

BE IT REMEMBERED THAT THE ANDERSON COUNTY BOARD OF COUNTY COMMISSION MET IN QUARTERLY SESSION ON JANUARY 18, 2011 WITH THE FOLLOWING COMMISSIONERS PRESENT: JOHNNY ALLEY, MARK ALDERSON, ZACK BATES, ROBIN BILOSKI, JERRY CREASEY, CHUCK FRITTS, WHITEY HITCHCOCK, DUSTY IRWIN, TIM ISBEL, ROBERT MCKAMEY, STEVE MEAD, RICK MEREDITH, JOHN SHUEY, TRACY WANDELL AND JERRY WHITE.

Prayer was given by Chaplin Sheri Howze

Pledge of Allegiance was led by Commissioner Biloski.

1. Commissioner Iwanski moved approve the Consent Agenda: December 20, 2011, Notaries and Bonds, Quarterly Report for Veterans Services, Budget Minutes-Group II School Transfers and Revenue Committee Report. Seconded by Commissioner Fritts.

Amended by Commissioner Creasey to remove ADA report off the Consent Agenda adding to the Regular Agenda. Seconded by Commissioner Shuey. Amendment carried by voice vote.

Amended motion carried by voice vote.

Notaries

Joanne Anderson
 Bobbette K Audet
 Cathryn L Best
 Elaine s Boatner
 Molly Hampton
 Donna L Hill
 Diane M Johnson
 James Terrence Karney
 Judy Kelly

Robbie H Lowe
 Vada L Oberlin
 Mark Alan Ruffner
 Mary L Shirey
 Paul Smiddy
 Emily Stallard
 Lyndsai Thoma
 Paul T Whitmire
 Julie LaMance

Notary Bonds

Western Surety
 Cathy L Barbee
 Marsha K Burgess
 Jack D Elliott
 David A Glandon
 David A Stuart
 Thomas C Williams

Liberty Mutual
 J Michael Clement
 Philip R Crye

State Farm
 Christa L Coday

RLI Surety
 Jessica R Cain
 Gale Crowley
 Janet B Dickert
 Germaine Elsie George

SBCA Surety
 Leah Wilson

Fidelity & Deposit
 Mary Ellen Howard

2. Commissioner Iwanski moved to approve the Regular Agenda. Seconded by Commissioner Fritts. Motion carried by voice vote.

3. Commissioner Fritts moved to add Delinquent Tax sale and resignation of Helen Hitchcock from the 6th District School Board position to County Law Director report. Seconded by Commissioner Wandell. Motion carried by voice vote.

Nominating Committee Report

4. Commissioner Biloski moved to approve recommendation from the Nominating Committee of George H. Roberts to serve on the Beer Board for a 3 year term ending 9/2013. Seconded by Commissioner White. Motion carried by voice vote.

5. Commissioner Biloski moved to approve recommendation from the Nominating Committee of Jeffrey K Holt to serve on the Veterans Service Advisory Committee and remove Robert McKamey from the committee. Seconded by Commissioner Creasey. Motion carried by voice vote.

6. Commissioner Biloski moved to approve recommendation from the Nominating Committee to appoint Bill Andrews to serve on the Conservation Board for a 5 year term ending 12/2015. Seconded by Commissioner Iwanski. Motion carried by voice vote.

Director of Schools Report

No action taken at this time.

County Law Director Report

7. Commissioner Fritts moved to approve Department of Energy (DOE) in-lieu-of-taxes resolution. Seconded by Commissioner Wandell. Amended by Commissioner Creasey to defer this resolution to the next County Commission Meeting. Seconded by Commissioner Mead. Amended motion carried by voice vote.

8. Commissioner Meredith moved to approve the following Budget Committee members. Seconded by Commissioner Biloski. Motion carried by voice vote.

Budget Committee

Myron Iwanski

Tim Isbel

Jerry White

Chuck Fritts

9. Commissioner Hitchcock moved to either purchase or lease the Belmont property. Seconded by Commissioner Mead. Amended by Commissioner Meredith to refer to Operations Committee. Seconded by Commissioner Creasey. Amended motion carried by voice vote.

10. Commissioner Shuey moved to accept the bid of \$300.00 on parcel 008.00 Map 009 Group on Longfield Rd., Lake City, TN to Sam Bailey of PO Box 752, Lake City, TN. Seconded by Commissioner White. Motion carried by voice vote.

Purchasing Committee Report

11. Commissioner White moved to approve recommendation from the Purchasing Committee a 3 year contract with renewal yearly for SunTrust for Anderson County Trustees Office for Banking Services. Seconded by Commissioner Creasey. Motion carried by voice vote.

12. Commissioner Meredith moved to approve recommendation from the Purchasing Committee a 4 year State of Tennessee Grant contract for the Briceville Library in the amount of \$100,000.00, contract period of January 1, 2011 through December 15, 2015. Seconded by Commissioner Bates. Motion carried by voice vote.

