION 4. That there be added the following sentence as a third paragraph to Section 4.4 (business districts) of Article VII – "Provisions For Land Use Districts": "Any site plan depicting more than one (1) lot shall be recorded in the Office of the Fayette County Register following its approval; and any unauthorized deviation from an approved site plan shall constitute a violation of this Resolution."

and

SECTION 5. That there be added the following sentence as a third paragraph to Section 5.1.4 (special activity district) of Article VII – "Provisions For Land Use Districts": "Any site plan depicting more than one (1) lot shall be recorded in the Office of the Fayette County Register following its approval; and any unauthorized deviation from an approved site plan shall constitute a violation of this Resolution."

and

SECTION 6. That there be deleted from Section 6.2.2 (industrial districts) of Article VII – "Provisions For Land Use Districts" the following sentence: "Any unauthorized deviation from the approved final site plan shall constitute a violation of the building permit" and substituted the following Section 6.1.2.3: "Any site plan depicting more than one (1) lot shall be recorded in the Office of the Fayette County Register following its approval; and any unauthorized deviation from an approved site plan shall constitute a violation of this Resolution."

and

SECTION 7. That there be deleted Section 6.5.A.2 (industrial districts) of Article VII – "Provisions For Land Use Districts," which reads: "Site Plan Administrative Review Use. These uses, designated in the Chart by the letter "A," are subject to the review and approval of the Fayette County Building Commissioner (and other governmental departments, such as the Director of Public Works) of a site plan as to its conformity to the provisions of Subsection 6.2.2 or other pertinent regulations. An approved site plan, with any required additions or changes, shall be made part of the building permit then issued for that use. If the applicant or the Building Commissioner prefer, the plan may be reviewed by the Fayette County Regional Planning Commission under the requirements of Subsection 6.5.A.3" and substituted the following Section 6.4.A.2: "Site Plan Administrative Review Use. These uses, designated in the Chart by the letter "A," are subject to the review and approval of the Fayette County Building Commissioner (after receiving comments from other governmental departments, as appropriate) of a site plan conforming to the provisions of Section 6.1.2. or other pertinent regulations. Either the applicant or the Building Commissioner may request the site plan be reviewed by the Fayette County Regional Planning Commission under the provisions of Section 6.4.A.3."

and

SECTION 8. That there be deleted Section 6.5.A.3 (industrial districts) of Article VII – "Provisions For Land Use Districts," which reads: "Site Plan Approval Use. These uses, designated in the Chart by the letter "S," are declared to possess such unique or other special characteristics as to be subject to review and approval by the Planning Commission (after receiving comments from the Building Commissioner and other governmental departments, such as the Director of Public Works) of a site plan described in Subsection 6.2.2. A site plan approved by the Planning Commission, with any required corrections and changes, shall be recorded in the Office of the Fayette County Registrar and made part of the building permit then issued for that use" and substituted the following Section 6.4.A.3: "Site Plan Approval Use. These uses, designated in the Chart by the letter "S," are declared to possess such unique or other special characteristics as to be subject to review and approval only by the Fayette County Regional

Planning Commission (after receiving comments from the Building Commissioner and other governmental departments, as appropriate) of a site plan described in Section 6.1.2."

and

SECTION 9. That in Section H – "Permits" of the "Airport Height Regulation District" of Article IX – "Overlay Districts," there be substituted the term "airport vicinity use permit" for the term "building permit" throughout.

and

SECTION 10. That there be revised Section 3.3 of Appendix A – "Schedule of Fees," which reads: "The fees in 3.1 and 3.2 shall be adjusted each fiscal year beginning July 1 to reflect a 5% salary and a 2½% overhead cost increase; this adjustment shall be rounded to the nearest \$50.00" to read: "the fees in 3.1 and 3.2 shall be reviewed by the Fayette County Regional Planning Commission in September of each year and recommended for adjustment as the commission may deem appropriate."

and

SECTION 11. That there be added the following Section 4 to Article II – "Administration": "Not more than once a year, and subject to approval by the Fayette County Regional Planning Commission at its regular September meeting only, the Building Commissioner may renumber the provisions of this Resolution as necessary to achieve logical organization and simplicity, provided that he shall preserve as a permanent record at least two (2) copies of all previous editions of this Resolution – one to be maintained in the Building Department and the other in the vault of the Fayette County Clerk – with there clearly indicated on each previous edition the date(s) of its currency."

