

6.1

FAYETTE COUNTY LEGISLATIVE BODY

MAY 22, 2012

BE IT REMEMBERED that the Fayette County Legislative Board met in regular session at the Bill G. Kelley Criminal Justice Complex in Somerville, Tennessee, On the 22nd day of May, 2012. 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, Joann Allen, Steve Anderson, Charles Brewer, Odis Cox, Lee "Sissy" Dowdle, Willie German, Ronald Harris, Judy Karcher, Bill Kelley, Terry Leggett, David Lillard, Sylvester Logan, Claude Oglesby, Steve Reeves, Ray Seals, Myles Wilson, and Larry Watkins.

Commissioner Reggie Howard was absent.

A quorum was declared with eighteen Commissioners present.

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

Commissioner Watkins moved to approve the minutes from April 24, 2012. The motion was seconded by Commissioner Dowdle. Commissioner Joann Allen stated that there was an error that needed to be corrected before approval. Chairman Taylor recommended that on page 487, paragraph 1, that the deadline date of November 1 be inserted. The minutes were then approved unanimously by the Board.

Commissioner Reeves moved that the following be approved as notaries public: Pamela D. Rose and Faye Scott. The motion was seconded by Commissioner Logan and approved unanimously.

Chairman Taylor pointed out that the financial reports were in the Commissioners packets, and if there are questions Commissioners should contact the appropriate official.

Chairman Taylor then reported for the County Mayor's Office stating that John Evans, who is one of the founders of the "Leadership Fayette" classes has asked that the County consider establishing a scholarship for the classes in memory of the late Thomas Karcher, former County Commissioner who was also active in Leadership Fayette, and who passed away last year.

Mark Fidler, Airport Manager, is resigning to take a position in Cleveland, Tennessee. Chairman Taylor further stated that he is taking resumes for someone to fill the position Mr. Fidler is vacating.

Chairman Taylor stated that the railroad in Rossville will begin operation on July 1, 2012. They are moving some of their operations from Memphis to Rossville in the

near future. When the business starts up there will be wait times as long as twenty minutes for traffic on Highway 57.

Chairman Taylor also reported that Dr. Grey, Superintendent of Schools, will also be leaving to take a position in Jackson, Mississippi., and that the School Board will be seeking candidates to fill that vacated position.

The St. Jude dream home that will be given away is in Fayette County for the first time this year. Chairman Taylor reminded everyone to get their tickets (which cost \$100 each) in time to be eligible for the drawing.

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

Jim Smith, of Public Works reported that things are in place to begin construction on the bridge on Belle Meade. The project will cost \$426,828, and will begin June 11.

Commissioner Wilson reported for the Development Committee which met on May 6, 2012. The Committee discussed the grant used to pick up litter on the sides of county roads, which they voted to forward to the Budget Committee. They also reviewed a budget amendment for Public Works, which they also approved and forwarded to the Budget Committee. The Committee also received some information regarding helping Piperton with infrastructure costs associated with new businesses moving in along the corridor of Highway 72. There is a large distributor locating in Piperton and will be contributing a substantial Adequate Facilities Payment. If the county helps with the city's infrastructure it will attract other businesses and bring more tax revenue to the county. The Mayor was asked to bring back a full proposal to the next meeting. The Committee reviewed budgets for the Beer Board, Development Office, Building, Agriculture Extension, and Soil Conservation. The Committee reviewed equipment requests from the Airport, and asked for more information on these requests. The Public Works Budget was reviewed and forwarded to the Budget Committee with recommendation for approval .

Commissioner German reported for the Health and Welfare Committee, which met on May 1, 2012. The Committee began the meeting by reviewing the budget for the Health Department, as well as the dental contract. The Committee voted approval and forwarded the matter to the Budget Committee. Also, they reviewed the budget for Rabies Control, which includes requests for two new trucks, with Sheriff Riles. It was determined that the funds previously collected for dog licenses will be shown this year in a restricted account. That budget was also approved and forwarded to the Budget Committee for approval. Sam McKnight reported to the Committee regarding ambulance runs and monthly finances. The Ambulance Service budget for next year was reviewed and the Committee asked for more information regarding a fourth ambulance budget, a 9-1-1 report on other ambulances responding to emergencies, cost and revenue per transport, and the operating cost per mile per vehicle to be presented next month. The

Committee reviewed the requested budget for Solid Waste, and forwarded it to Budget with a recommendation to approve.

Commissioner Oglesby stated that the Personnel Committee did not meet.

Commissioner Lillard stated that the Education Committee did not meet, but Commissioner Lillard gave a report on the progress of Edulog and redistricting the schools.

Commissioner Anderson reported for the Criminal Justice and Public Safety Committee, which met on April 30, 2012. Fire Chief Jerry Ray presented the budget for the County Fire Department, which included equipment to be replaced in the near future. Chief Ray was asked for more information on the equipment requests. The Committee reviewed and approved the budget for Emergency Management and forwarded it to Budget. The General Sessions, Circuit, and Juvenile Court budgets were reviewed and passed to the Budget Committee less the included Cost of Living increase. The Committee reviewed the Budget for Chancery Court who has one employee leaving full time employment and coming back as part time. Motion was made and approved to pass this budget to the Budget Committee also. The Sheriff's budgets as well as those for the Jail, the Shop, and Drug force were also reviewed and forwarded to Budget.

