

**MINUTES**  
**Roane County Commission**  
**REGULAR MEETING**  
**MARCH 20, 2017**

**STATE OF TENNESSEE**  
**COUNTY OF ROANE**

**BE IT REMEMBERED** that the County Commission of Roane County, Tennessee convened in regular session in Kingston, Tennessee on the 20<sup>th</sup> day of March at 7:00 P.M.

The Commission was **called to order** by **Bailiff Jerry White**.

**Invocation** was given by **Commissioner Hooks**.

**The Pledge of Allegiance to the Flag of the United States of America** was led by **Bailiff Jerry White**.

**Present and presiding** was the Honorable **Ron Berry** and the following Commissioners: **Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore**.  
(13)

Absent: **David Bell** and **James Brummett** (2)

**THEREUPON**, **Chairman Berry** announced the presence of a **quorum**.

**Also present** was County Executive **Ron Woody**, Budget Director **Connie Aytes**, County Attorney **Greg Leffew**, Building Inspector **Glen Cofer**, Deputy Clerk **Bobbie Tipton**, and Deputy Clerk **Ariel Smith**.

**APPROVE MINUTES OF THE FEBRUARY 13, 2017 MEETING:**

**MOTION to approve** was made by **Commissioner Fink** with second by **Commissioner Moore**.

The following Commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore** (13).

The following Commissioners **Passed**: -0-

The following Commissioners voted **No**: -0-

**THEREUPON**, the Chairman announced the motion **Passed**.

**ACCEPTANCE OF COMMITTEE REPORTS AND CORRESPONDENCE:**

1. MINUTES of Public Utility Board 01-09-17
2. MINUTES of Industrial Liaison Committee 01-23-17
3. MINUTES of Budget Committee 01-30-17
4. MINUTES of Environmental Review Board 02-02-17
5. MINUTES of Joint Work Shop: Non-Native Aquatic Weeds  
02-06-17
6. MINUTES of Jail Study Meeting 02-07-16
7. MINUTES of Emergency Services Meeting 02-09-17
8. MINUTES of Industrial Liaison Committee 02-09-17
9. MINUTES of Fire Board 02-14-17
10. MINUTES of Road Committee 02-16-17
11. MINUTES of Agriculture Advisory Committee 02-21-17
12. MINUTES of Tourism Committee 02-27-17
13. MINUTES of EDA Revolving Loan Board 03-01-17
14. LETTER to Executive Woody from State of Tennessee Dept. of Environment and Conservation, Division of Internal Audit RE: Jan. 23 desk review of Roane County Recycling Center and current contract for \$25,000 Equipment Grant for 2-1-15 thru 01-31-20 upheld with no deficiencies detected 02-06-17
15. LETTER to County Commissioners ATTN Daryl Meadows from Roane County resident Margaret Poole in regards to the rapid growth of certain aquatic weeds in Watts Bar Lake or "the water milfoil infestation" 02-10-17
16. LETTER to Senator Ken Yager and Representative Kent Calfee from County Executive Ronald Woody regarding Plateau Partnership Park development and estimated funding needs 02-28-17
17. LETTER to U.S. Dept. of Energy, Integrated Support Center Office of Science Manager Kenneth R. Tarcza from County Executive Ronald Woody in regards to impending changes in the Roane County Tax Rate, an increase in demand for the county's impact fees growing approximately 20% over the next 5 years and the needed preparation and adjustment 03-03-17
18. PROCLAMATION by County Executive Ron Woody that March 19, 2017 be officially considered Sam Houston Day in honor of Houston's public service as Governor of Tennessee from 1827-1829, his service in the House of Representatives, as well as his earlier advocacy for the Cherokee Indians in the area where his family settled 02-21-17.

**NOTARIES:** The following persons desiring to be elected as a Notary Public in Roane County were presented to the Commission by Deputy Clerk Bobbie Tipton: Rhonda M. Badger, Kay W. Drewry, Carol Duncan, Crystle Gibson, Mary T. Gooch, Teresa Hagler, Rachel L. Houston, J. A. Long, Beverly G. Lyke, Katina Ramsey, Penny A. Thacker, Laurie A. Vincent, Benita K. Voyles, and Rebecca A. Wright.

**MOTION TO ACCEPT** was made by **Commissioner Hendrickson**, with second by **Commissioner East**.

**UPON roll call vote** the following Commissioners voted **yes: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners voted **No: -0-**

The following Commissioners **Passed: -0-**

**THEREUPON**, the Chair announced to the Commission that the **notaries were accepted** and ordered same spread of record.

**HEARING OF DELEGATION:**

**John Dennis** addressed the Commission to speak of the value of freedom and the price that comes with the liberty of a nation, reciting "freedom isn't free" and including a brief discussion about the national debt and its repercussions.

**COUNTY ATTORNEY'S REPORT:**

**County Attorney Greg Leffew** discussed the county's pending lawsuits and answered questions from the Commissioners over the following:

**Progress is being made in current property tax cases.** Roane County has been relieved of one of the bids from a 2012 case.

**The Zumstein v. Roane County case is still ongoing** and awaits a brief to be filed by Zumstein's attorney who got an extension on the filing deadline until April 14, 2017.

**COUNTY EXECUTIVE'S REPORT:**

**County Executive's Report  
March 20, 2017**

From our work session on March 6, we discussed the potential Jail expansion and the purchasing of the Dollar General. A request was made for property taxes paid on the offered properties. You can find filed with the clerk a spreadsheet dated March 9, 2017, that is not only a list the county and city taxes but also the owner's offer and tax appraisal on each of the properties.

Dr. Watkins and I have met, exchanged emails and phone calls as we are developing an implementation plan for a planning and budgeting resolution for consideration for the respective approving bodies.

There are a number of steps in the planning recommendation and approval process before any plan has final approval.

The Budget Committee began the 2018 Budget development this past week with recommendations on the debt service funds with those funds receiving the same 2017 tax rate as the 2016 levy. Additional 2018 Budget work will take place this Thursday, March 23.

When reviewing the General Fund 101, property tax has been received of 92.4 % or 7,576,529 compared to last year's report in February of 92.9% or 7,411,900. Property tax is one of our biggest revenue sources and is consistent with last year's numbers.

The County Owned Back Tax Property Committee which deals with property purchased at a back tax sales will meet Tuesday, March 21.

On March 20, 2017 a letter from DA Russell Johnson states there will be a change in the current schedule for Roane County General Sessions Court. The change should help with our parking situation at the Courthouse.

**SEE ATTACHMENTS ( 3 Pages )**

**SPECIAL ORDERS:**

**CONFIRMATION OF REAPPOINTMENT of TOMMY THOMPSON to the Industrial Development Board, Health, Education and Housing Facilities Board due to the expiration of his term. The new term will expire March 12, 2023.**

**MOTION to reappoint was made by Commissioner East, second by Commissioner Hendrickson.**

**UPON roll call vote, the following Commissioners voted Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed:** -0-

The following Commissioners voted **No:** -0-

**THEREUPON, the Chairman announced that the motion passed.**

**CONFIRMATION OF REAPPOINTMENT of TEDDY HAYWOOD to the Industrial Development Board, Health, Education and Housing Facilities Board due to the expiration of his term. The new term will expire March 12, 2023.**

**MOTION to reappoint was made by Commissioner Hendrickson, second by Commissioner Granger.**

**UPON roll call vote, the following Commissioners voted Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed:** -0-

The following Commissioners voted **No:** -0-

**THEREUPON, the Chairman announced that the motion passed.**

**SPECIAL ORDERS (continued)**

**CONFIRMATION OF REAPPOINTMENT of DAVID WEBB** to the Industrial Development Board, Health, Education and Housing Facilities Board due to the expiration of his term. The new term will expire March 12, 2023.

**MOTION to reappoint** was made by **Commissioner Ferguson**, second by **Commissioner Ellis**.

**UPON roll call vote**, the following Commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed: -0-**

The following Commissioners voted **No: -0-**

**THEREUPON**, the Chairman announced that the motion **passed**.

**CREATION OF NEW AQUATIC WEEDS COMMITTEE:**

Chairman Berry moved to appoint a Committee that will work with the Environmental Review Board to assist in the matter of the aquatic weeds debate in Roane County. The Committee shall include the following Commissioners: (5)

Commissioner Stanley Moore, Chairman  
Commissioner David Bell  
Commissioner Ron Berry  
Commissioner Junior Hendrickson  
Commissioner Steve Kelley

**ZONING RESOLUTIONS:**

**REZONING RESOLUTION 03-17-01Z**

**A RESOLUTION OF ROANE COUNTY PLANNING COMMISSION RECOMMENDING ACTION BY THE ROANE COUNTY LEGISLATIVE COMMISSION ON A RESOLUTION AMENDING THE ROANE COUNTY ZONING MAP.**

ROANE COUNTY PLANNING COMMISSION RECOMMENDS:

REQUESTED BY: Jan E Long

APPROVAL

PUBLIC HEARING INFORMATION

DENIAL

NOTICE DATE: March 3, 2017

OTHER

NEWSPAPER: ROANE COUNTY NEWS

HEARING DATE: March 20, 2017

COUNTY COMMISSION ACTION

READING DATE: March 20, 2017

EFFECTIVE DATE: March 20, 2017

\_\_\_\_\_  
Planning Commission Chairman

\_\_\_\_\_  
Planning Commission Secretary

\_\_\_\_\_  
Date

**COMMENT:**

**Planning Commission unanimously approved the request.**

**WHEREAS**

**WHEREAS**, the planning commission of jurisdiction has reviewed the request to have said parcel rezoned from

**A-2 (Developing Agricultural & R-1 (Low Density Residential) to C-2 (Highway Commercial) and,**

**WHEREAS**, the planning commission recommendation is certified:

**BE IT RESOLVED BY THE ROANE COUNTY COMMISSION THAT:**

Section 1: Map 068, Parcel 186.03 as shown on the attached map is hereby zoned C-2 (Highway Commercial).

Section 2: This resolution shall take effect after the required public hearing and adoption by this commission.

**(See attachment)**

To approve Resolution # 03-17-01Z:

**UPON MOTION** by **Commissioner East**, seconded by **Commissioner Fink**,

The following commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioner **Passed: -0-**

The following commissioners voted **No: -0-**

**THEREFORE**, the Chair announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**OLD BUSINESS: NONE**

**NEW BUSINESS:**

**RESOLUTION # 03-17-01**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION TO AUTHORIZE THE COUNTY EXECUTIVE TO EXECUTE A DEED TRANSFERRING LAND AND AN EASEMENT TO THE CITY OF ROCKWOOD ON BEHALF OF THE BOARD OF WATERWORKS, SEWERAGE AND NATURAL GAS**

**WHEREAS**, the City of Rockwood has operated a water tank in the Roane County Industrial Park for many decades.

**WHEREAS**, on September 8, 2003, the Industrial Development Board of the County of Roane, Tennessee voted to transfer the tract where the water tank sits and an easement to the City of Rockwood, and a deed was drafted. A copy of the September 8, 2003 minutes and the transfer deed is attached as Exhibit A.

**WHEREAS**, said deed was never recorded and was subsequently lost.



**WHEREAS**, March 6, 2017, the Industrial Development Board of Roane County executed a replacement deed, a copy of which is attached as Exhibit B.

**WHEREAS**, by deeds recorded in the Roane County Register's Office in Deed Book O, Series 12, Page 406 and Deed Book E, Series 12, Page 144, the Industrial Development Board of Roane County conveyed the real estate where the water tank sits and the easement to Roane County.

**WHEREAS**, to complete the transfer originally contemplated on September 8, 2003, Roane County must also execute the replacement deed.

**NOW, THEREFORE, BE IT RESOLVED** by the County Commission for Roane County that the County Executive is hereby empowered to execute the replacement deed attached hereto as Exhibit B.

**UPON MOTION** by **Commissioner East**, seconded by **Commissioner Meadows**,

The following commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following commissioners **Passed**:       **-0-**

The following commissioners voted **No**:       **-0-**

**THEREUPON**, the Chair announced to the Commission that said Resolution had received a constitutional majority and ordered the same spread of record.