SECTION 12. That this Resolution shall become effective the day following its adoption, THE PUBLIC WELFARE REQUIRING IT.

Commissioner Wilson moved that the following be approved as notaries public: Amber M. Allen, Shannon S. Cotter, Charlotte E. Doyle, Venda S. Freeman, Marcia S. Gripp, Molly McCarley, Edith T. Mallett, Lisa M. Miller, Neda Flake Mays, Kathy T. Smith, Amber S. Whiteaker, Carol A. Whinton, and Ava J. Wilbanks. The motion was seconded by Commissioner McCloud and passed unanimously.

Chairman Taylor presented the Public Works Board Members whose terms are expiring, and asked for nominations to fill these positions. Commissioner Harris nominated Hank Franck for position one to serve districts one, two, and three. The motion was seconded by Commissioner Anderson. Commissioner Oglesby moved that the nominations cease and Mr. Franck be elected by acclamation. The motion was seconded by Commissioner Anderson and approved unanimously.

Commissioner Oglesby then nominated Wesley Parks, Jr. for the second position covering districts four, five and six, and Commissioner Dowdle seconded the nomination. Commissioner Logan moved that the nomination cease, and that Mr. Parks be elected by acclamation. The motion was seconded by Commissioner Kelley, and passed unanimously.

Commissioner McCloud nominated Andrew Avery for the third position, covering districts seven, eight, and nine. The nomination was duly seconded. Commissioner Joann Allen moved that the nomination cease, and that Mr. Avery be elected by acclamation. Commissioner Logan seconded the motion which passed unanimously.

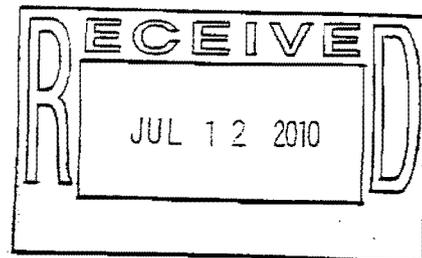
Commissioner Anderson nominated Russell Wicker for the fourth position, which covers districts ten, eleven, and twelve. The nomination was seconded by Commissioner Ed Allen. Commissioner Oglesby moved that the nomination cease and Mr. Wicker be elected by acclamation. The motion was seconded by Commissioner Anderson and passed unanimously.

Commissioner Dowdle nominated Wayne Burch for the fifth position, which includes districts thirteen, fourteen, and fifteen. Commissioner Brewer seconded the nomination. Commissioner Oglesby moved that the nomination cease and Mr. Burch be elected by acclamation. The motion was duly seconded by Commissioner Brewer and passed unanimously.

Chairman Taylor reported for the County Mayor's Office, stating that letters on the tax anticipation notes have been presented to each Commissioner, and that they have signed receipts for those letters, which read as follows:



STATE OF TENNESSEE
 COMPTROLLER OF THE TREASURY
 OFFICE OF STATE AND LOCAL FINANCE
 SUITE 1600 JAMES K. POLK STATE OFFICE BUILDING
 505 DEADERICK STREET
 NASHVILLE, TENNESSEE 37243-1402
 PHONE (615) 401-7872
 FAX (615) 741-5986



July 7, 2010

Honorable Rhea Taylor
 Fayette County Mayor
 P.O. Box 218
 Somerville, TN 38068

Dear Mayor Taylor:

We are in receipt of your letter, dated June 23, 2010, including a resolution for the issuance of tax and revenue anticipation notes (TRANS) for the General Purpose School Fund. The resolution was adopted by the Board of Commissioners on June 22, 2010.

Continuation Budget

We have previously reviewed the resolution and the 2010 fiscal year budget as previously approved by the Division of Local Finance and approved the County's continuation budget in a letter dated July 1, 2010. Further requirements for your continuation budget were included in a letter approving a General Fund \$2,500,000 TRANS dated July 7, 2010.