Commissioner Dowdle asked that fire contracts be brought to the Criminal Justice Public Safety Committee meeting next month for review.

Commissioner Harris reported for the Budget Committee which met on May 7, 2012. He moved that the following amendment to the Public Works Budget be approved. The motion was seconded by Commissioner Wilson and passed unanimously.

FAYETTE COUNTY PUBLIC WORKS DEPARTMENT

117 HAWATHA STREET
P.O. BOX 579
SOMERVILLE, TENNESSEE 38068

901-465-5222
FAX 901-465-5214

HANK FRANCK, Chairman
ANDREW AVERY, Secretary
JIMMY JORDAN

WESLEY PARKS
RUSSELL WICKER
JIM SMITH, Superintendent

BUDGET AMENDMENT NO.3

2011-2012 PUBLIC WORKS FUND 131

<u>EXPENDITURES</u>	<u>INCREASE</u>	<u>DECREASE</u>	<u>AMMENDED TOTAL</u>
<u>63100 Oper. & Maint. Equip.</u>			
336 Repair - Equip.	\$ 6,000.00		\$ 18,000.00
418 Equip. Parts		\$ (6,000.00)	94,000.00
425 Gasoline	6,000.00		65,000.00
433 Lubricants	4,000.00		14,000.00
450 Tire & Tubes	12,000.00		42,000.00
Net Changes 63100:	\$22,000.00		\$ 636,000.00
<u>65000 Other Charges</u>			
506 Liability Insurance	\$1,100.00		\$ 139,100.00
510 Trustee's Commission	2,000.00		50,000.00
Net Changes 65000:	\$ 3,100.00		\$ 251,100.00
<u>68000 Capital Outlay</u>			
705 Bridge Const.	\$ 1,500.00		\$ 121,500.00
726 State Aid		\$ (26,600.00)	613,400.00
Net Change 68000:		\$ (25,100.00)	\$ 1,775,900.00
Net Total Expenditures:	\$ 25,100.00	\$ (25,100.00)	\$ 5,519,334.00
Est. Ending FB. June 30			No Change

Commissioner Harris moved that the following amendment to the County General Fund be approved. The motion was seconded by Commissioner Brewer and passed unanimously.

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular sessions on this 22nd day of May, 2012, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Criminal Justice Center in Somerville, Tennessee.

That the General Fund #101 Budget Amendment be amended in the following words and figures, to wit:

**COUNTY GENERAL FUND
BUDGET AMENDMENT
FFY 11/12
May, 2012**

<u>Adjustment to Revenue Accounts:</u>	INCREASE	DECREASE
46210 Law Enforcement Training Programs		\$ 1,200.00
46980 Other State Grants		\$45,000.00
47220 Civil Defense Reimbursement	\$45,000.00	
48140 Contracted Services	_____	<u>\$12,000.00</u>
TOTAL INCREASE/DECREASE TO REVENUE ACCOUNT:	\$45,000.00	\$58,200.00
<u>Adjustment to Expenditure Accounts:</u>	INCREASE	DECREASE
<u>51500 Election Commission</u>		
349 Printing & Forms	\$ 1,000.00	
719 Office Equipment		_____
Subtotal-51500	\$ 1,000.00	<u>\$ 1,000.00</u>
<u>51730 Building</u>		
191 Board & Comm. Fees		\$ 200.00
355 Travel	<u>\$ 200.00</u>	_____
Subtotal-51730	\$ 200.00	<u>\$ 200.00</u>
<u>52100 Accounting & Budgeting</u>		
196 In Service Training		\$ 323.00
355 Travel	<u>\$ 323.00</u>	_____
Subtotal-52100	\$ 323.00	<u>\$ 323.00</u>

<u>52300 Property Assessor</u>		
317	Data Processing Services	\$ 1,080.00
337	Maint-Office Equipment	\$ 325.00
355	Travel	355.00
711	Furniture & Fixtures	<u>200.00</u>
	Subtotal-52300	\$ 1,080.00 \$ 880.00
<u>52310 Reappraisal Program</u>		
317	Data Processing Services	<u>\$ 200.00</u>
	Subtotal-52310	\$ 200.00
<u>52500 County Clerk</u>		
196	In Service Training	\$ 200.00
307	Communications	\$ 200.00
332	Legal Notices	498.00
349	Printing & Stationery	400.00
355	Travel	200.00
399	Other Contracted Services	600.00
435	Office Supplies	200.00
499	Other Supplies	<u>102.00</u>
	Subtotal-52500	\$ 1,200.00 \$ 1,200.00
<u>53310 General Sessions Judge</u>		
196	In Service Training	\$ 500.00
355	Travel	100.00
499	Other Supplies	<u>\$ 400.00</u>
	Subtotal-53310	\$ 400.00 \$ 400.00
<u>53400 Chancery Court</u>		
194	Jury & Witness Fees	\$ 500.00
349	Printing, Stationery & Forms	<u>\$ 500.00</u>
	Subtotal-53400	\$ 500.00 \$ 500.00
<u>54110 Sheriff's Department</u>		
106	Deputy (ies)	\$36,977.00
110	Lieutenants	\$ 4,825.00
115	Sergeants	\$32,152.00
140	Salary Supplements	1,200.00
196	In Service Training	2,000.00
307	Communication	4,900.00
335	Maint & Repair-Buildings	4,900.00
425	Gasoline	14,389.00
435	Office Supplies	3,000.00