**SEE ATTACHMENT of 16 Pages**

**RESOLUTION # 03-17-02**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION TO AUTHORIZE MEDIATION IN  
ROANE COUNTY TENNESSEE V. LEXON INSURANCE COMPANY AND  
BOND SAFEGUARD INSURANCE COMPANY  
ROANE COUNTY CHANCERY COURT NUMBER 16665**

**WHEREAS**, on March 11, 2010, Roane County sued Lexon Insurance Company and Bond Safeguard Insurance Company on a performance bond regarding the construction of roads and drainage systems at Docks at Caney Creek Subdivision.

**WHEREAS**, on October 15, 2012, Docks at Caney Creek Property Owners Association, Inc. intervened in said suit suing various other Defendants including Land Resource Watts Bar, LLC, the developer of said subdivision.

**WHEREAS**, said case is still pending trial, partly because of the bankruptcy of Land Resource Watts Bar, LLC, and partly because of the various other issues raised in the Third-Party Complaint of Docks at Caney Creek Property Owners Association, LLC.

**WHEREAS**, Defendants, Lexon Insurance Company and Third-Party Plaintiff, Docks at Caney Creek Property Owners Association, Inc., have requested mediation to be conducted by Paul D. Hogan, Jr., Attorney at Law, on April 25, 2017.

**WHEREAS**, the cost of said mediation would be \$350.00 per hour to be split equally among all parties to the lawsuit, with a six (6) hour minimum of mediation hours; and

**WHEREAS**, the County Attorney has recommended that Roane County engage in mediation.

**THEREFORE, BE IT RESOLVED** that the Roane County Attorney and the Roane County Road Superintendent are authorized to participate in said mediation, and Roane County shall pay its proportionate share of the cost of said mediation, with the County Attorney and the Road Superintendent to have discretion to determine the number of hours Roane County participates in said mediation.

**BE IT FURTHER RESOLVED** that any agreement reached at mediation shall not be binding on Roane County or any of its departments until said agreement is approved by the Roane County Commission.

**UPON MOTION** by **Commissioner Johnson**, seconded by **Commissioner Granger**,

The following commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following commissioners **Passed**:       **-0-**

The following commissioners voted **No**:       **-0-**

**THEREUPON**, the Chair announced to the Commission that said Resolution had received a constitutional majority and ordered the same spread of record.

**SEE ATTACHMENT of 1 Page**

RESOLUTION # 01-17-03

IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE

A RESOLUTION TO AUTHORIZE ROANE COUNTY TO PARTICIPATE  
IN MEDIATION IN ROANE COUNTY BOARD OF PUBLIC UTILITIES V.  
TENNESSEE LAND AND LAKES, INC., TENNESSEE LAND AND LAKES, LLC,  
JAMES F. MACRI AND ROANE COUNTY, TENNESSEE

*WHEREAS*, Roane County Board of Public Utilities v. Tennessee Land and Lakes, Inc., Tennessee Land and Lakes, LLC, James F. Macri and Roane County, Tennessee, Roane County Circuit Court No. 16-CV-112 is set for trial on June 8 and 9, 2017.

*WHEREAS*, Roane County Board of Public Utilities and Tennessee Land and Lakes, Inc., Tennessee Land and Lakes, LLC and James F. Macri, have agreed to mediate the issues in this cause prior to said trial.

*WHEREAS*, the County Attorney has recommended that Roane County also participate in said mediation.

**THEREFORE, BE IT RESOLVED** that the Roane County Attorney and the Roane County Executive are authorized to participate in said mediation, and Roane County shall pay its proportionate share of the cost of said mediation, with the County Attorney and the County Executive to have discretion to determine the number of hours Roane County participates in said mediation.

**BE IT FURTHER RESOLVED** that any agreement reached at mediation affecting Roane County shall not be binding on Roane County until said agreement is approved by the Roane County Commission.

**UPON MOTION** by **Commissioner Moore**, seconded by **Commissioner Fink**, the following Commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed:** -0-

The following commissioners voted **No:** -0-

**THEREUPON**, the Chair announced to the Commission that said Resolution had received a constitutional majority and ordered the same spread of record.

**RESOLUTION # 03-17-04  
IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** honoring the achievements of **Karly Page**.

**WHEREAS, Karly Page** is a two time All American, and;

**WHEREAS, Karly Page** is a two time winner of the Universal Cheerleading Association Camp Champ, and;

**WHEREAS, Karly Page** is a two time winner of the Universal Cheerleading Association Spirit Stick, and;

**WHEREAS, Karly Page** is a two time winner of the Universal Cheerleading Association Camp Jump off competition, and;

**WHEREAS, Karly Page** will be attending Tennessee Tech University on a partial athletic scholarship to study in their Pre-Physical Therapy program, and;

**WHEREAS, Karly Page** will be a member of the Tennessee Tech University Cheer/Dance/Mascot team, and;

**WHEREAS**, while attending Harriman High School Karly was selected as most school spirit for the 2016-2017 school year, and;

**NOW, THEREFORE, BE IT RESOLVED**, that the Roane County Commission hereby honors **Karly Page** for her athletic achievements and school spirit.

**BE IT FURTHER RESOLVED** that a copy of this resolution be presented to **Karly Page**.

**UPON MOTION** of **Commissioner Hendrickson**, seconded by **Commissioner Fink**,

The following Commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed:** -0-

The following Commissioners voted **No:** -0-

**THEREUPON**, the County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-05 (as amended)  
IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** expressing support of Governor Bill Haslam's proposed Tennessee Broadband Accessibility Act

**WHEREAS**, Tennessee ranks 29<sup>th</sup> in the U.S. for broadband access, and;

**WHEREAS**, 13 percent of the state of Tennessee lacks access to broadband and 34 percent of the state's rural residents do not have broadband coverage, and;

**WHEREAS**, broadband access is critical for education facilities, businesses, health care, public utilities and;

**WHEREAS**, in response to this critical need for increased broadband access, Governor Haslam has proposed the Tennessee Broadband Accessibility Act, which would provide grants and tax credits to encourage deployment of broadband to previously unserved areas, and;

**WHEREAS**, in addition to grants and tax credits, the act would authorize the state's private, non-profit electric cooperative to provide broadband throughout their territories, and;

**WHEREAS**, the act also provides grant opportunities for local libraries to help the libraries provide more digital literacy training to communities, and;

**WHEREAS**, Roane County believes the Broadband Accessibility Act provides necessary and reasonable steps to improve broadband access in the state.

**NOW, THEREFORE BE IT RESOLVED** that the Roane County Commission strongly urge the Tennessee General Assembly to pass the Tennessee Broadband Accessibility Act in order to increase broadband accessibility in the state.

**MOTION TO ADOPT AS AMENDED** was made by **Commissioner Kelley** with second by **Commissioner Granger**.

**UPON ROLL CALL VOTE**, the following Commissioner voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners voted **No**: **-0-**

The following Commissioners **Passed**: **-0-**

**THEREFORE**, the Chair announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-06**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the General Fund (101) to appropriate funds for the Tobacco Grant

**WHEREAS**, the Health Department has been awarded this grant to be used within three years, and

**WHEREAS**, this grant is to be used on educating the community on the effects of smoking while Pregnant, those that are involved with Secondhand Smoke, and School-age Children; and

**NOW, THEREFORE, BE IT RESOLVED** that the General Fund (101) be amended as follows:

<u>Fund</u>	<u>Sub Fund</u>	<u>Object</u>	<u>Description</u>	<u>Current BG</u>	<u>Amendment</u>	<u>Ending BG</u>
<b>Revenue Code:</b>						
101		46980-TS	Other State Grants	-	34,511	34,511
<b>Expenditure Code:</b>						
101		55190-599-TS	Other Charges	-	34,511	34,511

UPON MOTION of Commissioner Granger, seconded by Commissioner Kelley,

The following Commissioners voted **Aye**: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)

The following Commissioners **Passed**: -0-

The following Commissioners voted **No**: -0-

**THEREUPON**, The County Chairman announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-07**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the General Fund (101) to receive and appropriate a grant into the Health Department (55190)

**WHEREAS**, the County has received a Memorandum of Understanding as of January 10, 2017, from the Global Micro-Clinic Project, d.b.a. Microclinic International, ("MCI"), and

**WHEREAS**, MCI was awarded a grant from BlueCross BlueShield of Tennessee Health Foundation to partner with organizations in Tennessee to offer the Microclinic Program to Tennessee residents; and



**WHEREAS**, MCI desires to provide a training to health department staff in East Grant Division of Tennessee to become Microclinic Program facilitators who shall offer the Microclinic Program to their local communities; and

**WHEREAS**, the County desires to have its health department staff trained as Microclinic Program facilitators and to offer the Microclinic Program to receive implementation grants from MCI; and

**NOW, THEREFORE, BE IT RESOLVED** that the General Fund (101) be amended as follows:

<u>Fund</u>	<u>Sub Fund</u>	<u>Object</u>	<u>Description</u>	<u>Current BG</u>	<u>Amendment</u>	<u>Ending BG</u>
<b>Revenue Code:</b>						
101		44570 - HEALT	Contributions	-	2,000	2,000
<b>Expenditure Code:</b>						
101		55190-499-HEALT	Other Supplies and Material	-	2,000	2,000

**UPON MOTION** of **Commissioner East**, seconded by **Commissioner Granger**,

The following Commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed**: **-0-**

The following Commissioners voted **No**: **-0-**

**THEREUPON**, THE County Chairman announced to the Commission that said resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-08**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the Highway Capital Project Fund (176) to reflect funds transferred from the Highway Fund (131)

**WHEREAS**, the Highway Department has two bridges (Buckner and Laurel Bluff) that are on the State Aid Program, and

**WHEREAS**, the transfer from the Highway Department Fund (131) was not appropriated during the budget process; and

**WHEREAS**, it is necessary to reflect the increase in the bridge line item by \$200,000 to cover the additional costs in the construction; and

**NOW, THEREFORE, BE IT RESOLVED** that the Highway Capital Project Fund (176) be amended as follows:

<u>Fund</u>	<u>Sub Fund</u>	<u>Object</u>	<u>Description</u>	<u>Current BG</u>	<u>Amendment</u>	<u>Ending BG</u>
<b>Reserve Code:</b>						
176		34585	Restricted Highway Cap. Pr	202,667	(200,000)	2,667
<b>Expenditure Code:</b>						
176		91200-705-BRG	Bridge Construction	310,000	200,000	510,000

**UPON MOTION** of **Commissioner Kelley**, seconded by **Commissioner Granger**,

The following Commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed**: -0-

The following Commissioners voted **No**: -0-

**THEREUPON**, THE County Chairman announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-09  
IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the General Capital Projects Fund (171) sub fund TVA Equipment Grant (TEQ) to appropriate a TVA Equipment Grant

**WHEREAS**, a TVA Grant has been awarded to Roane County OES, and

**WHEREAS**, this grant has no required match money.

**NOW, THEREFORE, BE IT RESOLVED** that the General Capital Projects Fund (171) subfund (TEQ) be amended as follows:

<u>Fund</u>	<u>Sub Fund</u>	<u>Object</u>	<u>Description</u>	<u>Current BG</u>	<u>Amendment</u>	<u>Ending BG</u>
<b>Revenue Code:</b>						
171	TEQ	47220	Civil Defense	-	29,138	29,138
<b>Expenditure Code:</b>						
171	TEQ	91130-790	Other Equipment	-	29,138	29,138

**UPON MOTION** of **Commissioner Moore**, seconded by **Commissioner Meadows**,

The following Commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed**: **-0-**

The following Commissioners voted **No**: **-0-**

**THEREUPON**, The County Chairman announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-10**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION TO RECLASSIFY FUND 123 RECYCLING/LANDFILL TO FUND 128 OTHER SPECIAL REVENUE- RECYCLING/LANDFILL**

**WHEREAS**, the Comptroller has established through the Uniform Chart of Accounts Fund 128 would be a Special Revenue Fund, and

**WHEREAS**, in years past Roane County used Fund 128 as their Wastewater Fund, up until the Wastewater Operations became an independent board and an Enterprise Fund becoming Fund 204, and

