

**ANDERSON COUNTY
REGULAR SESSION
COMMISSION MINUTES
MAY 18, 2015**

BE IT RESOLVED THAT THE ANDERSON COUNTY BOARD OF COUNTY COMMISSION MET IN REGULAR SESSION MAY 18, 2015 WITH THE FOLLOWING COMMISSIONERS PRESENT: CHUCK FRITTS, TRACY WANDELL, MARK ALDERSON, RICK MEREDITH, STEVE EMERT, PHIL WARFIELD, TIM ISBEL, ROBERT MCKAMEY, JERRY WHITE, WHITEY HITCHCOCK, STEVE MEAD, JERRY CREASEY, THERESA SCOTT, ROBIN BILOSKI. ABSENT: ZAC BATES AND MYRON IWANSKI.

Prayer was led by Chaplain Clyde Drummond.

Pledge of Allegiance was led by Commissioner Mead.

1. Commissioner Emert made a motion to defer back to Operations the discussion of a new Senior Center in Anderson County. Seconded by Commissioner Isbel. Motion carried by voice vote.

2. Commissioner Biloski made a motion to approve Consent Agenda. Seconded by Commissioner Biloski. Motion carried by voice vote.

- April 20, 2015 County Commission Minutes
- Notaries and Notary Bonds
- Courtesy Proclamation for Joe Hall (Exhibit A)
- Elections
 - Two year term to Anderson County Board of Equalization
 - Donald Butler
 - Jack R Raines
 - James Earl Ferguson
 - Larry Disney
 - Leonard Abbatiello
- Director of Schools Report
 - Written Report
- County Mayor
- Law Director
 - Written Report
- Committee Reports
- New Business
 - ACCTC request for \$500.00 Waste Management funds for the 2015 Summer Career Launch Camp.

Notaries

Suzanne E Arehart

Melinda Sue Bigi

Ernest M Bowles

Christina Lenore Brandon

Brandy Catron

Laken Conley

Erin Joanne Davis

Stephanie L Hensley

Brant Jonathan Hill

Barbara Faye Renfro

Joanna P Richardson

M Jill Stephenson

Ronald A Swanner
Leslie B Tackett
William Lawrence Tunnell

Darin Scott White
Kathy J Williams

Notary Bonds

SBCA

Rhonda L Milen
Joy E Whittemore
Ruth L Heiney
Donna L Hill
Angie Smiddy
Tanya Osborne
Evelyn Rose Stone
Barbara R Schultz

RLI

Clara R Ricker
Elizabeth B King
Joe R Judkins
Suzanne M Rhodes

Western Surety

Heather Rene Seiber
Maryann Mcnerney Hughey
Jerry Bailey Jr
Regina D Ridenour
Kathy O Shoopman

State Farm

Benita A Ferrell
Robbie H Lowe
Pamela A Carden
Jessica Ann Finstad

Merchants

Maryjeane K Hope
Amanda Zetans
Lisa Ann Garner
Linda Jean Smith
Emily Hope James

Liberty Mutual

Rebecca J Cox

Old Republic

Tracy D Walter

Property Bond

Matthew Mott

3. Commissioner Wandell moved to approve Regular Agenda. Seconded by Commissioner Warfield. Motion carried by voice vote.

4. Commissioner Creasey made a motion to go into Executive Session to discuss Daya Case with Attorney Robert Wilkinson. Seconded by Commissioner Scott. Motion carried by voice vote.

Executive Session

No action taken.

Nominating Committee

5. Commissioner Fritts moved to approve Terry L. Brown to serve on the Conservation Board filling an unexpired term ending 12/2015. Seconded by Commissioner Wandell. Motion carried by voice vote.

Director of Schools

No action at this time.

Mayor

No action at this time.

Law Director

6. Commissioner Mead moved to approve for a legal bill of \$700.00 for the Declaratory Action Case for Chief Avery Johnson be paid. Seconded by Commissioner Warfield. Motion carried by voice vote.

