

Loudon County Commission

Loudon, Tennessee

Monday, April 5, 2021

Courthouse Annex

6:00 P.M.

AGENDA

Regular Meeting

Public Hearing

COUNTY FLOOD DAMAGE PREVENTION RESOLUTION

A RESOLUTION ADOPTED FOR THE PURPOSE OF AMENDING THE LOUDON COUNTY, TENNESSEE REGIONAL ZONING RESOLUTION REGULATING DEVELOPMENT WITHIN THE JURISDICTION OF LOUDON COUNTY, TENNESSEE, TO MINIMIZE DANGER TO LIFE AND PROPERTY DUE TO FLOODING, AND TO MAINTAIN ELIGIBILITY FOR PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM.

1. Opening of Meeting, Pledge of Allegiance to the Flag of the United States, Invocation
2. Roll Call
3. Adoption of the April 5, 2021 Loudon County Commission Agenda
4. Reading and Acceptance of the March 1, 2021 Loudon County Commission Meeting Minutes
5. General Public Comments
6. Loudon County Codes Enforcement Director – Jim Jenkins

A. COUNTY FLOOD DAMAGE PREVENTION RESOLUTION

A RESOLUTION ADOPTED FOR THE PURPOSE OF AMENDING THE LOUDON COUNTY, TENNESSEE REGIONAL ZONING RESOLUTION REGULATING DEVELOPMENT WITHIN THE JURISDICTION OF LOUDON COUNTY, TENNESSEE, TO MINIMIZE DANGER TO LIFE AND PROPERTY DUE TO FLOODING, AND TO MAINTAIN ELIGIBILITY FOR PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM.

7. Mayor Buddy Bradshaw
 - A. Fort Loudon Medical Center and Transaction Related to the Expansion of the Facility
 - B. TOSHA Resolution for Updated Safety and Health Plan
8. Property Assessor – Mike Campbell
 - A. Presentation to Departmental Update Regarding 2021 Reappraisal (informational Update Only)
9. Director of Accounts and Budgets – Tracy Blair
 - A. Consideration of recommendation to approve application/acceptance of the following grants, no matching funds required:
 - A. \$5,000 High Visibility Grant (THSO)
 - B. \$30,000 Impaired Driving Grant (THSO)
 - C. \$30,000 Police Traffic Grant (THSO)
 - D. \$49,100 Litter Grant (TDOT)
 - B. Consideration of recommendation to approve A Resolution Authorizing the Issuance of Rural School Refunding Bonds in the Aggregate Principal Amount of Approximately \$7,550,000
 - C. Consideration of recommendation to approve Statutory Bond for Director of Accounts & Budgets
 - D. Consideration of recommendation to approve amendments in the following funds:
 - A. County General Fund 101
 - B. Public Libraries Fund 115
 - C. Highway Department Fund 131
 - D. General Capital Projects Fund 171
 - E. Statutory Bond
 - A. Tracy Blair
 - F. Distribution of monthly reports
10. Commissioner David Meers
 - A. Bonds and Notaries

Darlene Alexander, Cinda G. Bivens, Cassie Boring, Karen J. Churchwell, Cindy Cornelius, Melanie Crowder, Janet Jones, Dana L. Kelley, Debbie Kirpec, Dawn Mackey- Wilson, Michael W. McBroon, Allison H. McConkey, Clarence W. Minor, Tina Parris, Joel E. Pearman, Adam Strachn, Ashley N. Vandyke, Rebecca Wallace
11. Adjournment

Loudon County Commission

March 1, 2021
County Commission Meeting Minutes
(For Approval)

LOUDON COUNTY COMMISSION
LOUDON COUNTY, TENNESSEE
Monday, March 1, 2021
Courthouse Annex Building
6 P.M.