**WHEREAS**, on page 116 in the 2016 audit, the classification of our 123 Fund is being reflected as a Special Revenue Fund 128, and

**WHEREAS**, actual accounts will be reclassified through journal entries and internal documents at the end of March, and

**NOW, THEREFORE, BE IT RESOLVED** that the Recycling/Landfill Fund (123) be classified as Special Revenue Fund - Recycling/Landfill (128) be here by established:

**SEE ATTACHMENT (8 Pages) FOR BUDGET AMENDMENTS**

**UPON MOTION of Commissioner Kelley**, seconded by **Commissioner Moore**, the following Commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners voted **No:** -0-

The following Commissioners **Passed:** -0-

**THEREUPON**, the County Chairman announced to the Commission that the said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-11**

**IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the General Capital Project Fund (171) in the subfund Red Diamond (RED) for site development project in the Industrial Park

**WHEREAS**, the cost of the project exceeds what was originally budgeted, and

**WHEREAS**, there the understanding between the County and the Industrial Board that there would be a contribution from the IDB to pay for ½ of the cost to replace the control panel; and

**WHEREAS**, the adjustment below reflects what is currently available to adjust in the project's reserves and also reflects a contribution from the IDB; and

**NOW, THEREFORE, BE IT RESOLVED** that the General Capital Project Fund (171) be amended as follows:

<u>Fund</u>	<u>Sub Fund</u>	<u>Object</u>	<u>Description</u>	<u>Current BG</u>	<u>Amendment</u>	<u>Ending BG</u>
<b>Reserve Code:</b>						
171	RED	34585	Restricted Gen. Cap. Proj	12,342	(12,341)	1
<b>Revenue Code:</b>						
171	RED	44570	Contribution and Gifts	-	17,853	17,853
<b>Expenditure Code:</b>						
171	RED	91110-724	Site Development	86,081	30,194	116,275

**UPON MOTION** of **Commissioner Ellis**, seconded by **Commissioner Meadows**,

The following Commissioners voted **Aye**: **Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following Commissioners **Passed**: -0-

The following Commissioners voted **No**: -0-

**THEREUPON**, The County Chairman announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**RESOLUTION # 03-17-12  
IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION** to amend the General Fund (101) in all its Departments where overages exist either by unexpected changes to the departments or needs have changed since the first of the fiscal year.

**Resolution WITHDRAWN** at the request of the County Executive in regards to the Budget Committee.

**RESOLUTION # 03-17-13  
IN THE COUNTY COMMISSION FOR ROANE COUNTY, TENNESSEE**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF ROANE COUNTY, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$11,425,000, IN ONE OR MORE SERIES; 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**

**WHEREAS**, 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes Roane County, Tennessee (the "County"), by resolution of the Board of County Commissioners, to issue and sell bonds to refund and refinance outstanding indebtedness; and

**WHEREAS**, the County has previously issued and has outstanding its (i) General Obligation Bonds, Series 2008A, dated June 18, 2008, maturing June 1, 2023 and thereafter (the "Outstanding 2008A Bonds"); and its (ii) Series B-13-A Loan Agreement, by and between the County and The Public Building

Authority of Blount County, Tennessee (the "Authority"), dated as of October 1, 2007, maturing June 1, 2018 and thereafter (the "Outstanding B-13-A Loan Agreement," and together with the Outstanding 2008A Bonds, the "Outstanding Indebtedness"); and

**WHEREAS**, all or a portion of the Outstanding Indebtedness can now be refunded for the purpose of reducing the debt service requirements of the County; and

**WHEREAS**, the Board of County Commissioners hereby determines that it is advisable to issue, in one or more series, for the purpose of refunding all or a portion of the Outstanding Indebtedness; and

**WHEREAS**, a plan of refunding for the Outstanding Indebtedness has been filed with the Director of State and Local Finance (the "State Director") as required by Section 9-21-903, Tennessee Code Annotated, as amended, and the State Director has submitted to the County a report thereon (the "Refunding Report"), a copy of which has been made available to the members of the Board of County Commissioners; and

**WHEREAS**, it is the intention of the Board of County Commissioners of the County to adopt this resolution for the purpose of authorizing not to exceed \$11,425,000 in aggregate principal amount of bonds for the above-described purposes, providing 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 a tax for the payment of principal thereof, premium, if any, and interest thereon.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of County Commissioners of Roane County, Tennessee, as follows:

**Section 1. Authority.** The bonds authorized by this resolution are issued pursuant to 9-21- 101, et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

**Section 2. Definitions.** In addition to the terms defined in the preamble above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

- (a) "Bonds" means, collectively, the Series 2017A Bonds and the Series 2017B Bonds.

(b) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical bond certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of bonds being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the County or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those bonds.

(c) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

(d) "County Executive" shall mean the County Executive of the County.

(e) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC.

(f) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

(g) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System.

(h) "Financial Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee.

(i) "Governing Body" means the Board of County Commissioners.

(j) "Refunded Indebtedness" means the maturities or portions of the maturities of the Outstanding Indebtedness designated for refunding by the County Executive pursuant to the terms hereof.

(k) "Refunding Escrow Agent" means a financial institution selected by the County Executive to act as escrow agent under the Refunding Escrow Agreement, or any successor designated by the Governing Body.

(l) "Refunding Escrow Agreement" means the Refunding Escrow Agreement, dated as of the date of the Bonds, between the County and the Refunding Escrow Agent, in substantially the form of the document attached hereto as Exhibit A, subject to such changes thereto as shall be permitted by the terms of this resolution.

(m) "Registration Agent" means the registration and paying agent appointed by the County Executive pursuant to the terms hereof, or any successor designated by the Governing Body.

(n) "Series 2017A Bonds" means the General Obligation Refunding Bonds, Series 2017 of the County to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the County Executive pursuant to Section 8 hereof.

(o) "Series 2017B Bonds" means the General Obligation Refunding Bonds, Series 2017 (Federally Taxable) of the County to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the County Executive pursuant to Section 8 hereof.





Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

(c) Pursuant to the terms hereof, the County Executive is authorized to sell the Bonds, or any maturities thereof, as term bonds ("Term Bonds") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the County Executive. In the event any or all the Bonds are sold as Term Bonds, the County shall redeem Term Bonds on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to the terms hereof for each redemption date, as such maturity amounts may be adjusted pursuant to the terms hereof, at a price of par plus accrued interest thereon to the date of redemption. The Term Bonds to be redeemed within a single maturity shall be selected as follows:

If less than all of the Bonds within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding any such mandatory redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45<sup>th</sup>) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of any call for redemption shall be given by the Registration Agent on behalf of the County not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of

the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant or Beneficial Owner will not affect the validity of such redemption. The Registration Agent shall mail said notices as and when directed by the County pursuant to written instructions from an authorized representative of the County (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and the Registration Agent shall give immediate notice to the Depository, if applicable, or the affected Bondholders that the redemption did not occur and that the Bonds called for redemption and not so paid remain outstanding.

(d) The Governing Body hereby authorizes and directs the County Executive to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed or the Registration Agent for the Bonds to maintain Bond registration records with respect to the Bonds, to authenticate and deliver the Bonds as provided herein, either at original issuance or upon transfer, to effect transfers of the Bonds, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Bonds as provided herein, to cancel and destroy Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the County at least annually a certificate of destruction with respect to Bonds cancelled and destroyed, and to furnish the County at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds. The County Executive is hereby authorized to execute and the County Clerk is hereby authorized to attest such written agreement between the County and the Registration Agent as they shall deem necessary and proper with respect to the obligations, duties and rights of the Registration Agent. The payment of all reasonable fees and expenses of the Registration Agent for the discharge of its duties and obligations hereunder or under any such agreement is hereby authorized and directed.

(e) The Bonds shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Bonds by check or draft on each interest payment date directly to the registered owners as shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Bond registration records, without, except for final payment, the presentation or surrender of such registered Bonds, and all such payments shall discharge the obligations of the County in respect of such Bonds to the extent of the payments so made. Payment of principal of and premium, if any, on the Bonds shall be made upon presentation and surrender of such Bonds to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Bonds are no longer registered in the name of DTC, or a

successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Bonds, payment of interest on such Bonds shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(f) Any interest on any Bond that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the County to the persons in whose names the Bonds are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the County shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment, and at the same time the County shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered Owners. The Registration Agent shall promptly notify the County of such Special Record Date and, in the name and at the expense of the County, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the Bond registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Bonds shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the County to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Bonds when due.

(g) The Bonds are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Bond(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Bond(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Bond(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Bond or the Bond to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the publication of notice calling such Bond for redemption has been made, nor to transfer or exchange any Bond during the period following the receipt of instructions from the County to call such Bond for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Bond, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bonds shall be overdue. The Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in any authorized denomination or denominations.

(h) The Bonds shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the County with the signature of the County Executive and the attestation of the County Clerk.

(i) Except as otherwise provided in this resolution, the Bonds shall be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Bonds. References in this Section to a Bond or the Bonds shall be construed to mean the Bond or the Bonds that are held under the Book-Entry System. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Bond Registrar is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A Book-Entry System shall be employed, evidencing ownership of the Bonds in authorized denominations, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants pursuant to rules and procedures established by DTC.

Each DTC Participant shall be credited in the records of DTC with the amount of such DTC Participant's interest in the Bonds. Beneficial ownership interests in the Bonds may be purchased by or through DTC Participants. The holders of these beneficial ownership interests are hereinafter referred to as the "Beneficial Owners." The Beneficial Owners shall not receive the Bonds representing their beneficial ownership interests. The ownership interests of each Beneficial Owner shall be recorded through the records of the DTC Participant from which such Beneficial Owner purchased its Bonds. Transfers of ownership interests in the Bonds shall be accomplished by book entries made by DTC and, in turn, by DTC Participants acting on behalf of Beneficial Owners. **SO LONG AS CEDE & CO., AS NOMINEE FOR DTC, IS THE REGISTERED OWNER OF THE BONDS, THE REGISTRATION AGENT SHALL TREAT CEDE & CO. AS THE ONLY HOLDER OF THE BONDS FOR ALL PURPOSES UNDER THIS RESOLUTION, INCLUDING RECEIPT OF ALL PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS, RECEIPT OF NOTICES, VOTING AND REQUESTING OR DIRECTING THE REGISTRATION AGENT TO TAKE OR NOT TO TAKE, OR CONSENTING TO, CERTAIN ACTIONS UNDER THIS RESOLUTION.**

Payments of principal, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid by the Registration Agent directly to DTC or its nominee, Cede & Co., as provided in the Letter of Representation relating to the Bonds from the County and the Registration Agent to DTC (the "Letter of Representation"). DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners. The County and the Registration Agent shall not be responsible or liable for payment by DTC or DTC Participants for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants.

In the event that (1) DTC determines not to continue to act as securities depository for the Bonds, or (2) to the extent permitted by the rules of DTC, the County determines that the continuation of the Book-Entry System of evidence and transfer of ownership of the Bonds would adversely affect their interests or the interests of the Beneficial Owners of the Bonds, then the County shall discontinue the Book-Entry System with DTC or, upon request of such original purchaser, deliver the Bonds to the original purchaser in the form of fully-registered Bonds, as the case may be. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. If the purchaser(s) certifies that it intends to hold the Bonds for its own account, then the County may issue certificated Bonds without the utilization of DTC and the Book-Entry System.

**THE COUNTY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY PARTICIPANT OR ANY BENEFICIAL OWNER**

WITH RESPECT TO (i) THE BONDS; (ii) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (iii) THE PAYMENT BY DTC OR ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; (iv) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY DTC PARTICIPANT OF ANY NOTICE DUE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED UNDER THE TERMS OF THIS RESOLUTION TO BE GIVEN TO BENEFICIAL OWNERS; (v) THE SELECTION OF BENEFICIAL OWNERS TO RECEIVE PAYMENTS IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (vi) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE, CEDE & CO., AS OWNER.

(j) The Registration Agent is hereby authorized to take such action as may be necessary from time to time to qualify and maintain the Bonds for deposit with DTC, including but not limited to, wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC (or any of its designees identified to the Registration Agent) by overnight delivery, courier service, telegram, teletype or other similar means of communication. No such arrangements with DTC may adversely affect the interest of any of the owners of the Bonds; provided, however, that the Registration Agent shall not be liable with respect to any such arrangements it may make pursuant to this Section.