Tax and Revenue Anticipation Note

This letter also acknowledges receipt of your request for approval to issue TRANS in the amount of \$1,200,000 for the General Purpose School Fund. Counties in Tennessee are authorized to issue TRANS pursuant to Tennessee Code Annotated Title 9, Chapter 21 to provide monies for operating expenses until sufficient revenues are received. The amount of TRANS which may be issued must not exceed 60% of the annual appropriation for the fund involved, and sufficient future revenues must be anticipated allowing payment of the notes by June 30, 2011. Issuing these notes reduces the amount that the County may borrow in the future. We have reviewed the information in this letter and the 2010 fiscal year budget and find this request meets the statutory requirements.

This letter constitutes approval by this office for the issuance of an amount not-to-exceed \$1,200,000 General Fund Tax and Revenue Anticipation Notes for the General Purpose School Fund.

Approval of the TRANS is conditional upon agreement with the following terms by the Fayette County Board of Commissioners:

- A copy of this letter shall be provided to all the members of the Board of Commissioners and shall be spread across the face of the minutes of the next meeting of the Board after receipt.
- The County shall comply with all the requirements of Tennessee Code Annotated Title 9, Chapter 21 and shall provide this office verifiable documentation of compliance for fiscal year 2011.
- The County shall report the execution of the notes and the amount to this office within 45 days of issuance.
- The County shall adopt a budget resolution and tax levy resolution in a timely manner to permit sufficient time for the County to take any actions required to receive official budget approval from this office.
- The County shall adopt a balanced budget with no cash deficits and sufficient to pay operating and debt service costs during fiscal year 2011.
- The County shall submit the adopted budget resolution and tax levy resolution all required supporting documentation to this office within 15 days of adoption.
- The County shall repay the TRAN no later than June 30, 2011 and provide documentation to evidence such payment within 15 days, but not later than June 30, 2011. The County shall report non-issuance of the notes to this office not later than June 30, 2011.

If you have any questions, please call me at (615) 747-5370.

Sincerely,



Mary-Margaret Collier
Director of State & Local Finance

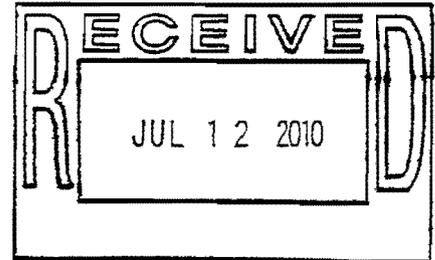
Cc: Jim Arnette, Director of County Audit, COT



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July 7, 2010

Honorable Rhea Taylor
 Fayette County Mayor
 P.O. Box 218
 Somerville, TN 38068



Dear Mayor Taylor:

We are in receipt of your letter, dated June 23, 2010, including a resolution for the issuance of tax and revenue anticipation notes (TRANS) for the General Fund and a continuing budget resolution authorizing Fayette County to operate on the 2010 fiscal year budget until the complete 2011 fiscal year budget and tax rate are adopted. Both resolutions were adopted by the Board of Commissioners on June 22, 2010.

Continuation Budget

We have reviewed the resolution and the 2010 fiscal year budget as previously approved by the Division of Local Finance. Assuming that no deficits exist in any fund at June 30, 2010 and that the County spends no more than the amount appropriated for the same period in the 2010 fiscal year and not more than the receipts and cash available, this letter constitutes approval by the Office of State and Local Finance for Fayette County to operate on a continuing budget for the 2011 fiscal year until the final budget and tax rate are adopted.

Tax and Revenue Anticipation Note

This letter also acknowledges receipt of your request for approval to issue TRANS in the amount of \$2,500,000 for General Fund expenditures. Counties in Tennessee are authorized to issue TRANS pursuant to Tennessee Code Annotated Title 9, Chapter 21 to provide monies for operating expenses until sufficient revenues are received. The amount of TRANS which may be issued must not exceed 60% of the annual appropriation for the fund involved, and sufficient future revenues must be anticipated allowing payment of the notes by June 30, 2011. Issuing these notes reduces the amount that the County may borrow in the future. We have reviewed the information in this letter and the 2010 fiscal year budget and find this request meets the statutory requirements.