DRAFT COPY
Not Approved

REGULAR COMMISSION MINUTES

- (1) Public Hearing A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 2.83 ACRES FROM M-1, GENERAL INDUSTRIAL DISTRICT TO A-1 AGRICULTURE-FORESTRY DISTRICT CORPORATE PARK DR., TAX MAP 032, PARCELS 003.00, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 38.1 ACRES FROM A-2, RURAL RESIDENTIAL DISTRICT TO A-1, AGRICULTURE-FORESTRY DISTRICT WITH T-1 OVERLAY, LOUDON COUNTY TAX MAP 056, PARCEL 181.00 LOCATED AT 5378 STEEKEE CREEK RD., LOUDON COUNTY, TN, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 1.1 ACRES FROM C-1, GENERAL COMMERCIAL DISTRICT TO R-1, RESIDENTIAL DISTRICT, LOUDON COUNTY TAX MAP 065, PARCEL 021.00 LOCATED AT 181 LEE HWY., LOUDON COUNTY, TN, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- (2) Opening of Meeting BE IT REMEMBERED that the Board of Commissioners of Loudon County convened in regular session in Loudon, Tennessee on the 1st day of March 2021.
- Commission Chairman Cullen** called the meeting to order at 6:01 pm.
- Commissioner Julia Hurley** opened the County Commission Meeting by leading the Pledge of Allegiance to the Flag of the United States of America, and then gave the invocation.
- (3) Roll Call Upon Roll Call, the following commissioners were present: **Kelly Brewster, David Meers, Julia Hurley, Matthew Tinker, Bill Satterfield, Gary Whitfield, Henry Cullen, Harold Duff, Van Shaver, Adam Waller** (10)
- Also present was the **Honorable Mayor Buddy Bradshaw, Director of Accounts and Budgets, Tracy Blair** and **Chief Deputy Clerk, Tammie Wampler**.
- (4) Agenda Adoption **Commission Chairman Cullen** requested that the March 1, 2021 Agenda be adopted. **Mayor Bradshaw** requested that the TCCA resolution **Commissioner Hurley** is presenting needs to be added to the agenda and voted on. Also, **Director of Accounts and Budgets Tracy Blair** requested that the Pettway Grant / Greenback be added to the agenda as well. **Commissioner Shaver** made a motion to approve the agenda with the additions requested and **Commissioner Brewster** seconded the motion.
- Upon Voice Vote, the motion PASSED unanimously.
- (5) Minutes Approval **Commission Chairman Cullen** requested that the February 1, 2021 minutes be accepted. **Commissioner Shaver** made a motion to accept the minutes as written. **Commissioner Whitfield** seconded the motion.
- Upon Voice Vote, the motion PASSED unanimously.
- (6) General Public Comments **Commission Chairman Cullen** opened the floor for the General Public Comments. The following people spoke:
- 1) **Tim Amos** – Adjoining property owner – opposes cell tower
 - 2) **Ben Mullins** – US Cellular Attorney
 - 3) **Shamaur Myrick** – Cell Tower Engineer
 - 4) **Robert “Wayne” Hinds** – Property owner of the land the cell tower may be placed on

- (7) Re-Zone 2.83 Acres from M-1 General Industrial District to A-1 Agriculture Forest District Corporate Park Dr. / 4th Legislative District
- Commission Chairman Cullen** called back to the floor **Loudon County Planning and Codes Director – Jim Jenkins** regarding the zoning request that were read at the public hearing at the beginning of the meeting.
- A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 2.83 ACRES FROM M-1, GENERAL INDUSTRIAL DISTRICT TO A-1 AGRICULTURE-FORESTRY DISTRICT CORPORATE PARK DR., TAX MAP 032, PARCELS 003.00, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- Commissioner Whitfield** made a motion to approve the zoning resolution request and **Commissioner Meers** seconded the motion.
- Commission Chairman Cullen** called for a Roll Call Vote.
- The following commissioners voted AYE:
Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller, Brewster (10)
- The following commissioners voted NAY: (0)
- The motion PASSED. (10/0) RESOLUTION 030121-A
- (8) Re-Zone 38.0 Acres from A-2 Rural Residential District to A-1 Agriculture Forestry District with T-1 Overlay / 5378 Steekee Creek Road/ 4th Legislative District (TABLED 60 Days)
- A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 38.1 ACRES FROM A-2, RURAL RESIDENTIAL DISTRICT TO A-1, AGRICULTURE-FORESTRY DISTRICT WITH T-1 OVERLAY, LOUDON COUNTY TAX MAP 056, PARCEL 181.00 LOCATED AT 5378 STEEKEE CREEK RD., LOUDON COUNTY, TN, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- Commissioner Whitfield** made a motion to table the zoning item request for 60 days and **Commissioner Brewster** seconded the motion.
- Commission Chairman Cullen** called for a Roll Call Vote.
- The following commissioners voted AYE:
Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller, Brewster, Meers (10)
- The following commissioners voted NAY: (0)
- The motion is TABLED for 60 days. (10/0) RESOLUTION 030121-B
- (9) Re-Zone 1.1 Acres from C-1 General Commercial District to R-1 Residential / 181 Lee Hwy / 4th Legislative District
- A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER SEVEN, §13-7-105 OF THE TENNESSEE CODE ANNOTATED, TO REZONE APPROXIMATELY 1.1 ACRES FROM C-1, GENERAL COMMERCIAL DISTRICT TO R-1, RESIDENTIAL DISTRICT, LOUDON COUNTY TAX MAP 065, PARCEL 021.00 LOCATED AT 181 LEE HWY., LOUDON COUNTY, TN, SITUATED IN THE 4th LEGISLATIVE DISTRICT
- Commissioner Whitfield** made a motion to approve the zoning resolution request and **Commissioner Brewster** seconded the motion.
- Commission Chairman Cullen** called for a Roll Call Vote.
- The following commissioners voted AYE:
Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller, Brewster, Meers, Hurley (10)
- The following commissioners voted NAY: (0)
- The motion PASSED. (10/0) RESOLUTION 030121-C
- (10) Old High School
- Mayor Bradshaw** asked commission if there was any interest in the old high school. After a few moments of discussion, it was brought to the commission's attention that it is currently under contract.
- (11) 4th Year Clean Audit
- Mayor Bradshaw** informed commission that Loudon County has received its fourth consecutive clean audit. Mayor Bradshaw stated it was an incredible job by all employees who handle a nickel within the county.
- (12) Update - Regarding
- Mayor Bradshaw** had a couple of updates as well – the first one is the Transition Center that several other surrounding counties (Monroe, Blount, Loudon, Sevier and Knox County) are looking to increase workforce development and keep first time offenders and recovering addicts out of jail. **Governor Lee** has taken great interest in this as it could become a statewide