(k) The Registration Agent is hereby authorized to authenticate and deliver the Bonds to the original purchaser, upon receipt by the County of the proceeds of the sale thereof and to authenticate and deliver Bonds in exchange for Bonds of the same principal amount delivered for transfer upon receipt of the Bond(s) to be transferred in proper form with proper documentation as hereinabove described. The Bonds shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Bond form.

(l) In case any Bond shall become mutilated, or be lost, stolen, or destroyed, the County, in its discretion, shall issue, and the Registration Agent, upon written direction from the County, shall authenticate and deliver, a new Bond of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Bond, or in lieu of and in substitution for such lost, stolen or destroyed Bond, or if any such Bond shall have matured or shall be able to mature, instead of issuing a substituted Bond the County may pay or authorize payment of such Bond without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the County and the Registration Agent of the destruction, theft or loss of such Bond, and indemnify satisfactory to the County and the Registration Agent; and the County may charge the applicant for the issue of such new Bond an amount sufficient to reimburse the County for the expense incurred by it in the issue thereof.

**Section 5. Source of Payment.** The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of the principal of, premium, if any, and interest on the Bonds, the full faith and credit of the County are hereby irrevocably pledged.

**Section 6. Form of Bonds.** The Bonds shall be in substantially the following form, the omissions to be appropriate completed when the Bonds are prepared and delivered:

(Form of Bond)

REGISTERED

REGISTERED

Number \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA STATE OF TENNESSEE  
COUNTY OF ROANE COUNTY  
GENERAL OBLIGATION REFUNDING BOND, SERIES 2017[ ] [FEDERALLY  
TAXABLE]

Interest Rate:                      Maturity Date:                      Date of Bond:                      CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, Roane County, Tennessee (the "County") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate interest hereinabove set forth from the date hereof until said maturity date or redemption date, said interest being payable on December 1, 2017, and semi-annually thereafter on the first day of June and December in each year until this Bond matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the principal corporate trust office of \_\_\_\_\_, \_\_\_\_\_, as registration and agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent.

Except as otherwise provided herein or in the Resolution, as hereinafter defined, this Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds of the series of which this Bond is one. One Bond for each maturity shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Bond Registrar is a custodian and agent for DTC, and the Bond will be immobilized in its custody. A book-entry system shall be employed, evidencing ownership of the Bonds in \$5,000 denominations, or multiples thereof, with transfers of beneficial ownership effected on the records of DTC and the DTC Participants, as defined in the Resolution, pursuant to rules and procedures established by DTC. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, the County and the Registration Agent shall treat Cede & Co. as the only owner of the Bonds for all purposes under the Resolution, including receipt of all principal and maturity amounts of, premium, if any, and interest on the Bonds, receipt of notices, voting and requesting or taking or not taking, or consenting to, certain

actions hereunder. Payments of principal, maturity amounts, interest, and redemption premium, if any, with respect to the Bonds, so long as DTC is the only owner of the Bonds, shall be paid directly to DTC or its nominee, Cede & Co. DTC shall remit such payments to DTC Participants, and such payments thereafter shall be paid by DTC Participants to the Beneficial Owners, as defined in the Resolution. Neither the County nor the Registration Agent shall be responsible or liable for payment by DTC or DTC Participants, for sending transaction statements or for maintaining, supervising or reviewing records maintained by DTC or DTC Participants. In the event that (1) DTC determines not to continue to act as securities depository for the Bonds or (2) to the extent permitted by the rules of DTC, the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect its interests or the interests of the Beneficial Owners of the Bonds, the County may discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County shall cause the Registration Agent to authenticate and deliver replacement Bonds in the form of fully-registered Bonds to each Beneficial Owner. Neither the County nor the Registration Agent shall have any responsibility or obligations to DTC Participant or any Beneficial Owner with respect to (i) the Bonds; (ii) the accuracy or any records maintained by DTC or any DTC Participant; (iii) the payment by DTC or any DTC Participant of any amount due to any Beneficial Owner in respect of the principal or maturity amounts of and interest on the Bonds; (iv) the delivery or timeliness of delivery by DTC or any DTC Participant of any notice due to any Beneficial Owner that is required or permitted under the terms of the Resolution to be given to Beneficial Owners; (v) the selection of Beneficial Owners to receive payments in the event of any partial redemption of the Bonds; or (vi) any consent given or other action taken by DTC, or its nominee, Cede & Co., as owner.

Bonds of the issue of which this Bond is one shall be subject to redemption prior to maturity at the option of the County on June 1, 2027 and thereafter, as a whole or in part at any time at the redemption price of par plus accrued interest to the redemption date.

If less than all the Bonds shall be called for redemption, the maturities to be redeemed shall be designated by the Board of County Commissioners of the County, in its discretion. If less than all the principal amount of the Bonds of a maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected as follows:

(i) if the Bonds are being held under a Book-Entry System by DTC, or a successor Depository, the amount of the interest of each DTC Participant in the Bonds to be redeemed shall be determined by DTC, or such successor Depository, by lot or such other manner as DTC, or such successor Depository, shall determine; or

(ii) if the Bonds are not being held under a Book-Entry System by DTC, or a successor Depository, the Bonds within the maturity to be redeemed shall be selected by the Registration Agent by lot or such other random manner as the Registration Agent in its discretion shall determine.

[Subject to the credit hereinafter provided, the County shall redeem Bonds maturing \_\_\_\_\_ on the redemption dates set forth below opposite the maturity dates, in aggregate principal amounts equal to the respective dollar amounts set forth below opposite the respective redemption dates at a price of par plus accrued interest thereon to the date of redemption. DTC, as securities depository for the series of Bonds of which this Bond is one, or such Person as shall then be serving as the securities depository for the Bonds, shall determine the interest of each Participant in the Bonds to be redeemed using its procedures generally in use at that time. If DTC or another securities depository is no longer serving as securities depository for the Bonds, the Bonds to be redeemed within a maturity shall be selected by the Registration Agent by lot or such other random manner as the



Registration Agent in its discretion shall select. The dates of redemption and principal amount of Bonds to be redeemed on said dates are as follows:

<u>Final Maturity</u>	<u>Redemption Date</u>	<u>Principal Amount of Bonds Redeemed</u>
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\*Final Maturity

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding any such redemption date, the County may (i) deliver to the Registration Agent for cancellation Bonds to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Bonds of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking fund provision. Each Bond so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the County on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Bonds to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The County shall on or before the forty-fifth (45<sup>th</sup>) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.]

Notice of any call for redemption shall be given by the Registration Agent not less than twenty (20) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Bonds to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Bond registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds for which proper notice was given. The notice may state that it is conditioned upon the deposit of moneys in an amount equal to the amount necessary to effect the redemption with the Registration Agent no later than the redemption date ("Conditional Redemption"). As long as DTC, or a successor Depository, is the registered owner of the Bonds, all redemption notices shall be mailed by the Registration Agent to DTC, or such successor Depository, as the registered owner of the Bonds, as and when above provided, and neither the County nor the Registration Agent shall be responsible for mailing notices of redemption to DTC Participants or Beneficial Owners. Failure of DTC, or any successor Depository, to provide notice to any DTC Participant will not affect the validity of such redemption. From and after any redemption date, all Bonds called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and it notice has been duly provided as set forth in the Resolution, as hereafter defined. In the case of a Conditional Redemption, the failure of the County to make funds available in part or in whole on or before the redemption date shall not constitute an event of default, and

the Registration Agent shall give immediate notice to the [Depository or the] affected Bondholders that the redemption did not occur and that the Bond called for redemption and not so paid remain outstanding. This Bond is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Bond is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the County nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Bond shall be overdue. Bonds, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Bonds of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Bond during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Bond, nor to transfer or exchange any Bond after the notice calling such Bond for redemption has been made, nor during a period following the receipt of instructions from the County to call such Bond for redemption.

This Bond is one of a total authorized issue aggregating \$\_\_\_\_\_ and issued by the County to (i) advance refund the County's outstanding General Obligation Bonds, Series 2008A, dated June 18, 2008, maturing June 1, 2023 through June 1, 2033; (ii) currently refund the County's outstanding indebtedness evidenced by the Series B-13-A Loan Agreement, by and between the County and The Public Building Authority of Blount County, Tennessee (the "Authority"), dated as of October 1, 2007, maturing June 1, 2018 and thereafter; and (iii) pay the issuance costs of the Bonds, pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and pursuant to a resolution adopted by the Board of County Commissioners of the County on March 20, 2017 (the "Resolution").

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) Tennessee excise taxes on interest on the Bond during the period the Bond is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (b) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in 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 Bond exist, happen and be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in due time, form and manner as required by law, and that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the County has caused this Bond to be signed by its County Executive and attested by its County Clerk as of the date hereinabove set forth.

ROANE COUNTY, TENNESSEE

By: \_\_\_\_\_  
\_\_\_\_\_  
County Executive

ATTESTED:

\_\_\_\_\_  
County Clerk

Transferable and payable at the  
principal corporate trust office of: \_\_\_\_\_  
\_\_\_\_\_

Date of Registration: \_\_\_\_\_

This Bond is one of the issue of Bonds issued pursuant to the Resolution hereinabove described.

\_\_\_\_\_  
Registration Agent

By: \_\_\_\_\_  
\_\_\_\_\_  
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto \_\_\_\_\_  
\_\_\_\_\_, whose address is \_\_\_\_\_ (Please insert  
Federal Identification or Social Security Number of Assignee \_\_\_\_\_), the within Bond of  
Roane County, Tennessee, and does hereby irrevocably constitute and appoint \_\_\_\_\_,  
attorney, to transfer the said Bond on the records kept for registration thereof with full power of  
substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the registered owner as  
it appears on the face of the within Bond in every particular, without alteration or enlargement or any  
change whatsoever.

Signature guaranteed:

\_\_\_\_\_  
NOTICE: Signature(s) must be guaranteed by  
a member firm of a Medallion Program  
acceptable to the Registration Agent

**Section 7.** Levy of Tax. The County, through its Governing Body, shall annually levy and  
collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law,

sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to the levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any direct appropriations from other funds, taxes and revenues of the County to the payment of debt service on the Bonds.

**Section 8.**                      Sale of Bonds.

(a)        The Bonds shall be offered for competitive public sale in one or more series, at a price of not less than 98% of par, plus accrued interest, as a whole or in part from time to time as shall be determined by the County Executive, in consultation with the Financial Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, fax, or telephone or by electronic bidding means of an internet bidding service as shall be determined by the County Executive, in consultation with the Financial Advisor.

(b)        The County Executive is authorized to cause to be sold an aggregate principal amount of Bonds of any series less than that shown in Section 4 hereof for such series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c)        The County Executive is further authorized with respect to each series of Bonds to:

(1)        change the dated date of the Bonds, or any series thereof, to a date other than the date of issuance of the Bonds;

(2)        change the designation of the Bonds, or any series thereof and to specify the series designation of the Bonds, or any series thereof;

(3)        change the first interest payment date on the Bonds, or any series thereof, to a date other than December 1, 2017, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4)        establish and adjust the principal and interest payment dates and the maturity amounts of the Bonds, and any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds authorized herein; (B) the final maturity date of each series shall not exceed the final maturity described in Section 4 hereof; and C) the debt service schedule for each series of the Bonds shall not be materially different than what was presented to the State Director in connection with the Refunding Report.

(5)        adjust or remove the County's optional redemption provisions of the Bonds, provided that the premium amount to be paid on Bonds or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(6)        refund less than all of the Outstanding Indebtedness;

(7)        sell the Bonds, or any series thereof, or any maturities thereof as Term Bonds with mandatory redemption requirements corresponding to the maturities set forth herein or as

otherwise determined by the County Executive, as he shall deem most advantageous to the County; and

(8) cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Bonds, or any series thereof.