499	Other Supplies		3,000.00
599	Other Charges		<u>14,382.00</u>
	Subtotal-54110	\$60,466.00	\$61,266.00
<u>54210 Jail</u>			
110	Lieutenants		\$36,017.00
115	Sergeants	\$36,017.00	
165	Cafeteria Personnel	2,613.00	
196	In Service Training	1,500.00	
312	Contracts with Private Agencies	875.00	
317	Data Processing Services	5,000.00	
355	Travel		1,500.00
707	Building Improvements		1,000.00
711	Furniture & Fixtures		500.00
716	Law Enforcement Equipment		<u>4,375.00</u>
	Subtotal-54210	\$46,005.00	\$43,392.00
<u>54220 Workhouse</u>			
165	Cafeteria Personnel		<u>\$2,613.00</u>
	Subtotal-54220		\$2,613.00
<u>54310 Fire Prevention</u>			
355	Travel	\$2,000.00	
599	Other Charges		<u>\$2,000.00</u>
	Subtotal-54310	\$2,000.00	\$2,000.00
<u>54490 Other Emergency Management</u>			
499	Other Supplies & Materials	<u>\$6,304.00</u>	
	Subtotal-54490	\$6,304.00	
<u>54900 Other Public Safety</u>			
417	Equipment Parts-Light	<u>\$12,000.00</u>	
	Subtotal-54900	\$12,000.00	
<u>55120 Rabies & Animal Control</u>			
335	Maint & Repair-Building	\$400.00	
338	Maint & Repair-Vehicles	1,000.00	
451	Uniforms	200.00	
499	Other Supplies		<u>\$1,600.00</u>
	Subtotal-55120	\$1,600.00	\$1,600.00

<u>55130 Ambulance Service</u>	
103 Assistant-First Responder	<u>\$ 6,304.00</u>
Subtotal-55130	\$ 6,304.00

TOTAL INCREASE/DECREASE TO FUND BALANCE:	\$133,078.00	\$121,878.0
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Prior Estimated Expenditures	\$13,206,730.00
Total Estimated Expenditures this Amendment	\$13,208,730.00
Projected Fund Balance before Amendment	\$ 1,291,176.54
Change in Fund Balance this Amendment	\$ 2,000.00
Estimated Ending Fund Balance as of June 30, 2012	\$ 1,289,176.54

Commissioner Harris moved to approve the following Resolution to amend the Library budget. The motion was seconded by Commissioner Dowdle and passed unanimously.

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular sessions on this 22nd day of May, 2012, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Criminal Justice Center in Somerville, Tennessee,

That the General Fund #101 Budget Amendment be amended in the following words and figures, to wit:

COUNTY GENERAL FUND
BUDGET AMENDMENT
F/Y 11/12
May, 2012

<u>Adjustment to Reserve Accounts:</u>	INCREASE	DECREASE
35130 <u>Designated for Purpose 3</u> (<u>Library Reserve Account</u>)		<u>\$ 9,906.29</u>
TOTAL INCREASE/DECREASE TO RESERVE ACCOUNT:		\$ 9,906.29
 <u>Adjustment to Revenue Account:</u>	 INCREASE	 DECREASE
43360 <u>Library Fees</u>	<u>\$ 9,906.29</u>	<u>\$ 9,906.29</u>
TOTAL INCREASE/DECREASE TO REVENUE ACCOUNT	\$ 9,906.29	\$ 9,906.29
 <u>Adjustment to Expenditure Account:</u>	 INCREASE	 DECREASE
56500 <u>Libraries</u> 599 <u>Other Charges</u>	 <u>\$ 9,906.29</u>	
TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNT:	\$ 9,906.29 *	
 Change in Fund Balance This Amendment:		 \$ 00.00

* This amount is for staff and public use computers from the state.

Commissioner Harris moved to pass the following amendment to the County Drug fund. The motion was seconded by Commissioner Anderson and passed unanimously.

RESOLUTION

BE IT RESOLVED, by the County Legislative Body and/or the Board of County Commissioners of Fayette County, Tennessee, in regular sessions on this 22nd day of May, 2012, it being the fourth Tuesday of the month and the regular monthly meeting of the County Legislative Body in the Criminal Justice Center in Somerville, Tennessee.

