

**WASHINGTON COUNTY, TENNESSEE
BOARD OF COUNTY COMMISSIONERS**

RESOLUTION NO. 24-04-08-A

***A RESOLUTION AMENDING RESOLUTION NO. 24-04-08 ADOPTED
BY THE BOARD OF COUNTY COMMISSIONERS AS IT RELATES TO
THE ISSUANCE OF NOT TO EXCEED FIVE MILLION (\$5,000,000)
GENERAL OBLIGATION CAPITAL OUTLAY NOTES***

WHEREAS, on April 22, 2024, the Board of County Commissioners (the "Governing Body") of Washington County, Tennessee (the "County") adopted a resolution (the "Resolution") attached here as Exhibit A authorizing the issuance of not to exceed \$5,000,000 General Obligation Capital Outlay Notes (the "Notes") of the County for the purposes described in the Resolution; and

WHEREAS, the County received proposals to purchase the Notes and has determined that the best proposal received was from Citizens Bank (the "Bank"); and

WHEREAS, the Bank's proposal provides for a term for the Notes less than the 12-year term provided in the Resolution and provides for a period of time before the Notes can be prepaid, and the Governing Body desires to authorize the County Mayor to cause the issuance of the Notes consistent with the Bank's proposal; and

WHEREAS, the Budget Committee at its June 20, 2024 meeting recommended consideration and approval of this request to the Board of County Commissioners; now therefore

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY, TENNESSEE THAT:

SECTION 1. Notwithstanding the provisions of the Resolution, the County Mayor is authorized to cause the Notes to be issued and delivered to the Bank consistent with the Bank's proposal, including a term less than 12 years and a period that the Notes cannot be prepaid.

SECTION 2. The form of the Notes, set forth in Section 6 of the Resolution shall be conformed to reflect any amendments as set forth herein.

SECTION 3. Except for the changes as hereinbefore mentioned, the Notes shall be issued in accordance with the Resolution.

SECTION 4. All other resolutions and orders, or parts thereof, other than the Resolution, in conflict with the provisions of this Resolution, are, to the extent of such conflict, hereby repealed, and this Resolution shall take effect from and after the date on which it is approved by the County Mayor or as indicated by certification of the County Clerk, as hereinafter set forth.

Introduced by Commissioner: Davenport
Seconded by Commissioner: Tucker
Commissioners Voting FOR: Tucker; Fitzgerald; Edens; Davenport; Malone; Jones; Wexler; Huffine; Wheeler; Cauders; Matherly; England
Commissioners Voting AGAINST: ϕ
Commissioners Abstaining: ϕ
Commissioners Absent: Johnson; Tomita
Vacancy: 9th District

ADOPTED BY THE COUNTY LEGISLATIVE BODY, in session duly assembled, on this the 24th day of June, 2024.

Cheryl Storey
CHERYL STOREY, County Clerk

Greg Matherly
GREG MATHERLY, Chair of the Board

REFERRED to County Mayor this the 26 day of June, 2024.
Cheryl Storey
CHERYL STOREY, County Clerk

APPROVED by County Mayor on this the 27 day of June, 2024.
William J. Grandy
WILLIAM J. GRANDY, County Mayor

The County Mayor having declined to approve this Resolution, the same became effective on the ___ day of _____, 2024, pursuant to Tennessee Code Annotated § 5-6-107(b)(5).
Cheryl Storey
CHERYL STOREY, County Clerk

Approved as to form by the County Attorney this 26th day of June, 2024.
Allyson L. Wilkinson
ALLYSON L. WILKINSON, County Attorney

**WASHINGTON COUNTY, TENNESSEE
BOARD OF COUNTY COMMISSIONERS**

RESOLUTION NO. 24-04-08

**RESOLUTION AUTHORIZING THE ISSUANCE, SALE, AND
PAYMENT OF GENERAL OBLIGATION CAPITAL OUTLAY NOTES
OF WASHINGTON COUNTY, TENNESSEE SERIES 2024A IN THE
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FIVE
MILLION DOLLARS (\$5,000,000)**