The form of the Bond set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(d) The County Executive is authorized to sell the Bonds, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The County Executive is further authorized to sell the Bonds, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as the County Executive shall deem to be advantageous to the County and in doing so, the County Executive is authorized to change the designation of the Bonds to a designation other than "General Obligation Refunding Bonds"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Bonds authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The County Executive is authorized to award each series of the Bonds in each case or in the aggregate, in the County Executive's discretion, to the bidder or bidders whose bid results in the lowest true interest cost to the County, provided the rate or rates on the Bonds does not exceed the maximum rate prescribed by Section 4 hereof. The award of the Bonds by the County Executive to the lowest bidder(s) shall be binding on the County, and no further action of the Governing Body with respect thereto shall be required.

(f) The County Executive and County Clerk are authorized to cause the Bonds, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the successful bidder and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Bonds. The County Executive is hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds and to enter into an engagement letter with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Bonds, and all actions heretofore taken by the officers of the County in that regard are hereby ratified and approved.

**Section 9. Disposition of Bond Proceeds.** The proceeds of the sale of the Bonds shall be disbursed as follows:

(a) An amount sufficient, together with such other County funds as may be identified by the County Executive and, if applicable, investment earnings on the foregoing, to refund the Outstanding Indebtedness shall be applied to the refunding thereof by depositing such funds with the Escrow Agent and/or paying such funds directly to the holders (or paying agents or trustees for the holders) of the Outstanding Indebtedness.

(b) The remainder of the proceeds of the sale of the Bonds shall be used to pay costs of issuance of the Bonds, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the

issuance and sale of the Bonds. Notwithstanding the foregoing, costs of issuance of the Bonds may be withheld from the good faith deposit or purchase price of the Bonds and paid to the Financial Advisor to be used to pay costs of issuance of the Bonds.

**Section 10. Official Statement.** The officers of the County, or any of them, are hereby authorized and directed to provide for the preparation and distribution of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the officers of the County, or any of them, shall make such completions, omissions, insertions and changes in the Preliminary Official Statement not inconsistent with this resolution as are necessary or desirable to complete it as a final Official Statement for purposes of Rule 15c2-12(e)(3) of the Securities and Exchange Commission. The officers of the County, or any of them, shall arrange for the delivery to the successful bidder(s) on the Bonds of a reasonable number of copies of the Official Statement within seven (7) business days after the Bonds have been awarded for delivery, by the successful bidder on the Bonds, to each potential investor requesting a copy of the Official Statement and to each person to whom such bidder(s) and members of his bidding group initially sell the Bonds.

The officers of the County, or any of them, are authorized, on behalf of the County, to deem the Preliminary Official Statement and the Official Statement in final form, each to be final as of its date within the meaning of Rule 15c2-12(b)(1), except for the omission in the Preliminary Official Statement of certain pricing and other information allowed to be omitted pursuant to such Rule 15c2-12(b)(1). The distribution of the Preliminary Official Statement and the Official Statement in final form shall be conclusive evidence that each has been deemed in final form as of its date by the County except for the omission in the Preliminary Official Statement of such pricing and other information.

Notwithstanding the foregoing, no Official Statement is required to be prepared if the Bonds, or any series thereof, are purchased by a purchaser that certifies that such purchaser intends to hold the Bonds, or any series thereof, for its own account and has no present intention to reoffer the Bonds, or any series thereof.

**Section 11. Refunding Escrow Agreement.** In connection with the issuance of each series of the Series 2017A Bonds, for the purpose of providing for the payment of the principal of and premium, if any, and interest on the Refunded Indebtedness, the County Executive is hereby authorized and directed to execute and the County Clerk to attest on behalf of the County a Refunding Escrow Agreement with the Escrow Agent and to deposit with the Escrow Agent the amounts to be used by the Escrow Agent to purchase Government Securities as provided therein. The form of the Refunding Escrow Agreement presented to this meeting and attached hereto as Exhibit A is hereby in all respects approved and the County Executive and the County Clerk are hereby authorized and directed to execute and deliver same on behalf of the County in substantially the form thereof presented to this meeting, with such changes as may be approved by the County Executive, his execution thereof to constitute conclusive evidence of his approval of all such changes, including modifications to the Refunding Escrow Agreement. The Escrow Agent is hereby authorized and directed to hold and administer all funds deposited in trust for the payment when due of principal of and premium, if any, and interest on the Refunded Indebtedness and to exercise such duties as set forth in the Refunding Escrow Agreement.

**Section 12. Redemption and Prepayment of the Refunded Indebtedness.** The County Executive and the County Clerk, or either of them, are hereby authorized and directed to take all steps necessary to prepay or redeem the Refunded Indebtedness at their earliest possible prepayment or redemption date, including the giving of and publication of any prepayment or redemption notice as required by the resolutions authorizing the issuance of the Refunded Indebtedness.

**Section 13. Discharge and Satisfaction of Bonds.** If the County shall pay and discharge the indebtedness evidenced by any series of the Bonds in any one or more of the following ways:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Bonds as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Bonds and to pay interest thereon when due until the maturity or redemption date (provided, if such Bonds are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice); or

(c) By delivering such Bonds to the Registration Agent for cancellation by it;

and if the County shall also pay or cause to be paid all other sums payable hereunder by the County with respect to such Bonds, or make adequate provision therefor, and by resolution of the Governing Body instruct any such Agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Bonds when due, then and in that case the indebtedness evidenced by such Bonds shall be discharged and satisfied and all covenants, agreements and obligations of the County to the holders of such Bonds shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the County shall pay and discharge the indebtedness evidenced by any of the Bonds in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Bonds; provided that any cash received from such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Bonds on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

**Section 14.**                    **Federal Tax Matters Related to the Bonds.**

(a)        The Series 2017A Bonds are expected to be issued as federally tax-exempt bonds. If so, issued, the County hereby covenants that it will not use, or permit the use of, any proceeds of the Series 2017A Bonds in a manner that would cause the Series 2017A Bonds to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond." To that end, the County shall comply with applicable regulations adopted under said Section 148. The County further covenants with the registered owners from time to time of the Series 2017A Bonds that it will, throughout the term of the Series 2017A Bonds and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Series 2017A Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b)        The Governing Body hereby delegates to the County Executive the authority to designate, and determine whether to designate, the Series 2017A Bonds as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the Series 2017A Bonds are not deemed designated as such and may be designated as such.

(c)        The appropriate officers of the County are authorized and directed, on behalf of the County, to execute and deliver all such certificates and documents that may be required of the County in order to comply with the provisions of this Section related to the issuance of the Bonds.

**Section 15. Continuing Disclosure.** The County hereby covenants and agrees that it will provide annual financial information and event notices if and as required by Rule 15c2-12 of the Securities Exchange Commission for the Bonds. The County Executive is authorized to execute at the closing of the sale of the Bonds an agreement for the benefit of and enforceable by the owners of the Bonds specifying the details of the financial information and event notices to be provided and its obligations relating thereto. Failure of the County to comply with the undertaking herein described and to be detailed in said closing agreement shall not be a default hereunder, but any such failure shall entitle the owner or owners of any of the Bonds to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the County to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

**Section 16. Resolution a Contract.** The provisions of this resolution shall constitute a contract between the County and the registered owners of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Bonds and interest due thereon shall have been paid in full.

**Section 17. Separability.** If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

**Section 18. Repeal of Conflicting Resolutions and Effective Date.** All other resolutions and orders, or parts thereof in conflict with the provisions of this resolution, are, to the extent of such conflict, hereby repealed and this resolution shall be in immediate effect from and after its adoption.



Duly adopted and approved on March 20, 2017.

\_\_\_\_\_  
County Executive

Attested:

\_\_\_\_\_  
County Clerk

STATE OF TENNESSEE        )

COUNTY OF ROANE         )

I, Barbara Anthony, certify that I am the duly qualified and acting County Clerk of Roane County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of the governing body of the County held on March 20, 2017; that these minutes were promptly and fully recorded and are open to public inspection; that I have compared said copy with the original minute record of said meeting in my official custody; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to the County's General Obligation Refunding Bonds.

WITNESS my official signature and seal of said County on \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
County Clerk

EXHIBIT A

FORM OF REFUNDING ESCROW AGREEMENT

**ROANE COUNTY, TENNESSEE  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017 REFUNDING**

**ESCROW AGREEMENT**

This Refunding Escrow Agreement (this "Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2017 by and between Roane County, Tennessee (the "County"), and \_\_\_\_\_, Tennessee (the "Agent").

WITNESSETH:

WHEREAS, the County has previously authorized and issued its General Obligation Refunding Bonds, Series 2008A, dated June 18, 2008, maturing June 1, 2023 and thereafter (the "Outstanding Indebtedness"); and

WHEREAS, the County has determined to provide for payment of the debt service requirements of the Outstanding Indebtedness by depositing in escrow with the Agent funds that, with the investment income therefrom, will be sufficient to pay the principal of and interest on the Outstanding Indebtedness as set forth on Exhibit A hereto; and

WHEREAS, in order to obtain the funds needed to refund the Outstanding Indebtedness, the County has authorized and issued its General Obligation Refunding Bonds, Series 2017A, dated \_\_\_\_\_, 2017 (the "Refunding Bonds"); and

WHEREAS, a portion of the proceeds derived from the sale of the Refunding Bonds will be deposited[, together with other County funds,] in escrow with the Agent hereunder and applied to the purchase of certain securities described herein, the principal amount thereof together with interest thereon to mature at such times and in such amounts as shall be sufficient to pay when due all of the principal of and interest on the Outstanding Indebtedness as set forth on Exhibit A; and

WHEREAS, in order to create the escrow hereinabove described, provide for the deposit of said Refunding Bond proceeds, and the application thereof, and to provide for the payment of the Outstanding Indebtedness, the parties hereto do hereby enter into this Agreement;

NOW, THEREFORE, the County, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the Outstanding Indebtedness according to their tenor and effect, does by these presents hereby grant, warrant, demise, release, convey, assign, transfer, alien, pledge, set over and confirm, to the Agent, and to its successors hereunder, and to it and its assigns forever, in escrow, all and singular the property hereinafter described to wit:

DIVISION I

All right, title and interest of the County in and to \$ \_\_\_\_\_ derived from the proceeds of the sale of the Refunding Bonds.

## DIVISION II

All right, title and interest of the County in and to the Government Obligations purchased with the funds described in Division I hereof and to all income, earnings and increment derived from or accruing to the Government Obligations.

## DIVISION III

Any and all other property of every kind and nature from time to time hereafter, by delivery or by writing of any kind, conveyed, pledged, assigned or transferred in escrow hereunder by the County or by anyone in its behalf to the Agent, which is hereby authorized to receive the same at any time to be held in escrow hereunder.

## DIVISION IV

All property that is by the express provisions of this Agreement required to be subject to the pledge hereof and any additional property that may, from time to time hereafter, by delivery or by writing of any kind, be subject to the pledge hereof, by the County or by anyone in its behalf, and the Agent is hereby authorized to receive the same at any time to be held in escrow hereunder.

TO HAVE AND TO HOLD, all and singular, the escrowed property, including all additional property which by the terms hereof has or may become subject to this Agreement, unto the Agent, and its successors and assigns, forever.

The escrowed property shall be held in escrow for the benefit and security of the owners from time to time of the Outstanding Indebtedness; but if the principal of and interest on the Outstanding Indebtedness shall be fully and promptly paid when due in accordance with the terms hereof, then this Agreement shall be and become void and of no further force and effect, otherwise the same shall remain in full force and effect, subject to the covenants and conditions hereinafter set forth.

## DEFINITIONS AND CONSTRUCTION

Section 1.01 Definitions. In addition to words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings, unless some other meaning is plainly intended:

"Code" shall mean the Internal Revenue Code of 1986, as amended, and any lawful regulations promulgated thereunder;

"Escrow Fund" shall have the meaning ascribed to it in Section 2.01 hereof;

"Escrow Property," "escrow property" or "escrowed property" shall mean the property, rights and interest of the County that are described in Divisions I through IV of this Agreement and hereinabove conveyed in escrow to the Agent;

"Government Obligations" shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee Law for the purposes described herein, which bonds

or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof; and

"Written Request" shall mean a request in writing signed by the County Executive of the County or by any other officer or official of the County duly authorized by the County to act in his place.