That the Drug Fund #122 Budget Amendment be amended in the following words and figures, to wit:

**COUNTY DRUG FUND
BUDGET AMENDMENT
F/Y 11/12
MAY, 2012**

<u>Adjustment to Expenditure Accounts:</u>	INCREASE	DECREASE
54150 Drug Enforcement		
357 Veterinary Services	\$ 500.00	
401 Animal Food & Supplies	500.00	
790 Other Equipment	<u> </u>	<u>\$ 1,000.00</u>
TOTAL INCREASE/DECREASE TO EXPENDITURE ACCOUNTS:	\$ 1,000.00	\$ 1,000.00
 Prior Estimated Expenditures		 \$100,500.00
Total Estimated Expenditures this Amendment		\$100,500.00
Projected Fund Balance before Amendment		\$225,052.00
Change in Fund Balance this Amendment		00.00
Estimated Ending Fund Balance as of June 30, 2012		\$225,052.00

Commissioner Harris moved to approve the following "Resolution authorizing submission for a litter and trash collecting grant from the Tennessee Department of Transportation and authorizing the acceptance of said grant. The motion was seconded by Commissioner Dowdle and passed unanimously.

10.3.6.3

RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION
FOR A LITTER AND TRASH COLLECTING GRANT FROM THE
TENNESSEE DEPARTMENT OF TRANSPORTATION AND AUTHORIZING
THE ACCEPTANCE OF SAID GRANT

WHEREAS, the County of Fayette intends to apply for the aforementioned grant,
from the Tennessee Department of Transportation; and

WHEREAS, the contract for the grant will impose certain legal obligations upon
the County of Fayette.

NOW, THEREFORE, BE IT RESOLVED, by the County Legislative Body
and/or the Board of County Commissioners of Fayette County, Tennessee, in regular
session assembled on this 22nd day of May, 2012, in the Criminal Justice Center in
Somerville, Tennessee.

1. That Rhea Taylor is authorized to apply on behalf of Fayette County, for a
litter and trash collecting grant from the Tennessee Department of
Transportation.
2. That should said application be approved by the Tennessee Department of
Transportation, then Rhea Taylor is authorized to execute contracts or other
necessary documents, which may be required to signify acceptance of the
litter and trash collecting grant by Fayette County.

Rhea V. Taylor, Fayette County Mayor

Sue Culver, County Clerk

Date: _____

Date: _____

Commissioner Harris moved to adopt the following "Resolution to Adopt a Continuing Budget ". The motion was seconded by Commissioner Anderson and passed unanimously by the Board.

10.3.6.4

A RESOLUTION TO ADOPT A CONTINUING BUDGET
AND TAX RATE FOR THE FISCAL YEAR BEGINNING
JULY 1, 2012, AND TO AUTHORIZE THE ISSUANCE OF
TAX ANTICIPATION NOTES FOR THE COUNTY OF FAYETTE

WHEREAS, it now appears that the 2012-13 fiscal year budget of Fayette County, Tennessee, will not be approved prior to the start of the 2012-13 fiscal year term of the Board of County Commissioners, now;

THEREFORE, BE IT RESOLVED by the Board of Commissioners of Fayette County, Tennessee, that amounts set out in the 2011-12 Appropriation Resolution are hereby continued until a new 2012-13 Appropriation Resolution is adopted, and;

BE IT FURTHER RESOLVED, that the property tax rate of \$1.4781 per each \$100.00 of taxable property for the fiscal year beginning July 1, 2012, shall be the basis for the revenue estimates for the Continuing Resolution, and that a Tax Rate will be set after July 1st and;

BE IT FURTHER RESOLVED, that the County Mayor and County Clerk are hereby authorized to borrow money on tax anticipation notes, provided that such notes are first approved by the State Director of Local Finance, to pay for the expenses herein authorized until the taxes and other revenues for the fiscal year 2012-13 have been collected, not exceeding 60% of the appropriations of each individual fund of the continuing budget. The notes evidencing the loans authorized under this section shall be issued under the authority of Title 9, Chapter 21, Tennessee Code Annotated. All said notes shall mature and be paid in full without renewal not later than June 30, 2013.

BE IT FURTHER RESOLVED, that this Resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 2012.

Adopted this 22nd day of May, 2012.

COUNTY MAYOR

SEAL

ATTESTED:

COUNTY CLERK

ATTACHMENT TO SUPPLEMENTAL RESOLUTION NO. 2

R-1 UNITED STATES OF AMERICA \$1,200,000.00
STATE OF TENNESSEE

COUNTY OF FAYETTE

\$1,200,000.00

GENERAL PURPOSE SCHOOL FUND TAX ANTICIPATION NOTE, SERIES 2012

<u>DATED</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
_____	____%	March 15, 2013

The County of Fayette (the "Local Government") of the State of Tennessee hereby acknowledges itself indebted, and for value received hereby promises to pay the registered owner hereof, or its registered assigns, the sum of One Million Two Hundred Thousand and No/100 Dollars (\$1,200,000.00) or the portion thereof from time to time outstanding (the "Principal Sum") on or before the Maturity Date (specified above) (unless this note shall have been duly called for prior redemption and payment of the redemption price shall have been duly made or provided for), upon presentation and surrender to the Local Government or its agent, and to pay from the date hereon interest on the Principal Sum from time to time outstanding on or before the Maturity Date at the Interest Rate per annum (specified above), by check or draft mailed to the registered owner, at the address shown on the bond registration records of the Local Government. Both principal of and interest on this note are payable at the office of the County Trustee or a paying agent duly appointed by the Local Government in lawful money of the United States of America.