Veterans Report

No taken action taken at this time.

Budget Committee Report

13. Commissioner Fritts moved to add Group I to the Budget Committee Report. Seconded by Commissioner Meredith. Motion carried by voice vote.

14. Commissioner Fritts moved to approve recommendation from the Budget Committee written request from the Anderson County School the following appropriation in 142.231-Federal Projects. Seconded by Commissioner Wandell.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, McKamey, Meredith, Shuey, Wandell and White. Motion carried.

Decrease Reserve Code:

142.231-34440	Other Federal Projects	\$1,010.66
---------------	------------------------	------------

Decrease Revenue Code:

142.231-47590	Other Federal through State	\$1,010.66
---------------	-----------------------------	------------

Decrease Code:

142.101-47141	Title I Part A Revenue	22,413.16
---------------	------------------------	-----------

Decrease Code:

142.101-71100-429	Instructional Mat. & Supplies	22,413.16
-------------------	-------------------------------	-----------

15. Commissioner Fritts moved to approve recommendation from Budget Committee written request from the Anderson County Schools the following transfers. Seconded by Commissioner Wandell. Motion carried by voice.

Increase Expenditure Codes:

141-71200-320	Dues and Memberships	\$ 250.00
141-72220-351	Rentals	1,200.00
141-72410-307	Communication	<u>5,000.00</u>
	Total Expenditures Increases	\$6,450.00

Decrease Expenditure Code:

141-71200-312	Contracts with Private Agencies	\$6,450.00
---------------	---------------------------------	------------

Increase Expenditure Code:

141-71400-117	Career Ladder Program	\$1,000.00
---------------	-----------------------	------------

Decrease Expenditure Code:

141-71600-117	Career Ladder Program	\$1,000.00
---------------	-----------------------	------------

Increase Expenditure Code:

142.21S-99100-504	Indirect Cost	\$64.80
-------------------	---------------	---------

Decrease Expenditure Codes:

142.21S-71100-429	Instructional Supplies & Materials	\$13.80
142.21S-71100-722	Regular Instructional Equipment	<u>51.00</u>
	Total Expenditures Decreases	\$64.80

Increase Expenditure Codes:

142.901-71200-210	Unemployment Compensation	\$580.00
142.901-72220-355	Travel	<u>.01</u>
	Total Expenditures Increase	\$580.01

Decrease Expenditure Codes:

142.901-71200-201	Social Security	\$580.00
142.901-99100-504	Indirect Cost	<u>.01</u>
	Total Expenditures Decrease	\$580.01

Increase Expenditure Code:

145.12-73300-599	Other Charges	\$200.00
------------------	---------------	----------

Decrease Expenditure Code:

145.12-73300-161	Secretary	\$200.00
------------------	-----------	----------

Increase Expenditure Codes:

145.14-73300-599	Other Charges	\$872.29
145.14-73300-189	Other Salaries	<u>6,000.00</u>
	Total Expenditure Increases	\$6872.29

Decrease Expenditure Codes:

145.14-73300-426	Construction Materials	\$83.75
145.14-73300-163	Educational Assistants	<u>6,788.54</u>
	Total Expenditure Decreases	\$6,872.29

16. Commissioner Fritts moved to approve recommendation from the Budget Committee written request from Health Dept, Drug Fund the following appropriations. Seconded by Commissioner McKamey.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey, Wandell and White. Motion carried.

Increase Revenue Codes:

101-46310-3000	Health Dept. Program	\$113,800.00
101-46310-5000	Health Dept. Program	<u>4,450.00</u>
	Total Increase Revenues	\$118,250.00

Increase Reserve Code:

101-39000	Fund Balance	\$68,250.00
-----------	--------------	-------------

Increase Expenditure Code:

101-55190-707	Building Improvements	<u>\$50,000.00</u>
	Total Increases	\$118,250.00

Decrease Reserve Code:

122-39000	Drug fund balance	\$9,400.00
-----------	-------------------	------------

Increase Expenditure Codes:

122-54150-312	Contracts with private agencies	\$6,500.00
122-54150-431	Law enforcement supplies	1,000.00
122-54150-599	Other charges	<u>1,900.00</u>
	Total Expenditure Increases	\$9,400.00

17. Commissioner White moved to approve recommendation from the Budget Committee written request from Storm Water the following transfer. Seconded by Commissioner Fritts. Motion carried by voice vote.