project with oversight by local agencies. **Mayor Bradshaw**, Sheriff's office representative, **District Attorney Russell Johnson** are part of the advisory committee.

- (13) Update – Federal Grant – State / Local Corona Virus Fiscal Recovery Funds

Mayor Bradshaw presented to commission the second update regarding the Federal Grant – State / Local Corona Virus Fiscal Recovery Funds. This grant is for 10.5 million and does have stipulations. It was stated that it could not be used for recurring expense. It was to be used for one-time expenses. **Mayor Bradshaw** is checking to see if this can be used to retire old debt. The stipulations are currently being reviewed.

- (14) Congratulations to Commissioner Brewster

Mayor Bradshaw expressed his congratulations to **Commissioner Brewster** for her two years of service as the chair for the Loudon County Republican Party.

- (15) Resolution – Meat Processing Training / Tennessee College of Applied Technology

Commissioner Hurley presented information to commission regarding a resolution that was presented at the TCCA meeting regarding meat processing. **Commissioner Hurley** stated that the Chairman of the Ag Committee and the Chairman of the Cattleman Association of Tennessee represent and request the resolution move forward.

Commissioner Hurley also stated that counties across the state are supporting this resolution and ask that Loudon County do so as well. The resolution request that state officials add meat processing training to Tennessee College of Applied Technology curriculum. **Commissioner Hurley** made a motion to write the resolution and send it to our State Representatives and State Senate. **Commissioner Waller** seconded the motion.

Commission Chairman Cullen called for a voice vote.

Upon Voice Vote, the motion PASSED unanimously. RESOLUTION 030121-D

- (16) Resolution – Drug Dealer Liability Lawsuit

Commission Chairman Cullen presented to commission the resolution for supporting the Drug Dealer Liability Act Lawsuit. **Attorney Bob Bowman** and **District Attorney Russell Johnson** requested Loudon County to go along with other counties who are suing big pharma companies. **Commissioner Shaver** made a motion to approve the resolution and **Commission Satterfield** seconded the motion.

Commission Chairman Cullen called for a Voice Vote.

Upon Voice Vote, the motion PASSED unanimously. RESOLUTION 030121-H

- (17) Resolution - Interlocal Agreement LCEDA – lease property

Economic Development Director, Jack Qualls presented to commission the following resolutions:

A Resolution – Loudon, County, Tennessee Amending the interlocal agreement governing LCEDA to permit the lease of property. This would enable the lease of property in Centre 75 which would facilitate the transaction allowing for a drive-in theatre.