7. Commissioner Meredith moved to approve Private Act Ratification for Trustee and County Clerk satellite offices. Seconded by Commissioner Creasey.(Exhibit B) Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, McKamey, White, Hitchcock, Mead, Creasey, Scott and Biloski. Voting no: none. Absent: Bates and Iwanski. Motion passed.

Purchasing Committee

8. Commissioner Meredith moved to approve two year contract with UniFirst for uniforms for the Motor Pool and Animal Control Departments for the period of July 1, 2015 thru June 30, 2017. Seconded by Commissioner Mead. Motion carried by voice vote.

9. Commissioner Biloski moved to approve for automotive/vehicle parts(OEM) fiscal year bids for the Motor Pool Department with the intent to award to West Chevrolet, Rusty Wallace Ford, Ken Smith Auto, Secret City Inc and Ray Varner Ford for the period of July 1, 2015 through June 30, 2016 with an option to renew for an additional three years. Seconded by Commissioner Mead. Motion carried by voice vote.

10. Commissioner Mead moved to approve contract for lighting supplies fiscal year bid for the School Department with the intent to award to Batteries Plus, Stokes Electric and MCOR Lighting for the period of July 1, 2015 through June 30, 2018. Seconded by Commissioner Isbel. Motion carried by voice vote.

11. Commissioner Isbel moved to approve four year rental agreement with Pitney Bowes for postage machine for the Courthouse Departments as per State of Tennessee contract SWC #419, rental is on quarterly basis. Seconded by Commissioner Mead. Motion carried by voice vote.

13. Commissioner Emert moved to approve two mobile bait store machines for the Anderson County Parks for the period of April 14, 2015 through June 30, 2017. Seconded by Commissioner Warfield. Motion carried by voice vote.

14. Commissioner Warfield moved to approve rental agreement with Smoky Mountain Water for General Sessions and Circuit Court Department for the period of May 19, 2015 through June 30, 2018. Seconded by Commissioner Scott. Motion carried by voice vote.

15. Commissioner Wandell moved to approve contract with State of Tennessee Department of Mental Health and Substance Abuse Services for evaluation and treatment of adults only charged with misdemeanor crimes for the period of July 1, 2015 through June 30, 2016 with an option to renew for twelve additional months but not to exceed sixty months. Seconded by Commissioner Scott. Motion carried by voice vote.

16. Commissioner White moved to approve a new lease for West Wolf Valley Convenience Center for \$600.00 a month per the letter received from Ridenour and Ridenour. The current lease expires June 30, 2015. Seconded by Commissioner Mead. Motion carried by voice vote.

Budget Committee

17. Commissioner Scott made a motion to move Item 14 and Item 16 from the Budget Consent Agenda to the Regular Agenda for discussion. Seconded by Commissioner Emert. Motion carried by voice vote.

18. Commissioner Alderson moved to approve the following school appropriations. Seconded by Commissioner Biloski. Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, McKamey, White, Hitchcock, Mead, Creasey, Scott and Biloski. Voting no: none. Absent: Bates and Iwanski. Motion carried.

Increase Revenue Code:

141-43582-3000	Community Service Fees	\$2,400.00
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Increase Expenditure Code:

141-39000	Unassigned Fund Balance	\$2,400.00
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19. Commissioner Meredith moved to approve the following school transfers. Seconded by Commissioner Mead. Motion carried by voice vote.

Increase Expenditure Code:

141-72130-309	Contracts with Government Agencies	\$18,000.00
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SRO

Decrease Expenditure Code:

141-72710-701

Administrative Equipment-Safe School \$18,000.00

Increase Expenditure Codes:

141-71100-116	Regular Education Teachers	\$336,280.00
141-72410-104	Principals	60,000.00
141-71400-116	Bridge Academy Teachers	1,925.41
141-71400-201	Bridge Academy-Social Security	1,515.88
141-72130-131	Other Student Support-	
	Medical Personnel	6,794.76
	Total Expenditures Increased	\$406,516.05

Decrease Expenditure Codes:

141-71100-163	Regular Education-Ed. Assistants	\$29,000.00
141-71100-204	Regular Education-	
	State Retirement	25,000.00
141-71100-207	Regular Education-Medical Ins.	50,750.00
141-71200-116	Special Education-Teachers	70,000.00
141-71200-163	Special Education-Ed. Assistants	45,000.00
141-71300-116	Vocational Educations-Teachers	10,000.00
141-71300-162	Vocational Education-Clerical	10,000.00
141-71300-201	Vocational Education-	
	Social Security	1,240.00
141-71300-212	Vocational Education-	
	Employer Medicare	290.00

141-72110-189	Attendance-Other Salaries & Wages	\$ 95,000.00
141-72110-201	Attendance-Social Security	3,441.29
141-72120-131	Health Services-Medical Personnel	\$6,794.76
141-72130-123	Guidance Personnel	60,000.00
	Total Expenditures Decreased	\$406,516.05

20. Commissioner Isbel moved to approve the following non-school appropriations. Seconded by Commissioner Scott. Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, McKamey, White, Hitchcock, Mead, Creasey, Scott and Biloski. Voting no: none. Absent: Bates and Iwanski. Motion carried.

Increase Revenue Code:

101-44990	Other Local Revenues	\$18,000.00
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Increase Expenditure Code:

101-54110-718	Other Local Revenues	\$18,000.00
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Increase Revenue Code:

101-49700	Insurance Recovery	\$7,140.00
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Decrease Expenditure Code:

101-54110-450	Tires & Tubes	\$10,400.00
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Increase Expenditure Codes:

101-54110-355	Travel	\$2,700.00
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101-54110-718	Motor Vehicles	14,840.00
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Total Expenditures Increased	\$17,540.00
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Increase Expenditure Code:

116-55732-321	Engineering Services	\$2,000.00
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Decrease Expenditure Code:

116-34530	Fund Balance	\$2,000.00
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Increase Revenue Code:

101-47235-1114	Homeland Security	\$20,000.00
	Grant #34101-18215	

Increase Expenditure Code:

101-54410-499-1114	Other Supplies and Materials	\$20,000.00
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Increase Expenditure Code:

101-52500-709	Data Processing Equipment	\$10,590.56
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Decrease Reserve Code:

101-39000	Unassigned Fund Balance	\$10,590.56
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Reserve code 34515 will be JE to replenish 39000

Increase Expenditure Code:

101-52500-709	Data Processing Equipment	\$2,600.00
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Decrease Revenue Code:

101-43396	Clerk Computer Fees	\$2,600.00
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Decrease Reserve Code:

115-34535	Restricted for Other purposes	\$219.00
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Increase Expenditure Codes:

115-56500-351	Rentals	\$119.00
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Increase Expenditure Code:

101-52300-719	Office Equipment	\$4,350.00
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Decrease Reserve Code:

101-39000	Unassigned Fund Balance	\$4,350.00
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Reserve code 101-34615 will be JE to replenish 39000

115-56500-524	Staff Development	\$ 100.00
	Total Expenditures Increased	\$219.00

Increase Revenue Code:

101-44170	Miscellaneous Refunds	\$500.00
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Increase Expenditure Code:

101-52200-399	Other Contracted Services	\$500.00
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Increase Revenue Code:

101-40267	Litigation	\$3,000.00
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Increase Expenditure Code:

101-51900-358-4156	Other General Administration	\$3,000.00
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Increase Expenditure Code:

101-52400-508	Surety Bonds	\$8,669.00
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Decrease Reserve Code:

101-39000	Unassigned Fund Balance	\$8,669.00
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Increase Revenue Code:

116-46430-3000	Special Litter Grant from State	\$25,718.65
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Decrease Reserve Code:

116-34530	Restricted-Public Health & Welfare	\$5,143.73
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Increase Expenditure Code:

116-55710-399-3000	Other Contracted Services	\$30,862.38
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21. Commissioner Warfield moved to approve the following non-school transfers. Seconded by Commissioner Mead. Motion carried by voice vote.