Section 1.02 Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. The word "person" shall include corporations, associations, natural persons and public bodies unless the context shall otherwise indicate. Reference to a person other than a natural person shall include its successors.

## ESTABLISHMENT AND ADMINISTRATION OF FUNDS

Section 2.01 Creation of Escrow; Deposit of Funds. The County hereby creates and establishes with the Agent a special and irrevocable escrow composed of the Escrow Property and hereby deposits with the Agent and the Agent hereby acknowledges receipt of \$ \_\_\_\_\_ as described in Division I hereof. The monies so deposited, together with investment income therefrom, is herein referred to as the "Escrow Fund" and shall constitute a fund to be held by the Agent as a part of the Escrowed Property created, established, and governed by this Agreement.

Section 2.02 Investment of Funds. The monies described in Section 2.01 hereof shall be held or invested as follows:

- (a) the amount of \$ \_\_\_\_\_ shall be used to purchase the Government Obligations described in Exhibit B attached hereto; and
- (b) the amount of \$ \_\_\_\_\_ shall be held as cash in a non-interest-bearing account.

Except as provided in Sections 2.04 and 2.06 hereof, the investment income from the Government Obligations in the Escrow Fund shall be credited to the Escrow Fund and shall not be reinvested. The Agent shall have no power or duty to invest any monies held hereunder or to make substitutions of Government Obligations held hereunder or to sell, transfer, or otherwise dispose of the Government Obligations acquired hereunder except as provided herein.

Section 2.03 Disposition of Escrow Funds. The Agent shall without further authorization or direction from the County collect the principal and interest on the Government Obligations promptly as the same shall fall due. From the Escrow Fund, to the extent that monies therein are sufficient for such purpose, the Agent shall make timely payments to the proper paying agent or agents, or their successors, for the Outstanding Indebtedness of monies sufficient for the payment of the principal of and interest on the Outstanding Indebtedness as the same shall become due and payable. Amounts and dates of principal and interest payments and the name and address of the paying agent with respect to the Outstanding Indebtedness are set forth on Exhibit A. Payment on the dates and to the paying agent in accordance with Exhibit A shall constitute full performance by the Agent of its duties hereunder with respect to each respective payment. The County represents and warrants that the Escrow Fund, if held, invested and disposed of by the Agent in accordance with the provisions of this Agreement, will be sufficient to make the foregoing payments. No paying agent fees, fees and expenses of the Agent, or any other costs and expenses associated with the Refunding Bonds, the Outstanding Indebtedness shall be paid from the Escrow Fund, and the County agrees to pay all such fees, expenses, and costs from its legally available funds as such payments become due. When the Agent has made all required payments of principal and

interest on the Outstanding Indebtedness to the paying agents as hereinabove provided, the Agent shall transfer any monies or Government Obligations then held hereunder to the County and this Agreement shall terminate.

Section 2.04 Excess Funds. Except as provided in Section 2.06 hereof, amounts held by the Agent, representing interest on the Government Obligations in excess of the amount necessary to make the corresponding payment of principal of and/or interest on the Outstanding Indebtedness, shall be held by the Agent without interest and shall be applied before any other Escrow Fund monies to the payment of the next ensuing principal and/or interest payment on the Outstanding Indebtedness. Upon retirement of all the Outstanding Indebtedness, the Agent shall pay any excess amounts remaining in the Escrow Fund to the County.

Section 2.05 Reports. The Agent shall deliver to the County Clerk of the County a monthly report summarizing all transactions relating to the Escrow Fund; and on or before the first day of August of each year shall deliver to the County Clerk a report current as of June 30 of that year, which shall summarize all transactions relating to the Escrow Fund effected during the immediately preceding fiscal year of the County and which also shall set forth all assets in the Escrow Fund as of June 30 and set forth opening and closing balances thereof for that fiscal year.

Section 2.06 Investment of Moneys Remaining in Escrow Fund. The Agent may invest and reinvest any monies remaining from time to time in the Escrow Fund until such time as they are needed. Such monies shall be invested in Government Obligations, maturing no later than the next interest payment date of the Outstanding Indebtedness, or for such periods or at such interest rates as the Agent shall be directed by Written Request, provided, however, that the County shall furnish the Agent, as a condition precedent to such investment, with an opinion from nationally recognized bond counsel stating that such reinvestment of such monies will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Bonds, cause the interest on the Refunding Bonds or the Outstanding Indebtedness not to be excluded from gross income for Federal income tax purposes and that such investment is not inconsistent with the statutes and regulations applicable to the Refunding Bonds or the Outstanding Indebtedness. Any interest income resulting from reinvestment of monies pursuant to this Section 2.06 shall be applied first to the payment of principal of and interest on the Outstanding Indebtedness to the extent the Escrow is or will be insufficient to retire the Outstanding Indebtedness as set forth on Exhibit A and any excess shall be paid to the County to be applied to the payment of the Refunding Bonds or the expenses of issuance thereof.

Section 2.07 Irrevocable Escrow Created. The deposit of monies, Government Obligations, matured principal amounts thereof, and investment proceeds therefrom in the Escrow Fund shall constitute an irrevocable deposit of said monies and Government Obligations for the benefit of the holders of the Outstanding Indebtedness, except as provided herein with respect to amendments permitted under Section 4.01 hereof. All the funds and accounts created and established pursuant to this Agreement shall be and constitute escrow funds for the purposes provided in this Agreement and shall be kept separate and distinct from all other funds of the County and the Agent and used only for the purposes and in the manner provided in this Agreement.

Section 2.08 Redemption of Outstanding Indebtedness. The Outstanding Indebtedness shall be redeemed as stated on Exhibit C attached hereto. The Agent is authorized to give said notices to the respective holders of the Outstanding Indebtedness as and when required by the resolution authorizing the Outstanding Indebtedness. The County confirms that it has given any required notices relating to the prepayment of the other Outstanding Indebtedness.

## CONCERNING THE AGENT

Section 3.01 Appointment of Agent. The County hereby appoints the Agent as escrow agent under this Agreement.

Section 3.02 Acceptance by Agent. By execution of this Agreement, the Agent accepts the duties and obligations as Agent hereunder. The Agent further represents that it has all requisite power, and has taken all corporate actions necessary to execute the escrow hereby created.

Section 3.03 Liability of Agent. The Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the County or any paying agent of its obligations, or to protect any of the County's rights under any bond proceedings or any of the County's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Agent shall not be liable for any act done or step taken or omitted to be taken by it, or for any mistake of fact or law, or anything which it may do or refrain from doing, except for its own gross negligence or willful misconduct in the performance or nonperformance of any obligation imposed upon it hereunder. The Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein or in the Outstanding Indebtedness or in the Refunding Bonds or in any proceedings taken in connection therewith, but they are made solely by the County. The Agent shall have no lien whatsoever upon any of the monies or investments in the Escrow Fund for the payment of fees and expenses for services rendered by the Agent under this Agreement.

The Agent shall not be liable for the accuracy of the calculations as to the sufficiency of Escrow Fund monies and Government Obligations and the earnings thereon to pay the Outstanding Indebtedness. So long as the Agent applies any monies, the Government Obligations and the interest earnings therefrom to pay the Outstanding Indebtedness as provided herein, and complies fully with the terms of this Agreement, the Agent shall not be liable for any deficiencies in the amounts necessary to pay the Outstanding Indebtedness caused by such calculations. The Agent shall not be liable or responsible for any loss resulting from any investment made pursuant to this Agreement and in full compliance with the provisions hereof.

In the event of the Agent's failure to account for any of the Government Obligations or monies received by it, said Government Obligations or monies shall be and remain the property of the County in escrow for the benefit of the holders of the Outstanding Indebtedness, as herein provided, and if for any improper reason such Government Obligations or monies are applied to purposes not provided for herein or misappropriated by the Agent, the assets of the Agent shall be impressed with a trust for the amount thereof until the required application of such funds shall be made or such funds shall be restored to the Escrow Fund.

Section 3.04 Permitted Acts. The Agent and its affiliates may become the owner of or may deal in the Refunding Bonds or Outstanding Indebtedness as fully and with the same rights as if it were not the Agent. The Agent may consult with counsel of its choice with respect to any question relating to its duties and responsibilities hereunder or otherwise in connection herewith, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or not taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel. The Agent is entitled to rely and shall be protected in acting in reliance upon any instructions or directions furnished to it in writing or pursuant to the provisions of this Agreement and shall be entitled to treat as genuine, and as the document it purports to be, any letter, paper or other document furnished to it and believed by it to be genuine and to have been signed and presented by the proper party or parties. The Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such document. The

Agent may execute any of its trusts or powers and perform any of its duties under this Agreement by or through attorneys, agents or employees.

Section 3.05 Exculpation of Funds of Agent. Except as set forth in Section 3.03, none of the provisions contained in this Agreement shall require the Agent to use or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights or powers hereunder. The Agent shall be under no liability for interest on any funds or other property received by it hereunder, except as herein expressly provided.

Section 3.06 Payment of Deficiency by County. The County agrees that it will promptly and without delay remit or cause to be remitted to the Agent within ten (10) days after receipt of the Agent's written request, such additional sum or sums of money as may be necessary in excess of the sums provided for under Section 2.01 hereof to assure the payment when due of the principal of and interest on the Outstanding Indebtedness.

Section 3.07 No Redemption or Acceleration of Maturity. The Agent will not pay any of the principal of or interest on the Outstanding Indebtedness, except as provided in Exhibit A attached hereto, and will not redeem or accelerate the maturity of any of the Outstanding Indebtedness except as provided in Section 2.08 hereof.

Section 3.08 Qualifications of Agent. There shall at all times be an Agent hereunder that shall be a corporation or banking association organized and doing business under the laws of the United States or any state, located in the State of Tennessee, authorized under the laws of its incorporation to exercise the powers herein granted, having a combined capital, surplus, and undivided profits of at least \$75,000,000 and subject to supervision or examination by federal or state authority. If such corporation or association publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this paragraph the combined capital, surplus, and undivided profits of such corporation or association shall be deemed to be its combined capital, surplus, and undivided profits as set forth in its most recent report of condition as published. In case at any time the Agent shall cease to be eligible in accordance with the provisions of this section, the Agent shall resign immediately in the manner and with the effect specified herein.

Section 3.09 Resignation of Agent. The Agent may at any time resign by giving direct written notice to the County and by giving the holders of the Outstanding Indebtedness notice by first-class mail of such resignation. Upon receiving such notice of resignation, the County shall promptly appoint a successor escrow agent by resolution of its governing body. If no successor escrow agent shall have been appointed and have accepted appointment within thirty (30) days after the publication of such notice of resignation, the resigning Agent may petition any court of competent jurisdiction located in Roane County, Tennessee, for the appointment of a successor, or any holder of the Outstanding Indebtedness may, on behalf of himself and others similarly situated, petition any such court for the appointment of a successor. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor meeting the qualifications set forth in Section 3.08. The Agent shall serve as escrow agent hereunder until its successor shall have been appointed and such successor shall have accepted the appointment.

Section 3.10 Removal of Agent. In case at any time the Agent shall cease to be eligible in accordance with the provisions of Section 3.08 hereof and shall fail to resign after written request therefor by the County or by any holder of the Outstanding Indebtedness, or the Agent shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Agent or any of its property shall be appointed, or any public officer shall take charge or control of the Agent or its property or affairs for the purpose of rehabilitation, conservation, or liquidation, then in any such case, the County may remove



the Agent and appoint a successor by resolution of its governing body or any such bondholder may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction situated in the County for the removal of the Agent and the appointment of a successor. Such court may thereupon, after such notice, if any, as it may deem proper, remove the Agent and appoint a successor who shall meet the qualifications set forth in Section 3.08. Unless incapable of serving, the Agent shall serve as escrow agent hereunder until its successor shall have been appointed and such successor shall have accepted the appointment.

The holders of a majority in aggregate principal amount of all the Outstanding Indebtedness at any time outstanding may at any time remove the Agent and appoint a successor by an instrument or concurrent instruments in writing signed by such bondholders and presented, together with the successor's acceptance of appointment, to the County and the Agent.