WHEREAS, pursuant to Sections 9-21-608, *et seq.*, Tennessee Code Annotated, as amended, counties in Tennessee are authorized through their respective governing bodies to issue and sell interest-bearing capital outlay notes for all county purposes for which general obligation bonds can be legally authorized and issued for a period of not greater than the end of the twelfth fiscal year following the fiscal year in which the notes are issued; and

WHEREAS, the Washington County, Tennessee Board of County Commissioners has determined that it is necessary and desirable to issue capital outlay notes in order to provide funds for the following public works project(s): (i) purchase and improvement of real property for the relocation of the Gray Branch of the Washington County library and other county uses; (ii) to include the payment of legal, fiscal, administrative, architectural, engineering, and other professional costs incident to any or all of the foregoing; (iii) reimbursement to the appropriate fund of Washington County for prior expenditures for the foregoing costs, if any, and (iv) payment of costs incident to the issuance and sale of notes authorized herein (the "Project"); and

WHEREAS, the Washington County, Tennessee Board of County Commissioners has determined that the Project is a public works project within the meaning of the Act (as defined below); and

WHEREAS, under the provisions of Parts I, IV and VI of Title 9, Chapter 21, Tennessee Code Annotated (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 Comptroller of the Treasury or Comptroller's designee; and

WHEREAS, the Washington County, Tennessee Board of County Commissioners finds that it is advantageous to Washington County to authorize the issuance of capital outlay notes to finance the cost of the Project; and

NOW WHEREAS, the Washington County, Tennessee Board of County Commissioners (the "County") hereby determines that it is necessary and advisable

to issue not to exceed \$5,000,000 in aggregate principal amount of general obligation capital outlay notes, in one or more series, for the purpose of providing funds for the (i) purchase and improvement of real property for the relocation of the Gray Branch of the Washington County library and for other county uses; (ii) to include the payment of legal, fiscal, administrative, architectural, engineering, and other professional costs incident to any or all of the foregoing; (iii) reimbursement to the appropriate fund of Washington County for prior expenditures for the foregoing costs, if any, and (iv) payment of costs incident to the issuance and sale of notes authorized herein (the "Project"); and

WHEREAS, it is the intention of the Washington County, Tennessee Board of County Commissioners to adopt this resolution for the purpose of authorizing not to exceed \$5,000,000 (Five Million Dollars) in aggregate principal amount of said Notes, providing for the issuance, sale and payment of said Notes, establishing the terms thereof, and the disposition of proceeds therefrom, providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon, and providing for the issuance of said Notes in one or more series; now therefore

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY, TENNESSEE THAT:

SECTION 1. For the purpose of providing funds to finance the cost of the Project, the County Mayor is hereby authorized in accordance with the terms of this Resolution, and upon approval of the Comptroller of the Treasury or Comptroller's designee, to issue and sell interest-bearing capital outlay notes in a principal amount not to exceed Five Million Dollars (\$5,000,000.00) (the "Notes"). The Notes shall be designated "Capital Outlay Notes, Series 2024A"; 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 99% of par value plus accrued interest if any; and shall bear interest at a rate or rates not to exceed six per cent (6%) per annum, and in no event shall the rate exceed the legal limit provided by law. Authority. The Notes authorized by this resolution are issued pursuant to Sections 9-21-608, et seq, Tennessee Code Annotated, as amended, and other applicable provisions of law.

SECTION 2. The Notes shall mature twelve (12) fiscal years after the fiscal year of issuance and, unless otherwise approved by the Comptroller of the Treasury or Comptroller's designee, the Notes shall be amortized through mandatory redemption in amounts reflecting level debt service on the Notes or an equal amount of principal paid in each fiscal year as is agreed upon by the chief executive officer and the Purchaser. The principal amount paid in each fiscal year shall be set forth in the form of the Note. The weighted average maturity of the Notes shall not exceed the reasonably expected weighted average life of the Project which is hereby estimated to be thirty (30) years.

SECTION 3. 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, or, if sold at par, with or without

a premium of not exceeding one percent (1%) of the principal amount as determined with the purchaser.