Increase Expenditure Code:

101-54210-410	Custodial Supplies	\$10,000.00
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Decrease Expenditure Code:

101-54210-162	Clerical Personnel	\$10,000.00
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Decrease Expenditure Code:

116-55732-467	Fencing	\$1,550.00
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Increase Expenditure Codes:

116-55710-450	Tires and Tubes	\$350.00
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116-55710-302	Advertising	1,200.00
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Total Expenditures Increased	\$1,550.00
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Increase Expenditure Codes:

205-55130-131	Medical Personnel	\$61,725.00
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205-55130-169	Part-Time	39,000.00
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205-55130-187	Overtime	41,282.00
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Total Expenditures Increased	\$142,007.00
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Decrease Expenditure Codes:

205-55130-204	State Retirement	\$56,007.00
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205-55130-207	Medical Insurance	79,700.00
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205-55130-119	Bookkeepers	6,300.00
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Total Expenditures Decreased	\$142,007.00
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Increase Expenditure Codes:

101-54410-169	Part-time help	\$3,005.15
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101-54410-307-0100	Communications	985.00
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101-54410-499-2008	Other Supplies and Materials	90.52
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Total Expenditures Increased	\$4,080.67
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Decrease Expenditure Codes:

101-54410-169-3000	Part-Time help	\$3,005.15
101-54410-709	Data Processing	1,075.52
	Total Expenditures Decreased	\$4,080.67

22. Commissioner Warfield moved to approve the following General Fund unassigned fund balance appropriation. Seconded by Commissioner Mead. Motion carried by voice vote.

Increase Reserve Code:

101-39000	Unassigned Fund Balance	\$20,000.00
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Decrease Reserve Code:

101-34615-1000	Committed-Property Assessor Audit	\$20,000.00
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23. Commissioner Biloski moved to approve recommendation from Budget Committee to earmark \$25,000.00 from sale of Tennessee Highway Patrol property sale for convenience centers. Seconded by Commissioner Warfield. Motion carried by voice vote.

24. Commissioner Mead moved to approve to earmark \$75,000.00 from Solid Waste Fund to move metal building form Claxton Elementary to Block House Valley facility. Seconded by Commissioner Scott. Motion carried by voice vote.

25. Commissioner Hitchcock made a motion to refer Waste Management Fund Distribution to Operations Committee for review. Seconded by Commissioner Emert. Motion carried by voice vote.

Operations Committee

26. Commissioner Meredith made a motion to modify the Board of Commissioners Scholarship Fund Guidelines to state that the scholarship check will be issued to the student after proof of enrollment. Seconded by Commissioner Scott. Motion carried by voice vote.

New Business

27. Commissioner Mead made a motion to discuss the option of the Farley/Bayless property for the Glen Alpine Convenience Center. Seconded by Commissioner Emert. Motion carried by voice vote.

28. Commissioner Meredith made a motion to put a \$280,000.00 sales price in the current option agreement that was voted on two months ago with the contingency of it coming back to this Commission and we bid it out by the next month's June meeting. Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, McKamey, White, Mead, Scott and Biloski. Voting no: Hitchcock and Creasey. Absent: Bates and Iwanski. Motion carried.

28. Commissioner Meredith made a motion to put a \$280,000.00 sales price in the current option agreement that was voted on two months ago with the contingency of it coming back to this Commission and we bid it out by the next month's June meeting. Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, McKamey, White, Mead, Scott and Biloski. Voting no: Hitchcock and Creasey. Absent: Bates and Iwanski. Motion carried.

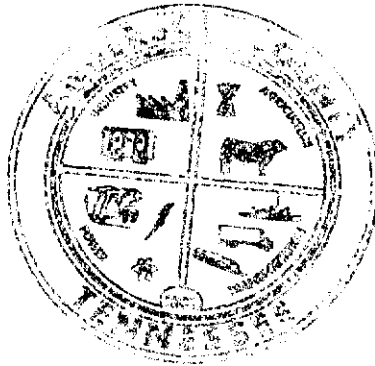
29. Commissioner Meredith made a motion that we do an appropriation for up to \$40,000.00 for an engineer to help with bids for the Farley/Bayless property. Seconded by Commissioner Alderson. Voting aye: Fritts, Wandell, Alderson, Meredith, Emert, Warfield, Isbel, Mckamey, White, Mead, Scott and Biloski. Voting no: Hitchcock and Creasey. Absent: Bates and Iwanski. Motion carried.