Increase Expenditure Codes:

101-57800-101	County official	\$34,467.00
101-57800-201	Social security	2,137.00
101-57800-204	State retirement	2,709.00
101-57800-206	Life insurance	30.00
101-57800-207	Medical insurance	5,002.00
101-57800-208	Dental insurance	298.00
101-57800-209	S/T disability insurance	152.00
101-57800-209-1000	L/T disability insurance	112.00
101-57800-210	Unemployment comp	26.00
101-57800-212	Employer Medicare	500.00
101-57800-334	Maintenance agreement	1,000.00
101-57800-349	Printing, stationary, & forms	500.00
101-57800-355	Travel	250.00
101-57800-399	Other contracted services	18,000.00
101-57800-425	Gasoline	750.00
101-57800-499	Other supplies & material	1,500.00
101-57800-513	Workman's comp insurance	2,353.00
101-57800-524	Staff development	500.00
101-57800-599	Other charges	<u>2,500.00</u>
	Total Expenditure Increases	\$72,786.00

Decrease Expenditure Codes:

101-51740-101	County official	\$34,467.00
101-51740-201	Social Security	2,137.00
101-51740-204	State retirement	2,709.00
101-51740-206	Life insurance	30.00
101-51740-207	Medical insurance	5,002.00
101-51740-208	Dental insurance	298.00
101-51740-209	S/T disability insurance	152.00
101-51740-209-1000	L/T disability insurance	112.00
101-51740-210	Unemployment comp	26.00
101-51740-212	Employer Medicare	500.00
101-51740-334	Maintenance agreement	1,000.00
101-51740-349	Printing, stationary & forms	500.00
101-51740-355	Travel	250.00
101-51740-399	Other contracted services	18,000.00
101-51740-425	Gasoline	750.00
101-51740-499	Other supplies & materials	1,500.00
101-51740-513	Workman's comp	2,353.00
101-51740-524	Staff development	500.00
101-51740-599	Other charges	<u>2,500.00</u>
	Total Expenditure Decreases	\$72,786.00

18. Commissioner Wandell moved approve recommendation from the Budget Committee written request from Veterans Services. Seconded by Commissioner Fritts.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbell, Iwanski, McKamey, Mead, Meredith, Shuey and Wandell. NO: White. Motion carried.

Increase Expenditure Codes:

101-58300-355	Travel	\$400.00
101-58300-435	Office Supplies	<u>400.00</u>
	Total Expenditure Increases	\$800.00

19. Commissioner Fritts moved to approve recommendation from the Budget Committee written request from Anderson County Jail the following appropriation. Seconded by Commissioner McKamey.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey and Wandell. NO: White. Motion carried.

Decrease Reserve Code:

101-39000	Undesignated fund balance	\$12,100.00
-----------	---------------------------	-------------

Increase Expenditure Codes:

101-54210-335	Maintenance & repairs-building	\$8,000.00
101-54210-431	Law enforcement supplies	<u>4,100.00</u>
	Total Expenditure Increases	\$12,100.00

20. Commissioner White moved to accept the Report from the State of Tennessee Comptroller of the Treasury. Seconded by Commissioner Fritts. Motion carried by voice vote.



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

December 17, 2010

Honorable Rex Lynch
Anderson County Mayor
100 North Main Street, Suite 208
Clinton, TN 37716

Dear Mayor Lynch:

This letter acknowledges receipt of a letter on December 8, 2010, requesting the review of a refunding plan for the proposed issuance of approximately \$2,135,000 Rural Elementary School Refunding Bonds, Series 2011; \$760,000 Rural High School Refunding Bonds, Series 2011; and \$1,810,000 General Obligation Refunding Bonds, Series 2011 (collectively the "Series 2011 Bonds"). Pursuant to the provisions of *Tennessee Code Annotated* Title 9, Chapter 21, a plan of refunding must be submitted to our Office for review prior to the adoption of a resolution by the governing body of a local government authorizing the issuance of refunding bonds secured, in whole or in part, by the full faith and credit and unlimited taxing power of the county. Enclosed are the reports of the review of these plans of refunding required by *Tennessee Code Annotated* Section 9-21-903 for distribution to the members of the local governing body. **The enclosed report does not constitute approval or disapproval for the proposed plan or a determination that a refunding is advantageous or necessary nor that any of the outstanding obligations should be called for redemption on the first or any subsequent available redemption date or remain outstanding until their respective dates of maturity.**

Tennessee Code Annotated Title 9, Chapter 21, authorizes any county to sell general obligation refunding bonds either at a private negotiated sale with the approval of the Director or at a competitive public sale. The County plans to issue the Series 2011 Bonds by competitive sale.

This report and its appendixes are to be published and placed on the County's website prior to the meeting of the County Commission on Monday December 20, 2010. The same report and appendixes are to be provided to each member of the County Commission and reviewed at the Public Meeting on Monday December 20, 2010.

This report is effective for a period of one hundred and twenty (120) days. If the refunding has not been completed during this time, a supplemental plan of refunding must be submitted to this Office, at that time we will issue a report thereon pursuant to the statutes. In lieu of submitting a supplemental plan, a statement may be submitted to our Office after the 120-day period has elapsed stating that the information contained in the current plan of refunding remains valid. Such statement must be submitted by either the Chief Executive Officer or the Chief Financial Officer of the local government. We will acknowledge receipt of such statement and will issue our letter confirming that this refunding report remains valid for an additional 120-day period. However, with regard to the report currently being issued by this Office, during the initial 120-day period or any subsequent 120-day period no refunding reports will be issued relating to the debt obligations indicated herein as being refunded unless the Chief Executive Officer or the Chief Financial Officer notifies our Office that the plan of refunding which has been submitted is no longer valid.