SECTION 4. The Notes shall be direct general obligations of Washington County, for which the punctual payment of the principal and interest on the Notes, the full faith and credit of Washington County is irrevocably pledged, and Washington County hereby pledges its taxing power as to all taxable property in the Washington County for the purpose of providing funds for the payment of principal of and interest on the Notes. The Washington County, Tennessee Board of County Commissioners hereby authorizes the levy and collection of a special tax on all taxable property of Washington County, Tennessee over and above all other taxes authorized by Washington County to create a sinking fund to retire the Notes with interest as they mature in an amount necessary for that purpose.

SECTION 5. The Notes shall be executed in the name of Washington County, Tennessee shall bear the signature of the County Mayor of Washington County and the signature of the recording officer of Washington County and shall be payable as to principal and interest at the office of recording officer of Washington County or at the office of the paying agent duly appointed by the Washington County. Proceeds of the Notes shall be deposited with the official designated by law as custodian of the funds of Washington County. All proceeds shall be paid out for financing the Project pursuant to this Resolution and as required by law.

SECTION 6. The Notes will be issued in fully registered form and that at all times during which any Note remains outstanding and unpaid, Washington 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 Washington County, shall at all times be open for inspection by Washington County or any duly authorized officer of Washington County. Each Note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by Washington 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 Washington County or its agent together with a written instrument or transfer satisfactory to Washington County duly executed by the registered owner or the registered owner's duly authorized attorney. Upon the transfer of any such Note, Washington 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 Notes. Washington 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. The Notes shall be in substantially the form attached as EXHIBIT A with only changes as are necessary or appropriate to comply with the requirements of the purchaser thereof as determined by the County Mayor.

SECTION 8. The Notes shall be sold through the informal bid process provided in Tenn. Code Ann. Section 9-21-609.

SECTION 9. The Notes shall not be sold until receipt of the Comptroller of the Treasury or Comptroller's Designee's written approval for the sale of the Notes.

SECTION 10. The County Mayor is authorized to designate the Notes as qualified tax-exempt obligations for the purpose of Section 265(b) (3) of the Internal Revenue Code of 1986 if so eligible to be designated.

SECTION 11. After the sale of the Notes, and for each year that any of the Notes are outstanding, Washington County shall prepare an annual budget and budget ordinance in a form consistent with accepted governmental standards and as approved by the Comptroller of the Treasury or Comptroller's designee. The budget shall be kept balanced during the life of the Notes and shall appropriate sufficient monies to pay all annual debt service. The annual budget and ordinance shall be submitted to the Comptroller of the Treasury or Comptroller's designee immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21, Tennessee Code Annotated (the "Statutes"). If the Comptroller of the Treasury or Comptroller's designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes, or as directed by the Comptroller of the Treasury or Comptroller's designee.

SECTION 12. All orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists and this Resolution shall take effect from and after the date on which it is approved by the County Mayor or as indicated by certification of the County Clerk, as hereinafter set forth.

Introduced by Commissioner: *Jones*

Seconded by Commissioner: *Tucker*

Commissioners Voting FOR: *Tucker, Johnson, Davenport, Matherly, England, Malone, Williams, Tomita, Jones, Wexler, Huffine, Wheeler, Carder*

Commissioners Voting AGAINST: *Edens*


Commissioners Abstaining: *None*

Commissioners Absent: *Fitzgerald*

ADOPTED BY THE COUNTY LEGISLATIVE BODY, in session duly assembled, on this the 22nd day of April, 2024.

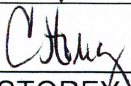


CHERYL STOREY, County Clerk




GREG MATHERLY, Chair of the Board

REFERRED to County Mayor this the 26 day of April 2024.



CHERYL STOREY, County Clerk

APPROVED by County Mayor on this the 26 day of April 2024.

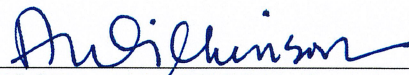


WILLIAM J. GRANDY, County Mayor

The County Mayor having declined to approve this Resolution, the same became effective on the ___ day of _____ 2024, pursuant to Tennessee Code Annotated § 5-6-107(b)(5).

CHERYL STOREY, County Clerk

Approved as to form by the County Attorney this 24th day of April 2024.