Decrease Reserve Code: 116-34685-7500 \$40,000.00

Increase Expenditure Code: 116-55732-321-7500 \$40,000.00

30. Commissioner Alderson made a motion to acknowledge the letter from the Comptroller of the Treasury in compliance with Debt Management Policy for the issuance of EMS Department Capital Outlay Notes Series 2015B. Seconded by Commissioner Mead.(Exhibit C) Motion carried by voice vote.

Meeting adjourned.



Robert McKamey

Robert McKamey Chairman

County Commission

Jeff Cole

Jeff Cole

County Clerk

MAY 18, 2015

EXHIBIT A: PROCLAMATION FOR JOSEPH E "JOE" HALL

EXHIBIT B: RESOLUTION REQUESTING THE TENNESSEE GENERAL ASSEMBLY ENACT THE FOLLOWING PRIVATE ACT FOR ANDERSON COUNTY

EXHIBIT C: LETTER FROM COMPTROLLER OF THE TREASURY

*ALL ORIGINAL CERTIFIED COPIES OF DOCUMENTS ARE FILED IN THE COUNTY CLERK'S CLINTON LOCATION LOCATED IN COURTHOUSE ROOM 111

PROCLAMATION

ANDERSON COUNTY, TENNESSEE

WHEREAS, Joseph E. "Joe" Hall began his career in Anderson County 42 years ago; and

WHEREAS, Joe first stepped into public service with UT Extension on April 1, 1973, serving as the Assistant 4-H Extension Agent for Anderson County, where he worked to develop 4-H boys and girls through strong project work, leadership and citizenship programs; and

WHEREAS, Joe continued his service to Anderson County by becoming the UT Agricultural Extension Agent in 1978, where he conducted agricultural education programs for farmers, producers and homeowners; and

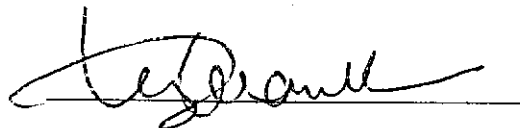
WHEREAS, Joe earned many honors for his service including being named the Outstanding Young Man of the Year in 1975, Outstanding Young Agent in 1980, and received the Vernon and Ida Darter Award in 1987; and

WHEREAS, Joe's hard work, commitment, and dedication to Anderson County are worthy of admiration; and

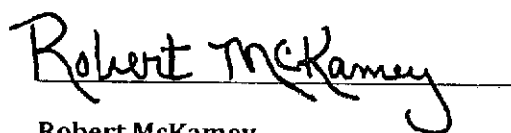
WHEREAS, Joe has faithfully dedicated 42 years of his professional life to Anderson County Government, and will retire on June 30, 2015, and he will be greatly missed.

NOW, THEREFORE, LET IT BE PROCLAIMED by the county legislative body of Anderson County, Tennessee, that May 18, 2015, be designated as Joe Hall Day in Anderson County.

IN WITNESS THEREOF, we have hereunto set our hands and caused the official seal of Anderson County, Tennessee to be affixed on this, the 18th day of May in the year 2015.

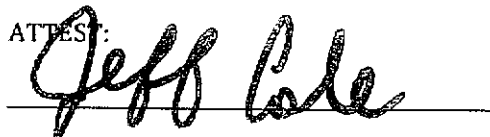


Terry Frank
Anderson County Mayor



Robert McKamey
County Commission Chairman

ATTEST:



Jeff Cole, County Clerk

Anderson County, Tennessee

EXHIBIT

Board of Commissioners

B

RESOLUTION 15-01-225
525

RESOLUTION REQUESTING THE TENNESSEE GENERAL ASSEMBLY ENACT THE FOLLOWING PRIVATE ACT FOR ANDERSON COUNTY

AN ACT to allow the Anderson County Clerk and Trustee to establish and continue branch offices in the northeastern area of the county and the City of Oak Ridge for the use and benefit of area residents.