It is recognized that the information provided in plans submitted to our Office is based on preliminary analysis and estimates, and that actual results will be determined by market conditions at the time of sale of the debt obligations. However, if it is determined prior to the issuance of these obligations that the actual results will be significantly different from the information provided in the plan which has been submitted, and the local government determines to proceed with the issue, our Office should subsequently be notified by either the Chief Executive Officer or the Chief Financial Officer of the local government regarding these differences, and that the local government was aware of the differences and determined to proceed with the issuance of the debt obligations. Notification to our Office will be necessary only if there is an increase or decrease of greater than fifteen percent (15%) in any of the following: (1) the principal amount of the debt obligations issued; (2) the costs of issuance; (3) the cumulative savings or loss with regard to any refunding proposal. We consider this notification necessary to insure that this Office and officials of the local government are aware of any significant changes that occur with regard to the issuance of the proposed indebtedness.

We are enclosing State Form CT-0253, Report on Debt Obligation. Pursuant to Tennessee Code Annotated Title 9, Chapter 21, Section 151, this form is to be completed and filed with this Office within 45 days after the issuance of the refunding bonds.

Sincerely,



Mary-Margaret Collier
Director of the Office of State & Local Finance

Cc: Honorable Justin Wilson, Comptroller of the Treasury
Jim Arnette, Director of County Audit, COT
Joe Ayres, Morgan Keegan & Company Inc.

Enclosure: Report of the Director of the Office of State & Local Finance

**REPORT OF THE TENNESSEE DIRECTOR OF THE OFFICE OF STATE AND LOCAL FINANCE
CONCERNING THE PROPOSED ISSUANCE OF
RURAL ELEMENTARY SCHOOL REFUNDING BONDS, SERIES 2011; RURAL HIGH SCHOOL REFUNDING BONDS, SERIES 2011; AND
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011
ANDERSON COUNTY, TENNESSEE**

Anderson County (the "County") submitted a plan dated December 6, 2010, as required by *Tennessee Code Annotated* Section 9-21-903 regarding the proposed issuance of the following refunding bonds:

- \$2,135,000 Rural Elementary School Refunding Bonds, Series 2011, (the "2011 Rural Elementary School Bonds")
- \$760,000 Rural High School Refunding Bonds, Series 2011, (the "2011 Rural High School Bonds")
- \$1,810,000 General Obligation Refunding Bonds, Series 2011, (the "2011 GO Bonds")

The refunding bonds will replace the following outstanding debt:

- Rural Elementary School Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2011 and thereafter; and
- Rural Elementary School Refunding Bonds, Series 2004, dated March 1, 2004, maturing March 1, 2011; and
- Rural High School Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2012, and thereafter; and
- General Obligation Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2011 and thereafter; and
- General Obligation Refunding Bonds, Series 2010A, dated August 25, 2010, maturing April 1, 2011 (collectively, the "Outstanding Bonds")

The County's purpose in performing this refunding is "to reduce debt service in the Fiscal Year 2010-2011 in order to balance the County's budget without significantly reducing fund balances in a timely manner". This restructuring achieves reduction in debt service payments in Fiscal Year 2011 at the cost of extending the final maturity of the debt and increasing the amount of total debt service that the County must pay over the life of the debt.

The negative impact of this refunding on the County's financial future is as follows:

- The overall life of the County's debt is extended by five (5) years.
- Total debt service payments are increased.
- Debt service payments for Fiscal Years 2012 and 2013 are increased to nearly \$1.5 million dollars; this is almost double the debt service payments in Fiscal Year 2011 after the refunding occurs.
- Budgets for Fiscal Years 2012 through 2019 are negatively impacted by increasing the debt service payable in those years by shifting the payment of Fiscal Year 2011 debt service to future years.

Appendixes containing the report submitted to the Office are included as part of this report. The following appendixes are included as part of this report:

- Appendix A - 2011 Rural Elementary School Bonds: Estimated Savings Analysis, Sources and Uses
- Appendix B - 2011 Rural High School Bonds: Estimated Savings Analysis, Sources and Uses
- Appendix C - 2011 GO Bonds: Estimated Savings Analysis, Sources and Uses
- Appendix D - Total Combined Proposed Debt Schedule

This report of the Office of State and Local Finance does not constitute approval or disapproval by the Office for the proposed plan or a determination that a refunding is advantageous or necessary nor that any of the Refunded obligations should be called for redemption on the first or any subsequent available redemption date or remain Refunded until their respective dates of maturity. This report is based on information as presented in the plan. The assumptions included in the County's plan may not reflect either current market conditions or market conditions at the time of sale.