ALLYSON L. WILKINSON, County Attorney

2024 General Obligation Capital Outlay Note

Registered Note No. _____

Registered \$ _____

Washington County, Tennessee

A Political Subdivision of the State of Tennessee

Capital Outlay Notes, Series 2024A

DATED: _____

INTEREST RATE: _____

MATURITY DATE: _____

Registered Owner: _____

Principal Sum: \$5,000,000 (Five Million and no/100 Dollars)

Washington County, Tennessee (the Local Government) hereby acknowledges itself indebted, and for value received hereby promises to pay to the Registered Owner hereof (named above), or registered assigns, the Principal Sum specified above on the Maturity Date specified above or according to an amortization schedule attached hereto (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 interest on the Principal Sum on and thereafter on of each year at the Interest Rate per annum specified above or according to an amortization schedule attached hereto, by check, draft, or warrant mailed to the Registered Owner at the address of the Registered Owner as it appears on the fifteenth (15th) calendar day of the month next preceding the applicable payment date in the note register maintained by or on behalf of the Local Government. Both principal of and interest on this note are payable at the office of the Washington County or a paying agent duly appointed by Washington County in lawful money of the United States of America.

This note is a direct obligation of Washington County for the payment of which as to both principal and interest the full faith and credit of the Local Government is pledged.

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, or, if sold at par, with or without a premium of not exceeding one percent (1%) of the principal amount as determined with the purchaser.

This note is issued under the authority of Parts I, IV, and VI of Title 9, Chapter 21, Tennessee Code Annotated, and a Resolution duly adopted by the Washington County, Tennessee Board of County Commissioners meeting on the 22nd day of April, 2024 (the "Resolution") to provide funds to finance the cost of public works projects referenced in the Resolution.

This note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by Washington 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 Washington County or its agent of the note together with a written instrument of transfer satisfactory to Washington County duly executed by the Registered Owner or the Registered Owner's duly authorized attorney but only in the manner as provided in the Resolution of Washington County authorizing the issuance of this note and upon surrender hereof for cancellation. Upon the transfer of any such note, Washington County or its agent 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. Washington 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.

Pursuant to Tenn. Code Ann. Section 9-21-117, this note and interest thereon are exempt from all state, county, and municipal taxation except for inheritance, transfer and estate taxes and except as otherwise provided under the laws of the State of Tennessee.

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 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 Washington County, Tennessee Board of County Commissioners has caused this note to be executed in the name of Washington County by the signature of the and attested by the signature of the with the Seal of the Local Government affixed hereto or imprinted hereon, and this note to be dated as of the _____ day of 2024.

William J. Grandy
County Mayor
Washington County, Tennessee

ATTESTED:

Cheryl Storey, County Clerk

GO Capital Outlay Note, Series 2024A - \$5,000,000

Issued Amount 5,000,000.00
Term, years 12
Rate 5.0%
Date of Issue 6/1/2024

Payment Date	Year	Principal	Interest	Total Payment	Remaining Balance
5/31/2025	1	\$314,127.05	\$250,000.00	564,128.05	4,685,872.95
5/31/2026	2	\$329,833.40	\$234,293.65	564,129.05	4,356,039.55
5/31/2027	3	\$346,325.07	\$217,801.98	564,130.05	4,009,714.47
5/31/2028	4	\$363,641.33	\$200,485.72	564,131.05	3,646,073.15
5/31/2029	5	\$381,823.39	\$182,303.66	564,132.05	3,264,249.76
5/31/2030	6	\$400,914.56	\$163,212.49	564,133.05	2,863,335.19
5/31/2031	7	\$420,960.29	\$143,166.76	564,134.05	2,442,374.90
5/31/2032	8	\$442,008.30	\$122,118.75	564,135.05	2,000,366.60
5/31/2033	9	\$464,108.72	\$100,018.33	564,136.05	1,536,257.88
5/31/2034	10	\$487,314.16	\$76,812.89	564,137.05	1,048,943.72
5/31/2035	11	\$511,679.86	\$52,447.19	564,138.05	537,263.86
5/31/2036	12	\$537,263.86	\$26,863.19	564,139.05	-
		<u>5,000,000.00</u>	<u>1,769,524.60</u>	<u>6,769,602.60</u>	