Any resignation or removal of the Agent and appointment of a successor pursuant to any of the provisions of this Agreement shall become effective upon acceptance of appointment by the successor as provided in Section 3.11 hereof.

Section 3.11 Acceptance by Successor. Any successor escrow agent appointed as provided in this Agreement shall execute, acknowledge and deliver to the County and to its predecessor an instrument accepting such appointment hereunder and agreeing to be bound by the terms hereof, and thereupon the resignation or removal of the predecessor shall become effective and such successor, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor, with like effect as if originally named as Agent herein; but, nevertheless, on Written Request of the County or the request of the successor, the predecessor shall execute and deliver an instrument transferring to such successor all rights, powers and escrow property of the predecessor. Upon request of any such successor, the County shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor all such rights, powers and duties. No successor shall accept appointment as provided herein unless at the time of such acceptance such successor shall be eligible under the provisions of Section 3.08 hereof.

Any corporation into which the Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Agent shall be a party, or any corporation succeeding to the corporate trust business of the Agent, shall be the successor of the Agent hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding, provided that such successor shall be eligible under the provisions of Section 3.08 hereof.

Section 3.12 Payment to Agent. The County agrees to pay the Agent, as reasonable and proper compensation under this Agreement, an annual fee of \$ . The County also agrees to reimburse the agent for all advances, counsel fees and expenses, and other costs made or incurred by the Agent in connection with its services and/or its capacity as Agent or resulting therefrom. In addition, the County agrees to pay to the Agent all out-of-pocket expenses and costs of the Agent incurred by the Agent in the performance of its duties hereunder, including all publication, mailing and other expenses associated with the redemption of the Outstanding Indebtedness; provided, however, that the County agrees, to the extent permitted by applicable law, to indemnify, defend and save harmless the Agent from any and all claims, liabilities, losses, damages, fines, penalties and expenses (including out-of-pocket and incidental expenses and fees and expenses of in house or outside counsel) ("Losses") arising out of or in connection with (i) its execution and performance of this Agreement, except to the extent that such Losses are due to the gross negligence or willful misconduct of the Agent, or (ii) its following any instructions or other directions from the County, except to the extent that its following any such instruction or direction is expressly forbidden by the terms hereof, such indemnification being paid from available funds of the

County and shall not give rise to any claim against the escrow. The provisions of this Section 3.12 shall survive the termination of this Agreement and the resignation or removal of the Agent for any reason. The indemnifications set forth herein are intended to and shall include the indemnification of all affected agents, directors, officers and employees of the Agent.

#### MISCELLANEOUS

Section 4.01 Amendments to this Agreement. This Agreement is made for the benefit of the County, the holders from time to time for the Outstanding Indebtedness, and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Agent and the County; provided, however, that the County and the Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant to, or confer upon, the Agent for the benefit of the holders of the Outstanding Indebtedness, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section, including the extent, if any, to which any change, modification, addition or elimination affects the rights of the holders of the Outstanding Indebtedness, or that any instrument executed hereunder complies with the conditions and provisions of this Section.

Notwithstanding the foregoing or any other provision of this Agreement, upon Written Request and upon compliance with the conditions hereinafter stated, the Agent shall have the power to and shall, in simultaneous transactions, sell, transfer, otherwise dispose of or request the redemption of the Government Obligations held hereunder and to substitute therefor direct obligations of, or obligations the principal of and interest on which are fully guaranteed by the United States of America, subject to the condition that such monies or securities held by the Agent shall be sufficient to pay principal of, premium, if any, and interest on the Outstanding Indebtedness. The County hereby covenants and agrees that it will not request the Agent to exercise any of the powers described in the preceding sentence in any manner which will cause the Refunding Bonds or Outstanding Indebtedness to be arbitrage bonds within the meaning of Section 148 of the Code in effect on the date of such request and applicable to obligations issued on the issue date of the Refunding Bonds. The Agent shall purchase such substituted securities with the proceeds derived from the maturity, sale, transfer, disposition or redemption of the Government Obligations held hereunder or from other monies available. The transactions may be effected only if there shall have been submitted to the Agent: (1) an independent verification by a nationally recognized independent certified public accounting firm concerning the adequacy of such substituted securities with respect to principal and the interest thereon and any other monies or securities held for such purpose to pay when due the principal of, premium, if any, and interest on the Outstanding Indebtedness in the manner required by the proceedings which authorized their issuance; and (2) an opinion from nationally recognized bond counsel to the effect that the disposition and substitution or purchase of such securities will not, under the statutes, rules and regulations then in force and applicable to obligations issued on the date of issuance of the Refunding Bonds, or Outstanding Indebtedness cause the interest on the Refunding

Bonds not to be exempt from Federal income taxation. Any surplus monies resulting from the sale, transfer, other disposition or redemption of the Government Obligations held hereunder and the substitutions therefor of direct obligations of, or obligations the principal of and interest on which is fully guaranteed by, the United States of America, shall be released from the Escrow Fund and shall be transferred to the County.

Section 4.02 Severability. If any provision of this Agreement shall be held or deemed to be invalid or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatever.

Section 4.03 Governing Law. This Agreement shall be governed and construed in accordance with the law of the State of Tennessee.

Section 4.04 Notices. Any notice, request, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by Registered or Certified Mail, postage prepaid, or sent by telegram as follows:

To the County:

County Executive  
Roane County, Tennessee 200 E. Race Street, Suite 1  
Kingston, Tennessee 37763

To the Agent:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The County and the Agent may designate in writing any further or different addresses to which subsequent notices, requests, communications or other papers shall be sent.

Section 4.05 Agreement Binding. All the covenants, promises and agreements in this Agreement contained by or on behalf of the parties shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 4.06 Termination. This Agreement shall terminate when all transfers and payments required to be made by the Agent under the provisions hereof shall have been made.

Section 4.07 Execution by Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

*(signature page follows)*

IN WITNESS WHEREOF, the County has caused this Agreement to be signed in its name by its County Executive and attested by its County Clerk, and the Agent has caused this Agreement to be signed in its corporate name by its duly authorized representative, all as of the day and date first above written.

ROANE COUNTY, TENNESSEE

By: \_\_\_\_\_

\_\_\_\_\_  
County Executive

\_\_\_\_\_  
County Clerk

\_\_\_\_\_  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT A TO REFUNDING ESCROW AGREEMENT

Debt Service Schedule of General Obligation Refunding Bonds, Series 2008A, dated June 18, 2008, maturing June 1, 2023 and thereafter, being redeemed to the Redemption Date, with Name and Address of the Paying Agent and Date and Amount of Redemption.\*

<u>Payment Date</u>	<u>Principal Payable</u>	<u>Principal Redeemed</u>	<u>Interest Payable</u>	<u>Redemption Premium</u>	<u>Total Debt Service</u>
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____

Paying Agent: \_\_\_\_\_  
\_\_\_\_\_

EXHIBIT B TO REFUNDING ESCROW AGREEMENT

Government Securities

<u>Type of Security</u>	<u>Par Amount</u>	<u>Price</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
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Total Cost of Securities: \$ \_\_\_\_\_

Initial Cash Deposit: \$ \_\_\_\_\_

Total: \$ \_\_\_\_\_

EXHIBIT C TO REFUNDING ESCROW AGREEMENT

NOTICE OF REDEMPTION

ROANE COUNTY, TENNESSEE  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A

Dated: June 18, 2008

NOTICE IS HEREBY GIVEN that Roane County (the "County"), Tennessee has elected to and does exercise its option to call and redeem on June 1, 2018, certain of the County's outstanding bonds as follows:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Cusip No.</u>
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The owners of the above-described Bonds are hereby notified to present the same to the offices of \_\_\_\_\_, as set forth below where redemption shall be made at the price of par plus interest accrued to the redemption date.

The redemption price will become due and payable on June 1, 2018, upon each such Bond herein called for redemption and such Bond shall not bear interest beyond June 1, 2018.

Important Notice: Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Economic Growth and Tax Relief Reconciliation Act of 2003 (the "Act"), unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. Please furnish a properly completed W-9 or exemption certificate or equivalent when presenting your securities.

\_\_\_\_\_  
as Registration and Paying Agent

EXHIBIT B

Refunding Report of the State Director





STATE OF TENNESSEE COMPTROLLER OF THE TREASURY  
OFFICE OF STATE AND LOCAL FINANCE  
SUITE I600 JAMES K. POLK STATE OFFICE BUILDING 505 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-1402  
PHONE (615) 401-7872  
FAX (615) 741-5986

February 23, 2017

Honorable Ron Woody, County Executive  
and Members of the Board of Commissioners Roane  
County  
P.O. Box 643 Kingston,  
TN 37763

Dear Mayor Woody and Members of the Board:

Please provide a copy of this report to each member of the governing body at the public meeting during which the report is reviewed. Additionally, this letter, report, and plan of refunding (the "Plan"), are to be posted on the website of Roane County (the "County").

This letter acknowledges receipt of a request on February 9, 2017, from the County to review the Plan for the issuance of a maximum \$9,925,000 General Obligation Refunding Bonds, Series 2017A (the "Refunding Bonds"). The proceeds of the Refunding Bonds will be used to advance refund \$9,400,000 General Obligation Refunding Bonds, Series 2008A, (the "Refunded Bonds").

Pursuant to the provisions of Tennessee Code Annotated Title 9 Chapter 21, a plan must be submitted to our Office for review. The information presented in the Plan includes the assertions of the County and may not reflect either current market conditions or market conditions at the time of sale.

#### Balloon Indebtedness

The structure of the Refunding Bonds presented in the Plan does not appear to be balloon indebtedness. If the Refunding Bonds' structure is revised, the County should determine if the new structure complies with the requirements of T.C.A. § 9-21-134 concerning balloon indebtedness. If it is determined that the bond structure constitutes balloon indebtedness, the County must submit a Plan of Balloon Indebtedness to the Director of the Office of State and Local Finance for approval prior to the County adopting the resolution authorizing the issuance of the debt.

#### County's Proposed Refunding Objective

The County indicated its purpose for the refunding is to achieve net present value debt service savings.

### **Compliance with the County's Debt Management Policy**

The County provided a copy of its debt management policy, and within forty-five days (45) of issuance of the debt approved in this letter, is required to submit a 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.

### **Financial Professionals**

The County has reported Cumberland Securities Company, Inc. ("CSC") as its municipal advisor. Municipal advisors have a fiduciary responsibility to the County. Underwriters have no fiduciary responsibility to the County. They represent the interests of their firm and are not required to act in the County's best interest without regard to their own or other interests. The Plan was prepared by the County with the assistance of its municipal advisor.

### **Report of the Review of a Plan of Refunding**

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. This letter and the enclosed report do not address the compliance with federal tax regulations and are not to be relied upon for that purpose. The County should discuss these issues with a bond counsel.

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.

We recognize that the information provided in the plan 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.

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

The Municipal Securities Rulemaking 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](http://emma.msrb.org)). For more information see the preceding notices on the MSRB's website ([msrb.org](http://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**

We are enclosing State Form CT-0253, Report on Debt Obligation. Pursuant to T.C.A. § 9-21-151, this form is to be completed and filed with the governing body of the County no later than forty-five (45) days after the issuance of this debt, 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 letterhead or by email to [stateandlocalfinance.publicdebtform@cot.tn.gov](mailto:stateandlocalfinance.publicdebtform@cot.tn.gov). No public entity may enter into additional debt if it has failed to file the Report on Debt Obligation. A fillable PDF of Form CT-0253 can be found at <http://www.comptroller.tn.gov/sl/pubdebt.asp>.

If you should have any questions regarding this letter or the following report, please feel free to call us.

Sincerely,



Sandra Thompson  
Director of the Office of State & Local Finance

cc: Mr. Bryan Burklin, Assistant Director, Division of Local Government Audit, COT  
Mr. Scott Gibson, Cumberland Securities Company, Inc.  
Mr. Mark Mamantov, Bass Berry & Sims

Enclosures: Report of the Director of the Office of State & Local Finance  
Report on Debt Obligation

**REPORT OF THE DIRECTOR OF THE OFFICE OF STATE AND LOCAL FINANCE  
CONCERNING THE PROPOSED ISSUANCE BY  
ROANE COUNTY, TENNESSEE OF  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017A**

Roane County (the "County") submitted a plan of refunding (the "Plan"), as required by T.C.A. § 9-21-903 regarding the issuance of a maximum \$9,925,000 General Obligation Refunding Bonds, Series 2017A (the "Refunding Bonds"). The proceeds of the Refunding Bonds will be used to advance refund \$9,400,000 General Obligation Refunding Bonds, Series 2008A, (the "Refunded Bonds").