Mary-Margaret Collier

Mary-Margaret Collier
Director of the Office of State and Local Finance
Date: December 17, 2010

\$2,135,000
Anderson County, Tennessee
Rural Elementary School Refunding Bonds, Series 2011
Rural Elementary Debt Plan

Estimated Savings Analysis

Date	Principal	Coupon	Interest	Total P+I	Refunded D/S	Estimated Savings
04/01/2011					641,190.63	641,190.63
04/01/2012	285,000.00	1.200%	45,355.75	330,355.75	403,706.26	73,350.51
04/01/2013	370,000.00	1.400%	37,812.50	407,812.50	401,956.26	(5,856.24)
04/01/2014	375,000.00	1.750%	32,632.50	407,632.50	404,456.26	(3,176.24)
04/01/2015	380,000.00	1.950%	26,070.00	406,070.00	402,806.26	(3,263.74)
04/01/2016	235,000.00	2.200%	18,660.00	253,660.00	-	(253,660.00)
04/01/2017	240,000.00	2.600%	13,490.00	253,490.00	-	(253,490.00)
04/01/2018	250,000.00	2.900%	7,250.00	257,250.00	-	(257,250.00)
Total	\$2,135,000.00	-	\$181,270.75	\$2,316,270.75	\$2,254,115.67	(62,155.08)

\$2,135,000
Anderson County, Tennessee
Rural Elementary School Refunding Bonds, Series 2011
Rural Elementary Debt Plan

Estimated Savings Analysis

Date	Principal	Coupon	Interest	Total P+I	Refunded D/S	Estimated Savings
04/01/2011					641,190.63	641,190.63
04/01/2012	285,000.00	1.200%	45,355.75	330,355.75	403,706.26	73,350.51
04/01/2013	370,000.00	1.400%	37,812.50	407,812.50	401,956.26	(5,856.24)
04/01/2014	375,000.00	1.750%	32,632.50	407,632.50	404,456.26	(3,176.24)
04/01/2015	380,000.00	1.950%	26,070.00	406,070.00	402,806.26	(3,263.74)
04/01/2016	235,000.00	2.200%	18,660.00	253,660.00	-	(253,660.00)
04/01/2017	240,000.00	2.600%	13,490.00	253,490.00	-	(253,490.00)
04/01/2018	250,000.00	2.900%	7,250.00	257,250.00	-	(257,250.00)
Total	\$2,135,000.00	-	\$181,270.75	\$2,316,270.75	\$2,254,115.67	(62,155.08)

Net Present Value Benefit \$30,874.49
Net PV Benefit / \$1,765,000 Refunded Principal 1.749%

Dated 2/25/2011
First Coupon Date 10/01/2011
Bond Yield for Arbitrage Purposes 2.1873788%
Weighted Average Maturity 3.863 Years
Average Coupon 2.1976208%
Bond Year Dollars \$8,248.50
True Interest Cost (TIC) 2.3242372%

Net Present Value Benefit \$30,874.49
Net PV Benefit / \$1,765,000 Refunded Principal 1.749%

Dated 2/25/2011
First Coupon Date 10/01/2011
Bond Yield for Arbitrage Purposes 2.1873788%
Weighted Average Maturity 3.863 Years
Average Coupon 2.1976208%
Bond Year Dollars \$8,248.50
True Interest Cost (TIC) 2.3242372%

\$760,000
Anderson County, Tennessee
Rural High School Refunding Bonds, Series 2011

Estimated Savings Analysis

Date	Principal	Coupon	Interest	Total P+I	Refunded D/S	Estimated Savings
04/01/2011					18,000.00	18,000.00
04/01/2012	275,000.00	1.200%	12,089.00	287,089.00	386,000.00	98,911.00
04/01/2013	285,000.00	1.400%	7,690.00	292,690.00	388,500.00	95,810.00
04/01/2014	100,000.00	1.750%	3,700.00	103,700.00	-	(103,700.00)
04/01/2015	100,000.00	1.950%	1,950.00	101,950.00	-	(101,950.00)
Total	\$760,000.00	-	\$25,429.00	\$785,429.00	\$792,500.00	\$7,071.00

Net Present Value Benefit \$13,592.21
Net PV Benefit / \$720,000 Refunded Principal 1.888%

Dated 2/25/2011
First Coupon Date 10/01/2011
Bond Yield for Arbitrage Purposes 1.5661065%
Weighted Average Maturity 2.133 Years
Average Coupon 1.5687230%
Bond Year Dollars \$1,621.00
True Interest Cost (TIC) 1.8067460%

\$760,000
Anderson County, Tennessee
Rural High School Refunding Bonds, Series 2011

Sources & Uses

Dated 03/15/2011 | Delivered 03/15/2011

Sources Of Funds	
Par Amount of Bonds.....	\$760,000.00
Total Sources.....	\$760,000.00
Uses Of Funds	
Total Underwriter's Discount.....	4,856.13
Costs of Issuance.....	17,250.00
Deposit to Current Refunding Fund.....	737,893.87
Total Uses.....	\$760,000.00