This note represents a straight line of credit in an authorized principal amount of up to \$1,200,000.00. Once the total amount of principal has been advanced, the Local Government is not entitled to further loan advances. Advances under this note shall be requested in writing by the County Mayor. The unpaid balance owing on this note at any time may be evidenced by endorsements on this note or by the registered owner's internal records, including daily computer printouts. This note is secured solely by the receipt of taxes and revenues to be received by the General Purpose School Fund (the "Fund") during the current fiscal year of the Local Government, being July 1, 2012 through June 30, 2013, inclusive (the "Fiscal Year").

This note is subject to redemption prior to its stated maturity in whole or in part at any time at the option of the Local Government upon payment of the principal amount of the note together with the interest accrued thereon to the date of redemption without a premium. This note is issued under the authority of Parts I, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated, and resolutions duly adopted by the Local Government on May 22, 2012, to provide funds in anticipation of the collection of taxes and revenues for the Fund during the Fiscal Year in an amount not exceeding sixty percent (60%) of the total Fund appropriations for the Fiscal

Year and in an aggregate principal amount not to exceed \$1,200,000.00. The Maturity Date specified above shall not exceed the end of the Fiscal Year.

Title 9, Chapter 21, Section 117, Tennessee Code Annotated provides that this note and interest thereon are exempt from taxation by the State of Tennessee or by any county, municipality or taxing district of the State, except for inheritance, transfer and estate taxes and except as otherwise provided under the laws of the State of Tennessee.

[This note is a "qualified tax-exempt obligation" designated by the Local Government for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.]

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Tennessee, and that the amount of this note, together with all other indebtedness of the Local Government, does not exceed any constitutional or statutory limitation thereon, and that this note is within every constitutional and statutory limitation.

IN WITNESS WHEREOF, the Governing Body of the Local Government has caused this note to be executed in the name of the Local Government by the manual signature of the County Mayor and countersigned and attested by the manual signature of the County Clerk, with the Seal of the Local Government affixed hereto or imprinted hereon, and this note to be dated as of the ____ day of July, 2012.

FAYETTE COUNTY, TENNESSEE

By: _____
County Mayor

ATTESTED:

County Clerk

Date of Registration: _____, 2012

This Note represents the issue of Notes issued pursuant to the Resolution hereinabove described. This Note has been registered as to principal and interest in a Note registration book provided for that purpose in my office.

Fayette County Clerk, as
Note Registrar

(Form of Assignment)

For value received, _____ hereby sells, assigns and transfers unto _____ whose address is _____, the within mentioned Note and hereby irrevocably constitutes and appoints _____ or his successor, to transfer the same on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Registered Owner

Signature Guaranteed:

Notice: The signature must correspond with the name of the registered owner as it appears on the face of the within note in every particular, without alteration or enlargement or any change whatsoever.

Notice: Signature(s) must be guaranteed by a member of a Medallion Program acceptable to the Note Registrar.

(No writing in this blank except by the Registrar)

Date of Registration	In Whose Name Registered	Signature of Registrar

Commissioner Harris moved to approve the following "Supplemental Resolution No. 1 Of The Governing Body Of Fayette County, Tennessee, Authorizing The Issuance, Sale, And Payment of County General Fund Tax Anticipation Notes Not To Exceed \$2,500,000". The motion was seconded by Commissioner Anderson and passed unanimously.

SUPPLEMENTAL RESOLUTION NO. 1 OF THE GOVERNING BODY OF FAYETTE
COUNTY, TENNESSEE, AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF
COUNTY GENERAL FUND TAX ANTICIPATION NOTES NOT TO EXCEED
\$2,500,000

WHEREAS, the Governing Body of Fayette County, Tennessee, (the "Local Government") has determined that it is necessary and desirable to borrow a limited amount of funds to meet appropriations made for the County General Fund (the "Fund") for the current fiscal year, being July 1, 2012, through June 30, 2013, inclusive, (the "Fiscal Year"), in anticipation of the collection of taxes and revenues for the Fund during the Fiscal Year; and

WHEREAS, under the provisions of Part 1, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to issue and sell interest-bearing tax anticipation notes in amounts not exceeding sixty percent (60%) of the Fund appropriation for the Fiscal Year upon the approval of the State Director of Local Finance; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to further authorize the issuance and sale of tax anticipation notes in order to provide certain additional details relating to such notes and to approve the form of such notes.

