

RESOLUTION NO. 1992-28

RESOLUTION OF THE LEGISLATIVE BODY OF WEAKLEY COUNTY, TENNESSEE, AUTHORIZING THE ISSUANCE OF INTEREST BEARING HIGHWAY CAPITAL OUTLAY NOTES NOT TO EXCEED THE SUM OF \$150,000.00 BY WEAKLEY COUNTY, TENNESSEE, AND PROVIDING FOR THE PAYMENT OF SAID NOTES

WHEREAS, the Legislative Body of Weakley County, Tennessee, has determined that it is necessary and desirable to purchase equipment for the benefit of the citizens of Weakley County; and

WHEREAS, the Legislative Body has determined that the purchase of equipment will promote or provide a traditional governmental activity or otherwise fulfill a public purpose; and

WHEREAS, under the provisions of Parts I, IV and VI of 1986 Tennessee Public Acts, Chapter 770 (the "ACT"), local governments in Tennessee are authorized to finance the cost of this Project through the issuance and sale of interest bearing capital outlay notes upon the approval of the State Director of Local Finance; and

WHEREAS, the Legislative Body finds that it is advantageous to Weakley County to authorize the issuance of capital outlay notes to finance the cost of the highway equipment.

NOW, THEREFORE, BE IT RESOLVED, by the Legislative Body of Weakley County, Tennessee, as follows:

SECTION 1. That, for the purpose of providing funds to finance the cost of purchasing highway equipment in and for Weakley County, Tennessee, the County Executive of Weakley County, Tennessee, is hereby authorized in accordance with the terms of this resolution to issue and sell interest-bearing capital outlay notes in a principal amount not to exceed One Hundred Fifty Thousand Dollars (\$150,000) at either a competitive public sale or at a private negotiated sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions of the Act. The Notes shall be designated "Highway Capital Outlay Notes", Series 199____; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denominations as agreed upon with the purchaser; shall be sold at not less than 99% of par value and accrued interest; and shall bear interest at a rate or rates not to exceed _____percent (%) per annum, and in no event shall the rate exceed the legal limit provided by law.

SECTION 2. That, the Notes shall mature not later than three (3) years after the date of issuance and that the Notes and any extension or renewal notes shall not exceed the reasonably expected economic life of the highway equipment, which is hereby certified by the County to be at least _____years. Provided, however, that each year the Notes are outstanding one-____(1/____), but in no event not less than one-twelfth (1/12), of the original principal amount of the Notes shall mature without renewal but subject to prior redemption.

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SECTION 3. That, the Notes shall be subject to redemption at the option of the County, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption, without a premium, or, if sold at par, with or without a premium of not exceeding one percent (1%) of the principal amount.

SECTION 4. That, the Notes shall be direct general obligations of the County and the County hereby pledges its taxing power as to all taxable property in Weakley County for the purpose of providing funds for the payment of principal of and interest on the Notes. The legislative Body of Weakley County hereby authorizes the levy and collection of a special tax on all taxable property of Weakley County over and above all other taxes authorized by Weakley County to create a sinking fund to retire the Notes with interest as they mature in an amount necessary for that purpose.

SECTION 5. That, the Notes shall be executed in the name of Weakley County and bear the manual signature of the County Executive of Weakley County and the manual signature of the County Clerk with the County Seal affixed thereon; and shall be payable as to the principal and interest at the office of the County Trustee of Weakley County. Proceeds of the Notes shall be deposited with the County Trustee of Weakley County and shall be paid out for the purpose of financing the purchase of Highway Equipment pursuant to this Resolution and as required by law.

SECTION 6. That, the Notes will be issued in fully registered form and that at all times during which any Note remains outstanding and unpaid, the County or its agent shall keep or cause to be kept at its office a note register for the registration, exchange or transfer of the Notes. The note register, if held by an agent of Weakley County, shall at all times be open for inspection by the County or any duly authorized officer of the County. Each Note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by the County or its agent, by the registered owner of the Note in Person or by the registered owner's attorney duly authorized in writing, upon presentation and surrender to Weakley County or its agent together with a written instrument of transfer satisfactory to the County duly executed by the registered owner or the registered owner's duly authorized attorney. Upon the transfer of any such Note, the County shall issue in the name of the transferee a new registered Note or Notes of the same aggregate principal amount and maturity as the surrendered Note. The County shall not be obligated to make any such Note transfer during the fifteen (15) days next preceding an interest payment date on the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

SECTION 7. That, the Notes shall be in substantially the form attached hereto and shall recite that the Notes are issued pursuant to the Act.

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

SECTION 9. That, after the issuance and sale of the Notes, and for each year that any of the Notes are outstanding, the Local Government shall submit its annual budget to the State Director of Local Finance for approval immediately upon the County's adoption of the budget.

SECTION 10. That, if any of the Notes shall remain unpaid at the end of three (3) years from the issue date, then the unpaid Notes shall be renewed or extended as permitted by law, or retired from the funds of Weakley County or be converted into bonds pursuant to Chapter II of Title 9 of the Tennessee Code Annotated, or any other law, or be otherwise liquidated as approved by the State Director of Local Finance.

SECTION 11. That, all orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists and this Resolution shall become effective immediately upon its passage.

PURSUANT TO THE RULES OF THE WEAKLEY COUNTY LEGISLATIVE BODY, THIS RESOLUTION IS SPONSORED BY THE FOLLOWING COMMISSIONERS:

Lewis Garner James H. Bell
ACKNOWLEDGED AND APPROVED:

/s/ Charles Culver
CHAIRMAN, BUDGET COMMITTEE

Motion made by Commissioner George Broussard that the foregoin resolution be approved. Seconded by Commissioner Dick Phebus. Upon being put to a roll call vote, motion carried.

ATTESTED TO:

APPROVED:

Faye Butts
FAYE BUTTS, COUNTY CLERK

Kerry S. Killebrew
KERRY S. KILLEBREW, COUNTY EXECUTIVE

This the 20th day of July, 1992.