\$1,810,000
Anderson County, Tennessee
General Obligation Refunding Bonds, Series 2011

Estimated Savings Analysis

Date	Principal	Coupon	Interest	Total P+I	Refunded D/S	Estimated Savings
04/01/2011	-	-	-	-	1,431,811.50	1,431,811.50
04/01/2012	-	-	48,666.75	48,666.75	176,500.00	127,833.25
04/01/2013	-	-	44,242.50	44,242.50	178,500.00	134,257.50
04/01/2014	285,000.00	1.750%	44,242.50	329,242.50	-	(329,242.50)
04/01/2015	290,000.00	1.950%	39,255.00	329,255.00	-	(329,255.00)
04/01/2016	300,000.00	2.200%	33,600.00	333,600.00	-	(333,600.00)
04/01/2017	305,000.00	2.600%	27,000.00	332,000.00	-	(332,000.00)
04/01/2018	310,000.00	2.900%	19,070.00	329,070.00	-	(329,070.00)
04/01/2019	320,000.00	3.150%	10,080.00	330,080.00	-	(330,080.00)
Total	\$1,810,000.00	-	\$266,156.75	\$2,076,156.75	\$1,786,811.50	(289,345.25)

Net Present Value Loss	\$(40,995.56)
Net PV Loss / \$1,735,000 Refunded Principal.....	(2.363%)
Dated.....	2/25/2011
First Coupon Date.....	10/01/2011
Bond Yield for Arbitrage Purposes.....	2.5850583%
Weighted Average Maturity.....	5.666 Years
Average Coupon.....	2.5951321%
Bond Year Dollars.....	\$10,256.00
True Interest Cost (TIC).....	2.6810078%

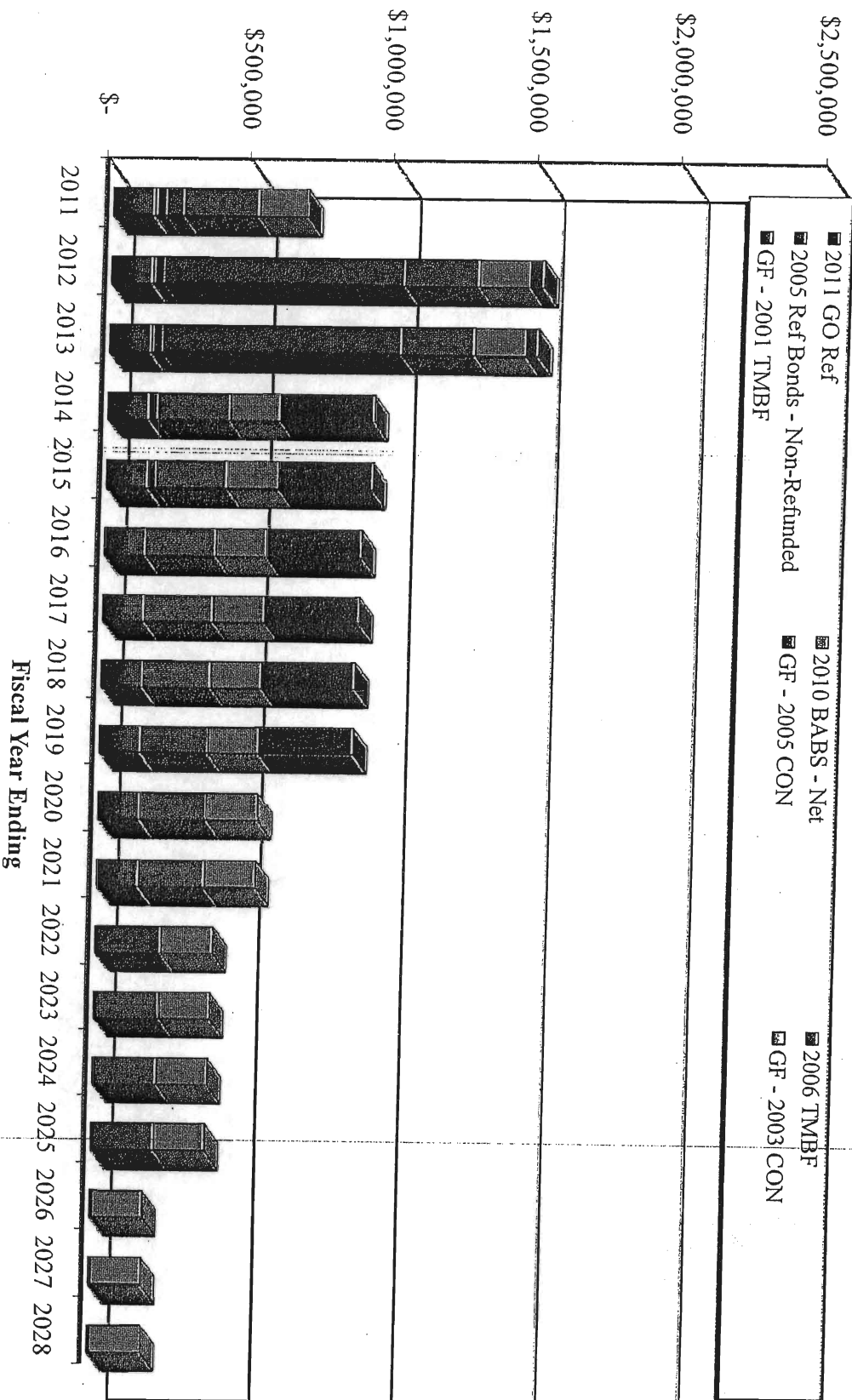
\$1,810,000
Anderson County, Tennessee
General Obligation Refunding Bonds, Series 2011