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of Fayette County, Tennessee, as follows:

Section 1. That for the purpose of providing funds to meet certain appropriations for the Fiscal Year, the County Mayor of the Local Government is hereby authorized in accordance with the terms of this Resolution to issue and sell interest-bearing tax anticipation notes in a principal amount not to exceed Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00) (the "Notes") at a private negotiated sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "County General Fund Tax Anticipation Notes, Series 2012"; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination(s) as agreed upon with the purchaser; shall be sold at not less than par value and accrued interest; and shall bear interest at a rate or rates not to exceed five and one-half percent (5.50%) per annum, and in no event shall exceed the legal limit provided by law, all as shall be determined by the County Mayor.

Section 2. That the sum of the principal amount of the Notes, together with the principal amount or amounts of any prior tax anticipation notes issued during the Fiscal Year for such Fund, does not exceed sixty percent (60%) of the Fund appropriation for the Fiscal Year.

Section 3. That the Notes may be renewed from time to time and money may be borrowed from time to time for the payment of any indebtedness evidenced by the Notes; provided, that the Notes and any renewal notes shall mature and be paid in full without renewal on or before the end of the Fiscal Year. If the Local Government overestimates the amount of taxes and revenue collected for the Fiscal Year and it becomes impossible to retire the Notes and

all renewal notes prior to the close of the Fiscal Year, then the Local Government shall apply to the State Director of Local Finance within ten (10) days prior to the close of the Fiscal Year for permission to issue funding bonds to cover the unpaid Notes in the manner provided by Title 9, Chapter 11 of Tennessee Code Annotated or as otherwise provided for in a manner approved by the State Director of Local Finance.

Section 4. That the Notes shall be secured solely by the receipt of taxes and revenues by the Fund during the Fiscal Year.

Section 5. That, the Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption without a premium.

Section 6. That the Notes shall be executed in the name of the Local Government and bear the manual signature of the County Mayor of the Local Government and the manual signature of the County Clerk with the Local Government seal affixed thereon; and shall be payable as to principal and interest at the office of the County Trustee of the Local Government or the paying agent duly appointed by the Local Government and the County Mayor is hereby authorized to make any such appointment on behalf of the Local Government. Proceeds of the Notes shall be deposited with the County Trustee of the Local Government and shall be paid out for the purpose of meeting Fund appropriations made for the Fiscal Year in anticipation of the collection of revenues and taxes pursuant to this Resolution and as required by law.

Section 7. That the Notes shall be in substantially the form attached hereto and shall recite that that notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated. To the extent it is proper to do so, the Local Government hereby designates the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. The Notes may be issued as a single note representing a straight line of credit not exceeding maximum authorized principal amount.

Section 8. That the Notes shall be sold only after the receipt of the approval of the State Director of Local Finance for the sale of the Notes.

Section 9. That all actions of the County Mayor, County Clerk and other County officials done or performed in connection with the issuance of tax anticipation notes in reliance upon the Original Authorizing Resolution and this Supplemental Resolution are hereby ratified and approved.

Section 10. That this Supplemental Resolution is supplemental to the Original Authorizing Resolution and all orders or resolutions in conflict with the Original Authorizing Resolution, as supplemented by this Supplemental Resolution, are hereby repealed insofar as such conflict exists. This Resolution shall become effective immediately upon its passage and its provisions shall be in force from and after July 1, 2012.

Duly passed and approved this 22nd day of May, 2012.

FAYETTE COUNTY, TENNESSEE

By: _____
County Mayor

ATTESTED:

(County Clerk)

(Other Business)

Upon motion duly made and seconded, the Board adjourned.

(SEAL)

ATTEST:

County Mayor

County Clerk

STATE OF TENNESSEE

COUNTY OF FAYETTE

I, Sue Culver, hereby certify that I am the duly elected and qualified County Clerk of Fayette County, Tennessee, and as such official I further certify that attached hereto is a true and correct copy of excerpts to be included in the minutes of the meeting of the Board of County Commissioners of Fayette County held on May 22, 2012, insofar as same pertains to the proceedings in connection with the issuance of not to exceed \$2,500,000 County General Fund Tax Anticipation Notes, Series 2012 of said County.

WITNESS my signature and official seal this the _____ day of May, 2012.

County Clerk
Fayette County, Tennessee

(SEAL)

ATTACHMENT TO SUPPLEMENTAL RESOLUTION NO. 1

R-1 UNITED STATES OF AMERICA \$2,500,000.00
 STATE OF TENNESSEE
 COUNTY OF FAYETTE

\$2,500,000.00

COUNTY GENERAL FUND TAX ANTICIPATION NOTE, SERIES 2012

<u>DATED</u>	<u>INTEREST RATE</u>	<u>MATURITY DATE</u>
_____, 2012	_____ %	March 15, 2013

The County of Fayette (the "Local Government") of the State of Tennessee hereby acknowledges itself indebted, and for value received hereby promises to pay the registered owner hereof, or its registered assigns, the sum of Two Million Five Hundred Thousand and No/100 Dollars (\$2,500,000.00) or the portion thereof from time to time outstanding (the "Principal Sum") on or before the Maturity Date (specified above) (unless this note shall have been duly called for prior redemption and payment of the redemption price shall have been duly made or provided for), upon presentation and surrender to the Local Government or its agent, and to pay from the date hereon interest on the Principal Sum from time to time outstanding on or before the Maturity Date at the Interest Rate per annum (specified above), by check or draft mailed to the registered owner, at the address shown on the bond registration records of the Local Government. Both principal of and interest on this note are payable at the office of the County Trustee or a paying agent duly appointed by the Local Government in lawful money of the United States of America.