BE IT ENACTED BY THE 109th GENERAL ASSEMBLY OF THE STATE OF TENNESSEE.

WHEREAS, the County Clerk and Trustee have established satellite offices in the northeastern area of the county and the City of Oak Ridge that provide beneficial services to area residents.

WHEREAS, the Anderson County Board of Commissioners realizes the importance of these offices to the surrounding communities, and declares that the continuation of these branch offices is in the best interests of Anderson County.

NOW THEREFORE, BE IT ENACTED:

SECTION 1. The actions of the County Clerk and Trustee in establishing branch offices in the northeastern area of the county and the City of Oak Ridge are hereby approved and ratified and all official acts performed by the County Clerk, Trustee and deputy clerks are hereby validated and declared legal.

SECTION 2. It shall be the duty of the Anderson County Clerk and Trustee to maintain branch offices in the northeastern area of the county and the City of Oak Ridge in substantially the same manner as said offices are currently maintained.

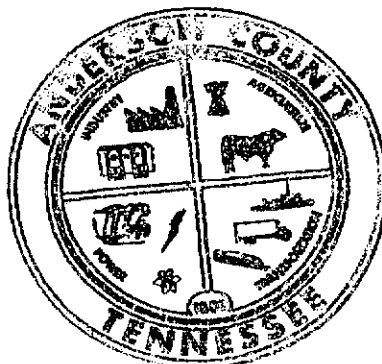
NOW THEREFORE, BE IT RESOLVED by the Anderson County Board of Commissioners meeting in regular session this 20th day of January 2015 that we respectfully request the Tennessee General Assembly enact the above-recited private act applicable to Anderson County.

BE IT FURTHER RESOLVED that we request the County Clerk send a copy of this resolution to our legislative representatives in the Tennessee Senate and House of Representatives.

RESOLVED, DULY PASSED AND APPROVED this 20th day of January 2015 by a vote of 16 for passage, 0 against and 0 absent.

Robert McKamey

Robert McKamey, Chairman
Anderson County Board of Comm.



ATTEST:

Jeff Cole

Jeff Cole, Anderson County Clerk

Terry Frank

Terry Frank, County Mayor

Rodney Archer

Rodney Archer, Trustee



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

May 11, 2015

Honorable County Mayor
and Board of Commissioners
Anderson County
100 North Main Street, Suite 208
Clinton, TN 37716

Dear Mayor Frank and Commissioners:

Please provide a copy of this letter to each commissioner at the next meeting of the County Commission.

This Office received a request from Anderson County (the "County") on May 8, 2015, for approval to issue seven-year capital outlay notes in an amount not to exceed \$223,225 to be known as the "EMS Department Capital Outlay Notes, Series 2015 B" (the "Notes").

This Office received a copy of Resolution No. 15-04-542, adopted on April 20, 2015, authorizing the issuance of the Notes to finance the acquisition of two ambulances for the County's EMS department (the "Project"). The proposed note form was included with the resolution. Please send a copy of the executed note to us along with the completed Report on Debt Obligation (Form CT-0253).

Compliance with Debt Management Policy

The County provided a copy of its debt management policy, and within forty-five (45) days of issuance of the debt approved in this letter, is required to submit the Report on Debt Obligation that indicates that this debt complies with its debt policy. If the County amends its policy, please submit the amended policy to this office.

Note Approval

This letter constitutes approval for the County to issue the Notes by informal bid pursuant to T.C.A. §§ 9-21-608 and 9-21-609. Approval of the sale of the Notes is conditioned upon the County's compliance with all parts of Tennessee State law giving authority to issue such notes. The amount of the Notes being approved is based on the County's determination of the cost of the public works project as authorized in T.C.A. § 9-21-109.

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

Please present a copy of this letter to the members of the Board of Commissioners at the next meeting following receipt of this letter.

This letter and the approval to issue debt do not address the compliance with federal tax regulations and should not be relied upon for that purpose. The County should discuss these issues with a tax attorney or bond counsel.