Commissioner Meers made a motion to accept the resolution and **Commissioner Satterfield** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Satterfield, Whitfield, Cullen, Duff, Waller, Brewster, Meers, Hurley, Tinker
(9)

The following commissioners voted NAY: (1)
Shaver

The motion PASSED. (9/1) EXHIBIT 030121-E

- (18) Resolution – Sale of a lot in Center 75 Business Park / Drive-In Theatre

A Resolution – Loudon, County, Tennessee approving the sale of a lot in Centre 75 Business Park which would facilitate the transaction allowing for a drive-in-theatre. The leased lot(s) are directly behind (south of) the Good Fellas store.

Commissioner Satterfield made a motion to accept the resolution and **Commissioner Meers** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Whitfield, Cullen, Duff, Waller, Brewster, Meers, Hurley, Tinker, Satterfield
(9)

The following commissioners voted NAY: (1)
Shaver

The motion PASSED. (9/1) EXHIBIT 030121-F

(19) Resolution –
Sale of a lot in
Center 75
Business (East
of Good Fellas
Store)

A Resolution – Loudon, County, Tennessee approving the sale of a lot in Centre 75 Business Park for commercial development. The lot location is beside (east) of Good Fellas store.

Commissioner Brewster made a motion to accept the resolution and **Commissioner Meers** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Cullen, Duff, Shaver, Waller, Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield (10)

The following commissioners voted NAY: (0)

The motion PASSED. (10/0) EXHIBIT 030121-G

(20) Action Item
– Center 75
Business Park /
lighting repairs

Action Item – Loudon County, Tennessee requesting Loudon County as fiscal agent to allocate funds to support of Centre 75 Business Park lighting repairs.

Commissioner Brewster made a motion to accept the resolution and **Commissioner Hurley** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Duff, Shaver, Waller, Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen (10)

The following commissioners voted NAY: (0)

The motion PASSED. (10/0)

(21) Action Item
– Grant
Application for
funding road
improvements in
Centre 75
Business

Action Item – Loudon, County, Tennessee approving a grant application for the funding of certain road improvements in the Centre 75 Business.

Commissioner Satterfield made a motion to accept the resolution and **Commissioner Brewster** seconded the motion.

Commission Chariman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Shaver, Waller, Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff (10)

The following commissioners voted NAY: (0)

The motion PASSED. (10/0) EXHIBIT 030121-I

(22) Loudon
County Re-
Appraisal Plan /
5 Year

Property Assessor Mike Campbell presented to commission the Loudon County Re-appraisal Plan. (5 year vs. Current 4 year)

Commissioner Brewster made a motion to accept the re-appraisal plan. **Commissioner Tinker** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Waller, Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver (10)

The following commissioners voted NAY: (0)

The motion PASSED. (10/0) EXHIBIT 030121-J /RESOLUTION 030121-K

(23) \$ 17,000
Homeland
Security Grant /
No Matching
Funds

Director of Accounts and Budgets Tracy Blair presented to commission the recommendation to approve application / acceptance of \$ 17,000 Homeland Security Grant; no matching funds.

Commissioner Shaver made a motion to accept the recommendation. **Commissioner Satterfield** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller (10) The following commissioners voted NAY: (0)

The motion PASSED. (10/0)

(24) Pettway
Grant – Loudon
County Libraries
(Lenoir City,
Philadelphia,
Loudon,
Greenback)

Director of Accounts and Budgets Tracy Blair presented to commission the recommendation to approve application / acceptance of the Pettway Grant for Loudon County Libraries as follows; no matching funds.

- A. Lenoir City \$ 3,000
- B. Philadelphia \$ 4,200
- C. Loudon \$ 3,400
- D. Greenback Library \$ 2000

Commissioner Satterfield made a motion to accept the recommendation. **Commissioner Shaver** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller, Brewster (10)

The following commissioners voted NAY: (0)

The motion PASSED. (10/0)

(25) Budget
Amendments –
Funds 101, 116,
119, 122, 141,
142, 171

Director of Accounts and Budgets Tracy Blair presented to commission the recommendation to approve amendments in the following funds:

- A. County General Fund 101 EXHIBIT 030121-L
- B. Recycling Centers Fund 116 EXHIBIT 030121-M
- C. Centre 75 Fund 119 EXHIBIT 030121-N
- D. Drug Fund 122 EXHIBIT 030121-O
- E. General Purpose School Fund 141 EXHIBIT 030121-P
- F. School Federal Projects Fund 142 EXHIBIT 030121-Q
- G. General Capital Projects Fund 171 EXHIBIT 030121-R

Commissioner Brewster made a motion to accept the recommendations for items A- G. **Commissioner Shaver** seconded the motion.

