

A RESOLUTION PROVIDING FOR THE ISSUANCE OF FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) ELECTRIC REVENUE BONDS, SERIES 1948, OF WEAKLEY COUNTY, TENNESSEE, PROVIDING FOR THE SALE THEREOF, PROVIDING FOR THE SECURITY AND PAYMENT OF SAID BONDS AND ENTERING INTO CERTAIN COVENANTS AND AGREEMENTS IN THAT CONNECTION, AND FURTHER PROVIDING FOR BORROWING IN ANTICIPATION OF THE ISSUANCE OF SAID BONDS

WHEREAS, WEAKLEY COUNTY has heretofore issued its Electric Plant Bonds in the amount of TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$275,000.00) dated December 1, 1938, in denominations of ONE THOUSAND DOLLARS (\$1,000.00) each, numbered 1 to 275, both inclusive, falling due serially, in each of the years 1941, to 1958, both inclusive, and has heretofore retired Bonds Numbered 1 to _____, inclusive, as they have become due, and has refunded into Electric Revenue Bonds, Series 1945, Bonds numbered 111 to 115, 203 to 212, and 266 to 275, all numbers inclusive; and

WHEREAS, in 1946, additional Bonds were issued under provisions of Chapter 184 of the Public Acts of Tennessee of 1937, and other applicable statutes, in the amount of FOUR HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$425,000.00) known as Electric Revenue Bonds, Series 1945, of Weakley County, Tennessee, in the amount of ONE THOUSAND DOLLARS (\$1,000.00) each and numbered 1 to 425, inclusive; and

WHEREAS, in 1947, additional Electric Revenue Bonds known as Series 1947, were issued in the amount of TWO HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$295,000.00), in the principal amount of ONE THOUSAND DOLLARS (\$1,000.00) each, numbered consecutively from 1 to 295 inclusive, the proceeds of which were used to refund TWENTY THOUSAND DOLLARS (\$20,000.00) of Bonds, of the Series of 1945, numbered 107 to 116, and 151 to 155, and 250 to 254, all numbers inclusive, with remaining amount of TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$275,000.00) to be used for the purpose of paying the cost of construction of additions to said electric system; and

WHEREAS, it is now desired to refund FIVE (5) Bonds of the 1947 Series, in the aggregate principal amount of FIVE THOUSAND DOLLARS (\$5,000.00) such Bonds being numbered _____ to _____, all numbers inclusive, and to expend additional

funds for the purpose of paying the cost of the construction of the additions to the Municipal Electric Plant hereinafter more particularly set out, and to this end it is desired to authorize Bonds in the aggregate principal amount of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00), to be known as Electric Revenue Bonds, Series 1948, issued pursuant to The Revenue Bond Refinancing Act of 1937, and other applicable statutes; and

WHEREAS, it is desired prior to the issuance of said Bonds, for the purpose of financing construction heretofore contracted for and undertaken for the purpose of servicing citizens of Weakley County as required by law, and to this end to borrow at this time the sum of ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) in anticipation of the issue of said Bonds; and

WHEREAS, it is desired to authorize said Bonds at this time and provide for the issuance thereof, with the terms and conditions thereof to be made more specific at a later meeting of this Court, at which meeting all terms and provisions of said Bonds are to be specifically set out, the sale of same authorized, and the provisions for repayment provided, but at this time the borrowing against the issuance of said Bonds is to be authorized, with repayment from revenues of said electrical system on a monthly basis, with any balance remaining due, when and if said Bonds are actually issued and outstanding, to be repaid from the proceeds of the sale of said Bonds at the time the sale price of same is received.

NOW THEREFORE,

BE IT RESOLVED, by the quarterly County Court of Weakley County, Tennessee, as follows:

SECTION 1. That for the purpose of refunding to the amount of \$5,000.00 the outstanding Electric Revenue Bonds, Series 1947, described in the Preamble hereto, and for the purpose of paying the cost of making additions to the plant properties of the Electric Distribution System of Weakley County, including the payment of all expenses properly incidental thereto, there are hereby authorized to be issued, Bonds in the amount of \$500,000.00, which Bonds shall be known as "Electric Revenue Bonds, Series 1948", and shall be payable solely from the revenues of the System, in the manner hereinafter more specifically provided. Wherever the words "the system" are used in

this resolution, they shall be understood to refer to the complete electric system of Weakley County, within and without its boundaries, together with all improvements, extensions and additions thereto which may be made while any of the Bonds herein authorized remain outstanding, or while any indebtedness incurred preliminary to the issue of said Bonds remains outstanding.

SECTION 2. That the Bonds shall bear such date as may be provided at a subsequent meeting of this Court and shall be in denominations of \$1,000.00 each, and consecutively numbered from 1 to 500, both inclusive, and shall mature serially in numerical order on such date as may be fixed in the final resolution.