This approval is valid for six months after the date of this letter. If the Notes have not been issued within that time, a new note resolution must be passed by the Governing Body and submitted to this Office for approval.

Purpose, Terms, and Life

This Project meets the definition of public works projects in T.C.A. § 9-21-105, and the County may issue notes under the authority of Title 9 Chapter 21 of the Tennessee Code Annotated to finance such Project. The maturity of the Notes does not exceed the life of the proposed Project as attested by the local governing body. The submitted resolution and supporting documents appear to meet the requirements for the issuance of notes in Title 9 Chapter 21 Parts 1, 4, and 6 of the Tennessee Code Annotated. The maximum maturity for the Notes as authorized by the governing body is seven (7) years after the date of issuance.

Not less than level debt service is to be paid in each year after the year issued with the balance being paid in the final year of the Notes. In its resolution, the County committed to make at least level principal payments. This repayment schedule meets the requirements of statute. If the County does not pay the minimum principal payments stated in its resolution, the County will not be permitted to convert the Notes to bonds after the two-year period commencing on the date of issuance (T.C.A. § 9-21-610).

Nonconforming Obligations

Notes issued contrary to Title 9 Chapter 21 Parts 4 and 6 of the Tennessee Code Annotated or Notes not properly extended are nonconforming obligations. The Comptroller has the option to levy a penalty for notes deemed nonconforming obligations.

Director's Budget Approval Requirement

By issuing debt under the authority of Title 9 Chapter 21 of the Tennessee Code Annotated, 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 submit within fifteen days of adoption, the appropriation resolution with any necessary supporting documents to this Office for official budget approval to document:

- the County's budget is balanced as required by state law,
- the County intends to pay all outstanding debt obligations, and
- the annual budget is prepared in a form consistent with accepted governmental standards and as approved by the Director.

This Office can require the County to provide any information or perform any audits necessary to ascertain that the County maintains a balanced budget paying all outstanding debt obligations. If the County is unwilling to submit to the requirements of T.C.A. § 9-21-403, this approval to issue the Notes is rescinded.

If the statutorily required budget and supporting documents are not submitted, the County will not be permitted to convert the Notes to bonds after the two year period commencing on the date of issuance. Once under this requirement, if the County fails to comply, it must 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 not operating in compliance with Title 9 Chapter 21 Part 4 of the Tennessee Code Annotated.

Municipal Securities Rulemaking Board (MSRB) Voluntary Disclosure of Bank Loans

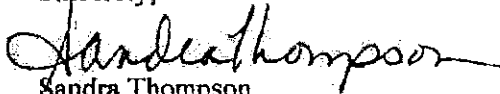
The Municipal Securities Rule Making Board (MSRB) released regulatory notices: MSRB Notice 2011-52, providing guidance on the use of “bank loans” that could be a private placement of municipal securities subject to specific regulatory requirements including disclosure; and MSRB Notice 2012-18, encouraging the voluntary disclosure of bank loan financings through the MSRB’s Electronic Municipal Market Access (EMMA®) website (emma.msrb.org). For more information see the preceding notices on the MSRB’s website (msrb.org). To learn how to submit disclosure see the link at the bottom of the EMMA website labeled Submit Documents or the Education Center of the MSRB’s website.

Report on Debt Obligation

Enclosed is the Report on Debt Obligation. This form must be filed with the governing body of the public entity issuing the Debt not later than forty-five (45) days following the issuance or execution of a debt obligation by or on behalf of any public entity, with a copy (including attachments, if any) filed with the Director of the Office of State and Local Finance by mail to the address on this letter, or by email to StateandLocalFinance.PublicDebtForm@cot.tn.gov. No public entity may enter into additional debt if it has failed to file the Report on Debt Obligation.

Please notify us if the County decides not to issue the Notes.

Sincerely,



Sandra Thompson
Director of State & Local Finance

Cc: Mr. Jim Arnette, Director of Local Government Audit, COT
Ms. Linda Mooningham, Tennessee Municipal Bond Fund

Encl: Report on Debt Obligation