This note represents a straight line of credit in an authorized principal amount of up to \$2,500,000.00. Once the total amount of principal has been advanced, the Local Government is not entitled to further loan advances. Advances under this note shall be requested in writing by the County Mayor. The unpaid balance owing on this note at any time may be evidenced by endorsements on this note or by the registered owner's internal records, including daily computer printouts. This note is secured solely by the receipt of taxes and revenues to be received by the County General Fund (the "Fund") during the current fiscal year of the Local Government, being July 1, 2012 through June 30, 2013, inclusive (the "Fiscal Year").

This note is subject to redemption prior to its stated maturity in whole or in part at any time at the option of the Local Government upon payment of the principal amount of the note together with the interest accrued thereon to the date of redemption without a premium. This note is issued under the authority of Parts I, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated, and resolutions duly adopted by the Local Government on May 22, 2012, to provide funds in anticipation of the collection of taxes and revenues for the Fund during the Fiscal Year in an amount not exceeding sixty percent (60%) of the total Fund appropriations for the Fiscal

Year and in an aggregate principal amount not to exceed \$2,500,000.00. The Maturity Date specified above shall not exceed the end of the Fiscal Year.

Title 9, Chapter 21, Section 117, Tennessee Code Annotated provides that this note and interest thereon are exempt from taxation by the State of Tennessee or by any county, municipality or taxing district of the State, except for inheritance, transfer and estate taxes and except as otherwise provided under the laws of the State of Tennessee.

[This note is a "qualified tax-exempt obligation" designated by the Local Government for purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.]

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Tennessee, and that the amount of this note, together with all other indebtedness of the Local Government, does not exceed any constitutional or statutory limitation thereon, and that this note is within every constitutional and statutory limitation.

IN WITNESS WHEREOF, the Governing Body of the Local Government has caused this note to be executed in the name of the Local Government by the manual signature of the County Mayor and countersigned and attested by the manual signature of the County Clerk, with the Seal of the Local Government affixed hereto or imprinted hereon, and this note to be dated as of the ____ day of ____, 2012.

FAYETTE COUNTY, TENNESSEE

By: _____
County Mayor

ATTESTED:

County Clerk

Commissioner Harris moved that the following "Supplemental Resolution No. 2 Of Fayette County, Tennessee, Authorizing The Issuance, Sale, and Payment Of General Purpose School Fund Tax Anticipation Notes Not To Exceed \$1,200,000" be approved. The motion was seconded by Commissioner Anderson. Commissioner Leggett inquired as to the fund balance of the Board of Education. He then moved to table this motion

until June for more information. Commissioner Ed Allen seconded the motion to table and Commissioner Dowdle moved to amend the motion to allow the Mayor to check on the Board of Education's fund balance. A roll call vote resulted as follows:

Voting "YES" Commissioners Ed Allen, Joann Allen, Brewer, German, Karcher, Kelley, Leggett, Reeves, Seals, and Wilson (10)

Voting "NO": Commissioners Anderson, Cox, Dowdle, Harris, Lillard, Logan, Oglesby, and Watkins (8)

Motion to Table passed.

SUPPLEMENTAL RESOLUTION NO. 2 OF THE GOVERNING BODY OF FAYETTE
COUNTY, TENNESSEE, AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF
GENERAL PURPOSE SCHOOL FUND TAX ANTICIPATION NOTES NOT TO EXCEED
\$1,200,000

WHEREAS, the Governing Body of Fayette County, Tennessee, (the "Local Government") has determined that it is necessary and desirable to borrow a limited amount of funds to meet appropriations made for the General Purpose School Fund (the "Fund") for the current fiscal year, being July 1, 2012, through June 30, 2013, inclusive, (the "Fiscal Year"), in anticipation of the collection of taxes and revenues for the Fund during the Fiscal Year; and

WHEREAS, under the provisions of Part I, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to issue and sell interest-bearing tax anticipation notes in amounts not exceeding sixty percent (60%) of the Fund appropriation for the Fiscal Year upon the approval of the State Director of Local Finance; and

WHEREAS, the Governing Body authorized the issuance of tax anticipation notes by resolution entitled "A RESOLUTION TO ADOPT A CONTINUING BUDGET AND TAX RATE FOR THE FISCAL YEAR BEGINNING JULY 1, 2012, AND TO AUTHORIZE THE ISSUANCE OF TAX ANTICIPATION NOTES FOR THE COUNTY OF FAYETTE" adopted May 22, 2012 (the "Original Authorizing Resolution"); and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to further authorize the issuance and sale of tax anticipation notes in order to provide certain additional details relating to such notes and to approve the form of such notes.