Commission Chairman Cullen called for a Roll Call Vote.

The following commissioners voted AYE:

Brewster, Meers, Hurley, Tinker, Satterfield, Whitfield, Cullen, Duff, Shaver, Waller (10)

The following commissioners voted NAY: (0)

NOTE: Before giving his vote, **Commissioner Tinker** gave his Conflict of Interest Statement.

The motion PASSED. (10/0)

(26) Monthly
Reports

Director of Accounts and Budgets, Tracy Blair, requested that the record reflect that prior to the meeting the following report was distributed:

- 1) Summary Financial Statement EXHIBIT 030121-S

(27) Bonds &
Notaries

Commissioner Meers made a motion that was seconded by **Commissioner Shaver** to approve the following Notaries:

Marla Foster, Kristi D. Guider, Robert Hinton, Kellie Niles, Patricia Ouderkirk, Loren E. Plemmons, Lisa Russell, Michelle Stone, Susan Suafoa-Dinino, Brian Sumpton, G. Paige Tramell, Kimberlee A. Waterhouse, Cheryl Lynette Wright

EXHIBIT 030121-T

(28)
Adjourn

There being no further business a motion being duly made by **Commissioner Shaver** and seconded by **Commissioner Waller**, the March 1st, 2021 County Commission was adjourned at 7:35 pm.

Loudon County Commission Chairman

ATTEST:

Loudon County Clerk

Loudon County Mayor

Loudon County Commission

County Flood Damage Prevention Resolution

**A RESOLUTION ADOPTED FOR THE PURPOSE OF AMENDING THE LOUDON COUNTY,
TENNESSEE REGIONAL ZONING RESOLUTION REGULATING DEVELOPMENT WITHIN
THE JURISDICTION OF LOUDON COUNTY, TENNESSEE, TO MINIMIZE DANGER TO
LIFE AND PROPERTY DUE TO FLOODING, AND TO MAINTAIN ELIGIBILITY FOR
PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM.**

RESOLUTION NO. _____

COUNTY FLOOD DAMAGE PREVENTION RESOLUTION

A RESOLUTION ADOPTED FOR THE PURPOSE OF AMENDING THE LOUDON COUNTY, TENNESSEE REGIONAL ZONING RESOLUTION REGULATING DEVELOPMENT WITHIN THE JURISDICTION OF LOUDON COUNTY, TENNESSEE, TO MINIMIZE DANGER TO LIFE AND PROPERTY DUE TO FLOODING, AND TO MAINTAIN ELIGIBILITY FOR PARTICIPATION IN THE NATIONAL FLOOD INSURANCE PROGRAM.

ARTICLE I. STATUTORY AUTHORIZATION, FINDINGS OF FACT, PURPOSE AND OBJECTIVES

Section A. Statutory Authorization

The Legislature of the State of Tennessee has in Sections 13-7-101 through 13-7-115, Tennessee Code Annotated delegated the responsibility to the county legislative body to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry. Therefore, the Loudon County, Tennessee, Mayor and County Commission, do resolve as follows:

Section B. Findings of Fact

1. The Loudon County, Tennessee, Mayor and its Legislative Body wish to maintain eligibility in the National Flood Insurance Program (NFIP) and in order to do so must meet the NFIP regulations found in Title 44 of the Code of Federal Regulations (CFR), Ch. 1, Section 60.3.
2. Areas of Loudon County, Tennessee are subject to periodic inundation which could result in loss of life and property, health and safety hazards, disruption of commerce and governmental services, extraordinary public expenditures for flood protection and relief, and impairment of the tax base, all of which adversely affect the public health, safety and general welfare.
3. Flood losses are caused by the cumulative effect of obstructions in floodplains, causing increases in flood heights and velocities; by uses in flood hazard areas which are vulnerable to floods; or construction which is inadequately elevated, floodproofed, or otherwise unprotected from flood damages.

Section C. Statement of Purpose

It is the purpose of this Resolution to promote the public health, safety and general welfare and to minimize public and private losses due to flood conditions in specific areas. This Resolution is designed to:

1. Restrict or prohibit uses which are vulnerable to flooding or erosion hazards, or which result in damaging increases in erosion, flood heights, or velocities;

2. Require that uses vulnerable to floods, including community facilities, be protected against flood damage at the time of initial construction;
3. Control the alteration of natural floodplains, stream channels, and natural protective barriers which are involved in the accommodation of floodwaters;
4. Control filling, grading, dredging and other development which may increase flood damage or erosion;
5. Prevent or regulate the construction of flood barriers which will unnaturally divert flood waters or which may increase flood hazards to other lands.