Sources & Uses

Dated 02/25/2011 | Delivered 02/25/2011

Sources Of Funds	
Par Amount of Bonds.....	\$1,810,000.00
Total Sources.....	\$1,810,000.00
Uses Of Funds	
Total Underwriter's Discount (0.500%).....	13,282.35
Costs of Issuance.....	35,200.00
Deposit to Current Refunding Fund.....	1,761,517.65
Total Uses.....	\$1,810,000.00

Anderson County, Tennessee
Total Combined Proposed Debt Service - General Debt Service Fund



December 6, 2010

Ms. Mary Margaret Collier
Director of Office of State and Local Finance
Suite 1600, James K. Polk Building
505 Deaderick Street
Nashville, TN. 37243-0273

Re: Anderson County, Tennessee

Dear Ms. Collier:

Anderson County, Tennessee, (the "County") is pleased to enclose for your consideration a reports entitled "Preliminary Refunding Analysis" dated December 6, 2010, which together with this letter shall be the County's plan of refunding relating to the obligations described below. These are being delivered to you to comply with Chapter 9, Title 21, Tennessee Code Annotated.

The County is proposing to refinance all or a portion of the following outstanding obligations:

1. Rural Elementary School Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2011 and thereafter; and
2. Rural Elementary School Refunding Bonds, Series 2004, dated March 1, 2004, maturing March 1, 2011; and
3. Rural High School Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2012 and thereafter; and
4. General Obligation Refunding Bonds, Series 2001, dated August 1, 2001, maturing April 1, 2011 and thereafter; and
5. General Obligation Refunding Bonds, Series 2010A, dated August 25, 2010, maturing April 1, 2011 (collectively, the "Outstanding Bonds")

The enclosed Analysis outlines the projected structure based upon current market conditions. To maximize flexibility the County's bond resolution will be drafted to authorize the refunding of all or any portion of the above referenced debt. The County is undertaking the refinancing in order to reduce debt service in the Fiscal Year 2010-2011 in order to balance the County's budget without significantly reducing fund balances and by reamortizing the proposed debt in a timely manner.

It is the County's intention to sell the Bonds at competitive public sale.

The County Commission is scheduled to meet on Monday, December 20, 2010 to discuss the refunding plan and other documents related to this refinancing plan. In that regard, we would appreciate you delivering your report to the County on or before said date if at all possible.

If you have any questions or need any additional information with respect to this financing, please do not hesitate to contact us or our advisors listed below at you earliest convenience.

Very truly yours,

Rex Lynch
County Mayor

CC: Scott Gibson, Morgan Keegan 865-777-5840
Mark Mamantov, Bass, Berry & Sims 865-521-0365

21. Commissioner Iwanski moved to approve Rural High School Refunding in the amount of \$760,000.00. Seconded by Commissioner Fritts.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey, Wandell and White. Motion carried.

Rural High School Refunding – Resolution # _____

A RESOLUTION AUTHORIZING THE ISSUANCE, IN ONE OR MORE SERIES, OF RURAL HIGH SCHOOL REFUNDING BONDS OF ANDERSON COUNTY, TENNESSEE, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING RURAL HIGH SCHOOL BONDS; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

22. Commissioner Iwanski moved to approve Rural Elementary School Refunding in the amount of \$2,135,000.00. Seconded by Commissioner Fritts.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey, Wandell and White. Motion carried.

Rural Elementary School Refunding - Resolution # _____

A RESOLUTION AUTHORIZING THE ISSUANCE, IN ONE OR MORE SERIES, OF RURAL ELEMENTARY SCHOOL REFUNDING BONDS OF ANDERSON COUNTY, TENNESSEE, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING RURAL ELEMENTARY SCHOOL BONDS; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

23. Commissioner Iwanski, moved to approve the General Obligation Refunding Bonds, Series 2011 in the amount of 1,810,000.00. Seconded by Commissioner Fritts.