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of Fayette County, Tennessee, as follows:

Section 1. That for the purpose of providing funds to meet certain appropriations for the Fiscal Year, the County Mayor of the Local Government is hereby authorized in accordance with the terms of this Resolution to issue and sell interest-bearing tax anticipation notes in a principal amount not to exceed One Million Two Hundred Thousand and No/100 Dollars (\$1,200,000.00) (the "Notes") at a private negotiated sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "General Purpose School Fund Tax Anticipation Notes, Series 2012"; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination(s) as agreed upon with the purchaser; shall be sold at not less than par value and accrued interest; and shall bear interest at a rate or rates not to exceed five and one-half percent (5.50%) per annum, and in no event shall exceed the legal limit provided by law, all as shall be determined by the County Mayor.

Section 2. That the sum of the principal amount of the Notes, together with the principal amount or amounts of any prior tax anticipation notes issued during the Fiscal Year for such Fund, does not exceed sixty percent (60%) of the Fund appropriation for the Fiscal Year.

Section 3. That the Notes may be renewed from time to time and money may be borrowed from time to time for the payment of any indebtedness evidenced by the Notes; provided, that the Notes and any renewal notes shall mature and be paid in full without renewal on or before the end of the Fiscal Year. If the Local Government overestimates the amount of taxes and revenue collected for the Fiscal Year and it becomes impossible to retire the Notes and all renewal notes prior to the close of the Fiscal Year, then the Local Government shall apply to the State Director of Local Finance within ten (10) days prior to the close of the Fiscal Year for permission to issue funding bonds to cover the unpaid Notes in the manner provided by Title 9, Chapter 11 of Tennessee Code Annotated or as otherwise provided for in a manner approved by the State Director of Local Finance.

Section 4. That the Notes shall be secured solely by the receipt of taxes and revenues by the Fund during the Fiscal Year.

Section 5. That the Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption without a premium.

Section 6. That the Notes shall be executed in the name of the Local Government and bear the manual signature of the County Mayor of the Local Government and the manual signature of the County Clerk with the Local Government seal affixed thereon; and shall be payable as to principal and interest at the office of the County Trustee of the Local Government or the paying agent duly appointed by the Local Government and the County Mayor is hereby authorized to make any such appointment on behalf of the Local Government. Proceeds of the Notes shall be deposited with the County Trustee of the Local Government and shall be paid out for the purpose of meeting fund appropriations made for the Fiscal Year in anticipation of the collection of revenues and taxes pursuant to this Resolution and as required by law.

Section 7. That the Notes shall be in substantially the form attached hereto and shall recite that that notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated. To the extent it is proper to do so, the Local Government hereby designates the Notes as "qualified tax-exempt obligations" pursuant to Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended. The Notes may be issued as a single note representing a straight line of credit in the maximum authorized principal amount.

Section 8. That the Notes shall be sold only after the receipt of the approval of the State Director of Local Finance for the sale of the Notes.

Section 9. That all actions of the County Mayor, County Clerk and other County officials done or performed in connection with the issuance of tax anticipation notes in reliance upon the Original Authorizing Resolution and this Supplemental Resolution are hereby ratified and approved.

Section 10. That this Supplemental Resolution is supplemental to the Original Authorizing Resolution and all orders or resolutions in conflict with the Original Authorizing

Resolution, as supplemented by this Supplemental Resolution, are hereby repealed insofar as such conflict exists. This Resolution shall become effective immediately upon its passage and its provisions shall be in force from and after July 1, 2012.

Duly passed and approved this 22nd day of May, 2012.

FAYETTE COUNTY, TENNESSEE

By: _____
County Mayor

ATTESTED:

County Clerk

(Other Business)

Upon motion duly made and seconded, the Board adjourned.

(SEAL)

ATTEST:

County Mayor

County Clerk

STATE OF TENNESSEE

COUNTY OF FAYETTE

I, Sue Culver, hereby certify that I am the duly elected and qualified County Clerk of Fayette County, Tennessee, and as such official I further certify that attached hereto is a true and correct copy of excerpts to be included in the minutes of the meeting of the Board of County Commissioners of Fayette County held on May 22, 2012, insofar as same pertains to the proceedings in connection with the issuance of not to exceed \$1,200,000 General Purpose School Fund Tax Anticipation Notes, Series 2012 of said County.

WITNESS my signature and official seal this the _____ day of May, 2012.

County Clerk
Fayette County, Tennessee

(SEAL)

Commissioner Harris moved to authorize the Mayor to bring a balanced budget with no tax increase back to the Board for approval. Commissioner Oglesby seconded the motion which passed with 16 "YES" votes and Commissioner Leggett and Commission Joann Allen voting "NO".

Chairman Taylor stated that Commissioner Howard e-mailed him regarding a resolution rejecting the tax that the City of Memphis is trying to impose on the citizens of our county who work in the City of Memphis.

Chairman Taylor then recognized Senator Dolores Gresham who was in attendance in the audience. Senator Gresham briefly addressed the Board and thanked them for their work in conducting the business of the County.

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

Rhea Taylor, County Mayor

ATTEST:

Sue W. Culver, County Clerk