The Plan was prepared with the assistance of the County's municipal advisor, Cumberland Securities Company, Inc. An evaluation of the preparation, support, and underlying assumptions of the Plan has not been performed by this Office. This report provides no assurances of the reasonableness of the underlying assumptions. This report must be presented to the governing body prior to the adoption of a refunding bond resolution. The Refunding Bonds may be issued with a structure different than that of the Plan. The County provided a copy of its debt management policy.

**Balloon Indebtedness**

The structure of the Refunding Bonds presented in the Plan does not appear to be balloon indebtedness. If the Refunding Bonds' structure is revised, the County should determine if the new structure complies with the requirements of T.C.A. § 9-21-134 concerning balloon indebtedness. If it is determined that the bond structure constitutes balloon indebtedness, the County must submit a Plan of Balloon Indebtedness to the Director of the Office of State and Local Finance for approval prior to the County adopting the resolution authorizing the issuance of the debt.

**County's Proposed Refunding Objective**

The County indicated its purpose for the refunding is to achieve net present value debt service savings.

**Refunding Analysis**

- The results of the refunding are based on the issuance of \$9,925,000 Refunding Bonds by competitive sale and priced at par.
- The estimated net present value savings of the refunding is \$1,606,623 or approximately 17.10% of the refunded principal amount of \$9,400,000.
- The refunding generates savings by reducing the average coupon of the Refunded Bonds from 4.57% to an average coupon of 2.29% for the Refunding Bonds.
- The final maturity of the Refunding Bonds does not extend beyond the final maturity of the Refunded Bonds.
- Estimated cost of issuance of the Refunding Bonds is \$175,703 or approximately \$17.70 per \$1,000 of par amount. See Table I for individual costs of issuance.

Table I  
Costs of Issuance of Refunding Bonds

	Amount Price per \$1,000 bond	
Underwriter's Discount (TBD by competitive sale)	\$ 85,753.14	\$ 8.64
Municipal Advisor (Cumberland Securities Company)	45,000.00	4.53
Bond Counsel (Bass Berry & Sims)	14,000.00	1.41
Rating Agency Fees	15,000.00	1.51
Other Costs	15,950.00	1.61
Total Cost of Issuance	<u>\$ 175,703.14</u>	<u>\$ 17.70</u>

The County has identified Cumberland Securities Company Inc. as its municipal advisor. Municipal advisors have a fiduciary responsibility to you, the issuer. Underwriters have no fiduciary responsibility to you. They represent the interests of their firm.

This report of the Office of State and Local Finance does not constitute approval or disapproval by the Office for the 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 outstanding until their respective dates of maturity. This report is based on information as presented in the Plan by the County. The assumptions included in the County's Plan may not reflect either current market conditions or market conditions at the time of sale.

If all of the Refunded Bonds are not refunded as a part of the Refunding Bonds, and the County wishes to refund them in a subsequent bond issue, then a new plan will have to be submitted to this Office for review.

*Sandra Thompson/klc*

Sandra Thompson  
Director of the Office of State and Local Finance  
Date: February 23, 2017



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

February 23, 2017

Honorable Ron Woody, County Executive  
and Members of the Board of Commissioners Roane  
County  
P.O. Box 643 Kingston,  
TN 37763

Dear Mayor Woody and Members of the Board:

Please provide a copy of this report to each member of the governing body at the public meeting during which the report is reviewed. Additionally, this letter, report, and plan of refunding (the "Plan"), are to be posted on the website of Roane County (the "County").

This letter acknowledges receipt of a request on February 9, 2017, from the County to review the Plan for the issuance of a maximum \$1,500,000 General Obligation Refunding Bonds, Series 2017B (taxable) (the "Refunding Bonds"). The proceeds of the Refunding Bonds will be used to current refund \$1,450,000 Local Government Public Improvement Bonds, Series B-13-A (taxable) structured as a loan agreement with the Blount County Public Building Authority, (the "Refunded Bonds").

Pursuant to the provisions of Tennessee Code Annotated Title 9 Chapter 21, a plan must be submitted to our Office for review. The information presented in the Plan includes the assertions of the County and may not reflect either current market conditions or market conditions at the time of sale.

#### Balloon Indebtedness

The structure of the Refunding Bonds presented in the Plan does not appear to be balloon indebtedness. If the Refunding Bonds' structure is revised, the County should determine if the new structure complies with the requirements of T.C.A. § 9-21-134 concerning balloon indebtedness. If it is determined that the bond structure constitutes balloon indebtedness, the County must submit a Plan of Balloon Indebtedness to the Director of the Office of State and Local Finance for approval prior to the County adopting the resolution authorizing the issuance of the debt.

### **County's Proposed Refunding Objective**

The County indicated its purpose for the refunding is to achieve net present value debt service savings.

### **Compliance with the County's Debt Management Policy**

The County provided a copy of its debt management policy, and within forty-five days (45) of issuance of the debt approved in this letter, is required to submit a 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.

### **Financial Professionals**

The County has reported Cumberland Securities Company, Inc. ("CSC") as its municipal advisor. Municipal advisors have a fiduciary responsibility to the County. Underwriters have no fiduciary responsibility to the County. They represent the interests of their firm and are not required to act in the County's best interest without regard to their own or other interests. The Plan was prepared by the County with the assistance of its municipal advisor.

### **Report of the Review of a Plan of Refunding**

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. This letter and the enclosed report do not address the compliance with federal tax regulations and are not to be relied upon for that purpose. The County should discuss these issues with a bond counsel.

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.

We recognize that the information provided in the plan 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.

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

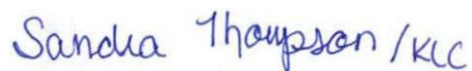
The Municipal Securities Rulemaking Board (MSRB) released regulatory notices: MSRB Notice 2011-52, providing guidance on the use of "bank loans" that could be a private placement of municipal securities subject to specific regulatory requirements including disclosure; and MSRB Notice 2012-18, encouraging the voluntary disclosure of bank loan financings through the MSRB's Electronic Municipal Market Access (EMMA®) website ([emma.msrb.org](http://emma.msrb.org)). For more information see the preceding notices on the MSRB's website ([msrb.org](http://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**

We are enclosing State Form CT-0253 Report on Debt Obligation. Pursuant to T.C.A. § 9-2-1-151, this form is to be completed and filed with the governing body of the County no later than forty-five (45) days after the issuance of this debt, 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 letterhead or by email to [statcnndlocalfinancc.publicdebtform@col.ln.gov](mailto:statcnndlocalfinancc.publicdebtform@col.ln.gov). No public entity may enter into additional debt if it has failed to file the Report on Debt Obligation. A fillable PDF of Form CT-0253 can be found at <http://www.comptroller.tn.gov/sl/pubdebt.asp>.

If you should have any questions regarding this letter or the following report, please feel free to call us.

Sincerely,



Sandra Thompson  
Director of the Office of State & Local Finance

cc: Mr. Bryan Burklin, Assistant Director, Division of Local Government Audit, COT  
Mr. Scott Gibson, Cumberland Securities Company, Inc. Mr.  
Mark Mamantov, Bass Berry & Sims

Enclosures: Report of the Director of the Office of State & Local Finance Report  
on Debt Obligation



REPORT OF THE DIRECTOR OF THE OFFICE OF STATE AND LOCAL FINANCE  
CONCERNING THE PROPOSED ISSUANCE BY  
ROANE COUNTY, TENNESSEE OF  
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017B

Roane County (the "County") submitted a plan of refunding (the "Plan"), as required by T.C.A. § 9-21-903 regarding the issuance of a maximum \$1,500,000 General Obligation Refunding Bonds, Series 2017B (taxable) (the "Refunding Bonds"). The proceeds of the Refunding Bonds will be used to current refund \$1,450,000 Local Government Public Improvement Bonds, Series B-13-A (taxable) structured as a loan agreement with the Blount County Public Building Authority, (the "Refunded Bonds").

The Plan was prepared with the assistance of the County's municipal advisor, Cumberland Securities Company, Inc. An evaluation of the preparation, support, and underlying assumptions of the Plan has not been performed by this Office. This report provides no assurances of the reasonableness of the underlying assumptions. This report must be presented to the governing body prior to the adoption of a refunding bond resolution. The Refunding Bonds may be issued with a structure different than that of the Plan. The County provided a copy of its debt management policy.

#### Balloon Indebtedness

The structure of the Refunding Bonds presented in the Plan does not appear to be balloon indebtedness. If the Refunding Bonds' structure is revised, the County should determine if the new structure complies with the requirements of T.C.A. § 9-21-134 concerning balloon indebtedness. If it is determined that the bond structure constitutes balloon indebtedness, the County must submit a Plan of Balloon Indebtedness to the Director of the Office of State and Local Finance for approval prior to the County adopting the resolution authorizing the issuance of the debt.

#### County's Proposed Refunding Objective

The County indicated its purpose for the refunding is to achieve net present value debt service savings.

#### Refunding Analysis

- The results of the refunding are based on the issuance of \$1,500,000 Refunding Bonds by competitive sale and priced at par.
- The estimated net present value savings of the refunding is \$134,357 or approximately 9.27% of the refunded principal amount of \$1,450,000.
- The refunding generates savings by reducing the average coupon of the Refunded Bonds from 5.99% to an average coupon of 2.78% for the Refunding Bonds.
- The final maturity of the Refunding Bonds does not extend beyond the final maturity of the Refunded Bonds.
- Estimated cost of issuance of the Refunding Bonds is \$49,756 or approximately \$33.17 per \$1,000 of par amount. See Table 1 for individual costs of issuance.

Table 1

Costs of Issuance of Refunding Bonds

	Amount	Price per \$100 bond
Underwriter's Discount (TBD by competitive sale)	\$ 22,259.79	\$ 14.84
Municipal Advisor (Cumberland Securities Company)	10,000.00	6.67
Bond Counsel (Bass Berry & Sims)	3,500.00	2.33
Rating Agency Fees	3,500.00	2.33
Other Costs	<u>10,500.00</u>	<u>7.00</u>
Total Cost of Issuance	<u>\$ 49,759.79</u>	<u>\$ 33.17</u>

The County has identified Cumberland Securities Company, Inc. as its municipal advisor. Municipal advisors have a fiduciary responsibility to you, the issuer. Underwriters have no fiduciary responsibility to you. They represent the interests of their firm.

This report of the Office of State and Local Finance does not constitute approval or disapproval by the Office for the 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 outstanding until their respective dates of maturity. This report is based on information as presented in the Plan by the County. The assumptions included in the County's Plan may not reflect either current market conditions or market conditions at the time of sale.

If all of the Refunded Bonds are not refunded as a part of the Refunding Bonds, and the County wishes to refund them in a subsequent bond issue, then a new plan will have to be submitted to this Office for review.

*Sandra Thompson*

Sandra Thompson  
Director of the Office of State and  
Local Finance Date: February 23,  
2017

**UPON MOTION of Commissioner Kelley with second by Commissioner Moore,**

The following commissioners voted **Aye: Berry, Collier, East, Ellis, Ferguson, Fink, Granger, Hendrickson, Hooks, Johnson, Kelley, Meadows, and Moore. (13)**

The following commissioners **Passed:** -0-

The following commissioners voted **No:** -0-

**THEREUPON,** The County Chairman announced to the Commission that said Resolution had received a constitutional majority and ordered same spread of record.

**There being no further business, Chairman Berry called to adjourn:**

**MOTION passed upon unanimous voice vote.**

**THEREUPON, Chairman Berry declared the March 20<sup>th</sup>, 2017 meeting stood adjourned at 8:11 P.M.**

**APPROVED:**

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**Chairman Ronald Berry**

**ATTEST:**

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**County Clerk Barbara Anthony**