This letter constitutes approval by this office for the issuance of an amount not-to-exceed \$2,500,000 General Fund Tax and Revenue Anticipation Notes.

Approval of the TRANS is conditional upon agreement with the following terms by the Fayette County Board of Commissioners:

- A copy of this letter shall be provided to all the members of the Board of Commissioners and shall be spread across the face of the minutes of the next meeting of the Board after receipt.
- The County shall comply with all the requirements of Tennessee Code Annotated Title 9, Chapter 21 and shall provide this office verifiable documentation of compliance for fiscal year 2011.
- The County shall report the execution of the notes and the amount to this office within 45 days of issuance.
- The County shall adopt a budget resolution and tax levy resolution in a timely manner to permit sufficient time for the County to take any actions required to receive official budget approval from this office.
- The County shall adopt a balanced budget with no cash deficits and sufficient to pay operating and debt service costs during fiscal year 2011.
- The County shall submit the adopted budget resolution and tax levy resolution all required supporting documentation to this office within 15 days of adoption.
- The County shall repay the TRAN no later than June 30, 2011 and provide documentation to evidence such payment within 15 days of, but not later than June 30, 2011. The County shall report non-issuance of the notes to this office not later than June 30, 2011.

If you have any questions please call me at (615) 747-5370.

Sincerely,



Mary-Margaret Collier
Director of State & Local Finance

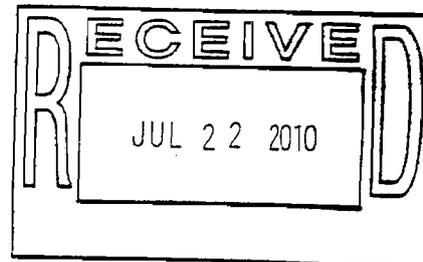
Cc: Jim Arnette, Director of County Audit, COT



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July 14, 2010

Honorable Rhea Taylor
 Fayette County Mayor
 P.O. Box 218
 Somerville, TN 38068



Dear Mayor Taylor:

This letter acknowledges receipt of a letter including a resolution authorizing the issuance of twelve-year capital outlay notes for the purpose of providing funds to finance costs of constructing and equipping an automotive shop for the Fayette County Sheriff's Department.

This letter constitutes approval of a resolution adopted June 22, 2010, received on June 25, 2010, for the legal authority under Tennessee state law to issue by informal bid no more than \$140,000 of capital outlay notes authorized pursuant to *Tennessee Code Annotated* § 9-21-608 with a life of twelve (12) years to finance the following public works project: constructing and equipping an automotive shop for the Fayette County Sheriff's Department in accordance with the resolution adopted by the local governing body on May 10, 2010. These notes shall be known as the Sheriff's Department Automotive Shop Twelve-Year General Obligation Capital Outlay Notes, Series 2010 (Notes). Approval of the Notes is given with the understanding that it is conditional upon the County's compliance with all parts of Tennessee State law giving the County authority to issue such notes.

This approval is valid for a period of six months. If none of the notes have been issued within six months, a resolution must be submitted by the County Governing Body indicating that the information contained in the note resolution which has currently been submitted remains valid and a new informal bid attachment indicating that the Notes have current and valid interest rates and cost bids. We will acknowledge receipt of such resolution and will issue our statement that this approval remains valid until July 31, 2011.

Your government is responsible for insuring compliance with Parts 1, 4, and 6 of *Tennessee Code Annotated* Title 9, Chapter 21 and timely payment of outstanding note principal and interest in accordance with the note provisions.

Purpose, Terms, and Life

This project is defined as a public works project in *Tennessee Code Annotated* § 9-21-105 and the local government may issue notes under the authority of *Tennessee Code Annotated* Title 9, Chapter 21 to finance such public works projects. The submitted certified resolution and supporting documents appear to meet the requirements for the issuance of such notes in Parts 1, 4, and 6 of Title 9, Chapter 21 of the *Tennessee Code Annotated*. The maximum maturity for the capital outlay notes as authorized by the

governing body is 12 fiscal years after the fiscal year issued. The maturity does not exceed the life of the proposed project as attested by the local governing body.