Said Bonds shall bear interest at such rate or rates not greater than 3% per annum as may be determined from time to time as the Bonds are authorized and sold, which interest shall be payable on the dates fixed in the resolution authorizing said Bonds, and all such Bonds shall have each and every provision in regard thereto contained in the resolution adopted on July 7, 1947, by the Quarterly County Court of Weakley County, Tennessee, at a meeting held in Dresden, Tennessee, on said date, which authorized the issuance of 1947 Series of said Bonds, with the exception that all Bonds herein authorized shall not be general obligations of Weakley County, Tennessee, but shall be payable from revenues of the system, which are to be deposited in the Electric Fund and disposed of in the following manner:

(1) Revenues shall first be used to pay the reasonably necessary cost of operating, maintaining and repairing the system, including salaries, wages, cost of material and supplies, power at wholesale and insurance.

(2) From the remaining revenues there shall be paid (1) the requirements of the provisions of the resolution of December 15, 1938, pursuant to which the outstanding electric plant bonds of the 1938 Series were issued; (2) payments required to be made into said fund by the resolution of January 7, 1946, pursuant to which Electric Revenue Bonds, Series 1945, were issued; and (3) payments required to be made into said fund by the resolution dated July 7, 1947, pursuant to which Electric Revenue Bonds, Series 1947, were issued. The monies in the Electric Plant Fund shall be used for the payment of principal of and interest on, and the creation of a reserve fund for the payment of the Bonds herein authorized, and for the borrowing in anticipation of said Bonds, and to this extent at least the sum of \$4,000.00 each month, if available, shall be paid on the principal amount of said Bonds, and until said Bonds are issued, on the borrowing in anticipation of said issue, together with interest on said Bonds, or on said borrowing in anticipation of the issue of said Bonds, at such amount as may be agreed upon, but not in excess of 3% per annum.

SECTION 3. The Bonds to be issued shall contain the same provisions and conditions as were contained in the resolution of July 7, 1947, in regard to the issuance of Electric Revenue Bonds, Series 1947, with changes as hereinabove authorized, and notice of sale of said Bonds when authorized and issued shall be given in accordance with law.

SECTION 4. That in anticipation of the issue of said Bonds the Weakley County Municipal Electric System created by this County in accordance with law, is authorized to borrow from The American National Bank of Nashville, the sum of \$100,000.00, to be repaid in monthly installments of \$4,000.00 each, solely from revenues derived from the operation of the system, and without such obligation being a general obligation of Weakley County, Tennessee, and in addition to pay interest thereon at such rate as said Municipal Electric System may agree upon, but not exceeding 3% per annum, provided always such funds are available after payments heretofore authorized on other series of Bonds.

Such note is to be in such form as may be agreed upon between the Municipal Electric System and said Bank and shall be provided in the event it is necessary to collect same through attorneys or through legal proceedings, that all expenses of said Bank, including court costs and attorneys' fees, will be paid. Said note shall be reduced by the amounts herein provided, and when and if the notes herein provided for are duly authorized by a subsequent resolution of this Court and sold, a sufficient amount of the proceeds of such issue shall be used to pay the balance due said Bank and to redeem Bonds of the prior Series, as hereinabove provided, and the balance shall be used for additions and extensions of the System. All proceeds of such borrowing herein authorized in anticipation of the issuance of said Bonds shall be placed in the renewal and replacement fund hereinabove mentioned, and shall be used solely for the purpose of making additions to the plant and properties of the company's electric distribution system.

SECTION 5. That if any one or more sections, paragraphs or provisions contained in this resolution shall be held to be invalid or ineffective for any reason, the remainder of this resolution shall remain in full force and effect, it being expressly hereby found and declared that the remainder of this resolution would have been adopted despite the ineffectiveness of such section, paragraph, clause or provision.

SECTION 6. That all Orders and Resolutions or parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and that this resolution shall be in effect immediately upon its adoption.

ADOPTED AND APPROVED, April 5, 1948.

Coyce Pentecost
Coyce Pentecost
County Judge

Attest:

Shobe Smith, Jr.
County Court Clerk

The County Court, after hearing the petition read of the Board of Public Utilities of Weakley County, asking for the issuance of Five Hundred Thousand Dollars (\$500,000.00) bonds, and the authority to borrow One Hundred Thousand Dollars (\$100,000.00) in money from the American National Bank at Nashville, Tennessee, then took up the consideration of the bond resolution, the purpose and contents of which was fully explained by the petition, and the Court, after hearing and understanding said resolution, and upon motion of John C. Hatler, a member of said Quarterly County Court, and being seconded by Albert Miles, also a member of said Court, that the resolution be passed and adopted,

The motion was duly stated by the chairman of said Court, or County Judge, Cayce Pentecost, and put to a vote by the Judge. All members of said Quarterly Court present voted for said resolution and no justice voting against same, the chairman or Judge declared the motion for the bond issue unanimously carried.

Cayce Pentecost

County Judge

Shobe Smith, Jr.

County Court Clerk