Voting Aye: Alderson, Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey, Wandell and White. Motion carried.

Resolution # _____

A RESOLUTION AUTHORIZING THE ISSUANCE, IN ONE OR MORE SERIES, OF GENERAL OBLIGATION REFUNDING BONDS OF ANDERSON COUNTY, TENNESSEE, FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING GENERAL OBLIGATION BONDS; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID BONDS; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

Road Committee Report

No action at this time.

Operations Committee Report

24. Commissioner Hitchcock moved to approve recommendation from the Operations Committee to commit the 20% matching funds (\$62,500.00) for the BJA Grant awarded to Anderson County. Seconded by Commissioner Bates. Motion carried by voice vote.

25. Commissioner McKamey moved to approve recommendation from the Operations Committee to hold a workshop with the School Board and staff to discuss the capital needs concept request that includes the Learn Center, Central Office, IE at Norris Middle and capital outlay requests totaling \$10,940,000.00. Seconded by Commissioner Meredith. Motion carried by voice vote.

26. Commissioner McKamey moved to approve recommendation from the Operations Committee to contract with the State Local Planning Office to assist in the re-districting process and that the Operations Committee has opted to not appoint a sub committee and will include the re-districting project under their agenda. Seconded by Commissioner Wandell. Motion carried by voice vote.

27. Commissioner McKamey moved to approve to reduce the County Mayor's salary immediately to the state minimum for counties that have the population of 60,000-99,000 with the salary to be set at \$83,407.00 contingent upon County Law Director. Seconded by Commissioner Wandell. Motion carried by voice vote.

Veterans Service Advisory Committee Report

28. Commissioner Wandell moved to approve recommendation from the Veterans Service Advisory Committee to follow the U. S. Flag Code as specified in or authorized by for guidance of half staffing the flag at the Anderson County Courthouse. Seconded by Commissioner McKamey. Motion carried by voice vote.

ADA Committee Report

No action taken at this time.

“10 minute recess”

29. Commissioner Iwanski moved to proceed with the process as per the County Law Director to fill the 6th District School Board vacancy. Seconded by Commissioner Fritts. Motion carried by voice vote.

30. Commissioner Meredith moved to approve to pay interim Mayor Mark Alderson the salary of the previous County Mayor and after County Commission Meeting as per item 27 pay the New County Mayor salary fitting other counties of same populations. Seconded by Commissioner Hitchcock.

Voting Aye: Alley, Bates, Biloski, Creasey, Fritts, Hitchcock, Irwin, Isbel, Iwanski, McKamey, Mead, Meredith, Shuey, Wandell and White. Abstain: Alderson

31. Commissioner McKamey moved to call a special session of County Commission on January 31, 2011 at 6:00 p.m. in room 312 for election of County Mayor and School Board vacancy taking nominations, interviews and appoint. Seconded by Commissioner Hitchcock.

Amended by Commissioner Fritts to schedule a follow up special session on February 7 at 6:00 p.m. room 312 in the event a new County Mayor or the 6th District School Board vacancy was not appointed. Seconded by Commissioner Bates. Amendment carried by voice vote.

Amended motion carried by voice vote.

32. Commissioner Fritts moved to set a dead line to submit written resumes for County Mayor of noon January 26, 2011. Seconded by Commissioner Wandell. Motion carried by voice vote.

33. Commissioner Hitchcock moved to set a time frame of 2 hours for interviewing of nominates with 20 minutes for each candidate. Seconded by Commission Shuey. Motion carried by voice vote. Absent: Iwanski.

34. Commissioner McKamey moved to rescind previous motion. Seconded by Commissioner Fritts. Motion carried by voice vote.

35. Commissioner Mead moved to set the following time limits per candidate of 5 minute intro, 2 minute responds and 2 minute closing. Seconded by Commissioner Creasey. Motion carried by voice vote.

36. Commissioner Fritts moved to approve the use of paper ballots in the appointing process with candidates who have fewer votes to be eliminated. Seconded by Commissioner McKamey.

Voting Aye: Biloski, Fritts, Hitchcock, McKamey, Mead, Meredith, Shuey and Wandell. NO: Alderson, Alley, Bates, Creasey, Irwin, Isbel and White. Absent: Iwanski. Motion failed.

37. Commissioner Fritts moved to use paper ballots in the appointing process with candidates who have fewer votes to be eliminated. Seconded by Commissioner White. Motion carried by voice vote. NO: Wandell.

38. Commissioner Hitchcock moved that Commission candidates once nominated can no longer participate in the appointing process for County Mayor. Seconded by Commissioner McKamey. NO: Wandell.

39. Commissioner Irwin moved to use lottery method to draw as to what candidates go first. Seconded by Commissioner Mead. Motion carried by voice vote.

Adjourned.

QUARTERLY SESSION

2133

JANUARY 18, 2011

**Mark Alderson, Chairman
County Commissioner**

**Jeff Cole
County Clerk**