The local government has agreed to pay debt service on the approved notes in accordance with the requirements of *Tennessee Code Annotated* § 9-21-608. A condition for approval is that not less than level debt service is paid each fiscal year after the fiscal year issued with the balance being paid in the final fiscal year of the obligation. Local governments not paying the statutory minimum may not be permitted to extend the outstanding note amount or convert the amount to bonds after the two (2) year period commencing on the date of issuance as permitted by *Tennessee Code Annotated* § 9-21-606. The County's resolution authorizing the notes provides that a level debt amortization shall be paid each fiscal year.

Invalid Obligations

Any notes executed contrary to the requirements of Parts 4 and 6 of *Tennessee Code Annotated* Title 9, Chapter 21 are invalid obligations as defined by *Tennessee Code Annotated* § 9-21-406. Any invalid note shall not be repaid until the requirements of Parts 4 and 6 of *Tennessee Code Annotated* Title 9, Chapter 21 are met. The holder of a note not meeting the requirements forfeits any right to interest on the invalid note during the period requirements for issuance are not met. The holder of such note may be directed to pay to the State of Tennessee general fund any interest paid during that period.

Note extensions not properly executed according to the requirements of Parts 4 and 6 of *Tennessee Code Annotated* Title 9, Chapter 21 and/or approved by the Director are invalid obligations.

No principal or interest payments shall be paid to the holder of any invalid obligation until the requirements of Parts 4 and 6 of *Tennessee Code Annotated* Title 9, Chapter 21 are met and the State Director approves the obligation.

Director's Budget Approval Requirement

By issuing capital outlay notes under the authority of *Tennessee Code Annotated* Title 9, Chapter 21, the County has placed itself under the budget approval authority of the Director of the Office of State and Local Finance for the life of any outstanding notes. This authority requires you, as Chief Executive Officer, to immediately submit (within 15 days of adoption) the County's budget resolution with any necessary supporting documents to the Director for official budget approval to document:

- that your budget is balanced as required by state law,
- that you intend to pay all your outstanding debt obligations,
- and that the annual budget is prepared in a form consistent with accepted governmental standards and as approved by the Director.

Under this authority, I, as Director, can require from the County any information or perform any audits necessary to ascertain that the County maintains a balanced budget paying all outstanding debt obligations for the life of the notes. If the County is unwilling to submit to the requirements of *Tennessee Code Annotated* § 9-21-403 the approval to issue the Note is rescinded. Please return this letter if the County elects not to comply with the requirements of *Tennessee Code Annotated* § 9-21-403.

Counties not submitting the statutorily required budget and supporting documents will not be permitted to extend the outstanding note amount or convert them to bonds after two (2) years from the date of issuance as permitted by *Tennessee Code Annotated* § 9-21-606. Once under this requirement, any County not in compliance will publish a notice in a paper of general circulation in the County stating that a proper

budget has not been submitted to the Director for approval to become the official budget and that the County is operating contrary to *Tennessee Code Annotated* Title 9, Chapter 21, Part 4.

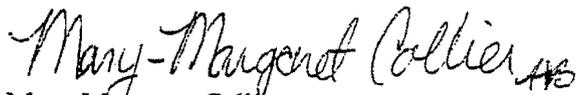
Public Debt Entity Report

Tennessee Code Annotated § 9-21-151. Public entities - Information concerning debt obligation issuances requires counties, municipalities, metropolitan governments, boards, agencies, authorities, districts or other entities authorized to issue debt which is exempt from state taxation pursuant to *Tennessee Code Annotated* Title 67, Chapter 2 to report certain debt information to the Director of the Office of State and Local Finance within 45 days of issuance. Debt obligations include bonds, notes, debentures, and lease purchase agreements without regard to whether interest thereon is excludable from federal income tax. A Comptroller's Office form CT-0253 - Report on Debt Obligation shall be filed with the Office within 45 days of entering into a capital outlay note. No public entity may enter into additional debt if it has failed to file the Report on Debt Obligation.

Enclosed is a form CT-0253 - Report on Debt Obligation. Please complete this form and return it to this office within 45 days of the date of issuance of the capital outlay notes.

Please inform us if you decide not to issue the debt obligation approved in this letter.

Sincerely,



Mary-Margaret Collier
Director of State & Local Finance

Cc: Jim Arnette, Director of County Audit, COT

Enclosure: (1)

The Chairman announced that next Thursday (August 5th) is election day, and wished everyone luck.

There were no reports from the Sheriff's Department, Juvenile Court, the Trustee's Office, or the Office of Planning and Development.

Dr. Cedric Gray reported for the Board of Education and introduced Mr. Andrew Perpener, the new Director of Finance, and Dr. Lorene Essex, who is Assistant Superintendent and Human Resource manager.

Jim Smith reported for the Public Works Division, stating that work is ongoing on the Laconia Bridge, and will continue for about two more weeks.

Commissioner Wilson reported for the Development Committee, which met on July 12, 2010. John Pimer of Planning and Development had presented the amendments to the county's zoning laws which passed earlier in this meeting, for approval which was recommended by the committee.

The Committee also heard the Fern Road speed limit resolution which was passed earlier.

Stan and Cindy Thompson had addressed the Development Committee with updates on the Dunn's animal boarding facility in Gallaway. Mr. Pimer stated that he had action in General Sessions Court to close the facility due to violation of the zoning law.

The Health and Welfare, Personnel, and Criminal Justice/Public Safety committees did not meet.

Commissioner Dowdle reported for the Education Committee, which met on July 13, 2010. Mayor Taylor gave an update to the committee on the proposed higher education facility, which will house University of Memphis, Southwest Tennessee Community College, University of Tennessee-Martin, and the Tennessee Technology Center. The informal committee set up to investigate this matter had met and reviewed several properties, including the Old Keras dealership property, the McKnight property at the intersection of Teague Store Road and Hwy 64, the Fowler property between the Fowler Asphalt Plant and Glengary Lake, and the Hickory Withe Property fronting Hwy 64 and also on Hwy 196 south of the Hwy 64 and Hwy 196 intersection. The Committee was leaning toward the Fowler property because of its central location and the option to add 8 more acres to the property at a later date. The Mayor then discussed the need to make application for a USDA Community Facilities Loan, at an interest rate of 4.25% for 38 years. The amount being asked for is \$6 million. There were also discussions of streams of revenue from the schools using the facility, grants to offset the costs, and a private fund raising drive. The Education Committee voted to recommend the Fowler Property and to recommend applying for the USDA loan.

Commissioner Dowdle moved that the Fowler property be approved as the location for the higher education facility. The motion was seconded by Commissioner Brewer, and passed with a majority vote. Commissioner Logan voted "No".

Commissioner Dowdle also moved that the Mayor be given authority to apply for the USDA Loan. The motion was seconded by Commissioner Harris and passed unanimously.

Dr. Cedric Gray appeared before the committee and stated that he would have a comprehensive report in the future to present to the committee.

Commissioner Harris reported for the Budget Committee, which met on July 13, 2010. The Committee reviewed the proposed budget for the coming year and will bring the budget before the Commission for approval next month. This budget requires no tax increase. The money for two new Deputies will be funded in this budget by moving the adequate facilities funds (to be generated in the next year) to Debt service, thereby allowing property taxes to be moved to the General Fund for the deputies.

Commissioner Harris stated that this budget will not call for any tax increases.

Chairman Taylor stated that all the non-profits were added back in from last year, with some adjustments. No salary increases were accounted for. The Educational Incentive was removed.

Commissioner Joann Allen asked that the August Budget meeting be a Joint Committee meeting so that all Commissioners could have input.

Commissioner Wilson asked how much it would cost to give employees a 1 per cent raise, and was told that it would take \$69,811.

Commissioner Ed Allen brought up the fact that the airport is operating at a deficit right now, and that the budget needs to be increased. He was told it would be brought up in the Joint Committee Meeting in August.

With no further business before the Board the meeting was adjourned.

Rhea Taylor County Mayor

Sue W. Culver, County Clerk