Section D. Objectives

The objectives of this Resolution are:

1. To protect human life, health, safety and property;
2. To minimize expenditure of public funds for costly flood control projects;
3. To minimize the need for rescue and relief efforts associated with flooding and generally undertaken at the expense of the general public;
4. To minimize prolonged business interruptions;
5. To minimize damage to public facilities and utilities such as water and gas mains, electric, telephone and sewer lines, streets and bridges located in floodprone areas;
6. To help maintain a stable tax base by providing for the sound use and development of floodprone areas to minimize blight in flood areas;
7. To ensure that potential homebuyers are notified that property is in a floodprone area;
8. To maintain eligibility for participation in the NFIP.

ARTICLE II. DEFINITIONS

Unless specifically defined below, words or phrases used in this Resolution shall be interpreted as to give them the meaning they have in common usage and to give this Resolution its most reasonable application given its stated purpose and objectives.

"Accessory Structure" means a subordinate structure to the principal structure on the same lot and, for the purpose of this Resolution, shall conform to the following:

1. Accessory structures shall only be used for parking of vehicles and storage.
2. Accessory structures shall be designed to have low flood damage potential.
3. Accessory structures shall be constructed and placed on the building site so as to offer the minimum resistance to the flow of floodwaters.

4. Accessory structures shall be firmly anchored to prevent flotation, collapse, and lateral movement, which otherwise may result in damage to other structures.
5. Utilities and service facilities such as electrical and heating equipment shall be elevated or otherwise protected from intrusion of floodwaters.

"Addition (to an existing building)" means any walled and roofed expansion to the perimeter or height of a building.

"Appeal" means a request for a review of the local enforcement officer's interpretation of any provision of this Resolution or a request for a variance.

"Area of Shallow Flooding" means a designated AO or AH Zone on a community's Flood Insurance Rate Map (FIRM) with one percent or greater annual chance of flooding to an average depth of one to three feet where a clearly defined channel does not exist, where the path of flooding is unpredictable and indeterminate; and where velocity flow may be evident. Such flooding is characterized by ponding or sheet flow.

"Area of Special Flood-related Erosion Hazard" is the land within a community which is most likely to be subject to severe flood-related erosion losses. The area may be designated as Zone E on the Flood Hazard Boundary Map (FHBM). After the detailed evaluation of the special flood-related erosion hazard area in preparation for publication of the FIRM, Zone E may be further refined.

"Area of Special Flood Hazard" see **"Special Flood Hazard Area"**.

"Base Flood" means the flood having a one percent chance of being equaled or exceeded in any given year. This term is also referred to as the 100-year flood or the one (1)-percent annual chance flood.

"Basement" means any portion of a building having its floor subgrade (below ground level) on all sides.

"Building" see **"Structure"**.

"Development" means any man-made change to improved or unimproved real estate, including, but not limited to, buildings or other structures, mining, dredging, filling, grading, paving, excavating, drilling operations, or storage of equipment or materials.

"Elevated Building" means a non-basement building built to have the lowest floor of the lowest enclosed area elevated above the ground level by means of solid foundation perimeter walls with openings sufficient to facilitate the unimpeded movement of floodwater, pilings, columns, piers, or shear walls adequately anchored so as not to impair the structural integrity of the building during a base flood event.

"Emergency Flood Insurance Program" or **"Emergency Program"** means the program as implemented on an emergency basis in accordance with Section 1336 of the Act. It is intended as a program to provide a first layer amount of insurance on all insurable structures before the effective date of the initial FIRM.

"Erosion" means the process of the gradual wearing away of land masses. This peril is not "per se" covered under the Program.

"Exception" means a waiver from the provisions of this Resolution which relieves the applicant from the requirements of a rule, regulation, order or other determination made or issued pursuant to this Resolution.

"Existing Construction" means any structure for which the "start of construction" commenced before the effective date of the initial floodplain management code or resolution adopted by the community as a basis for that community's participation in the NFIP.

"Existing Manufactured Home Park or Subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including, at a minimum, the installation of utilities, the construction of streets, final site grading or the pouring of concrete pads) is completed before the effective date of the first floodplain management code or resolution adopted by the community as a basis for that community's participation in the NFIP.

"Existing Structures" see **"Existing Construction"**.

"Expansion to an Existing Manufactured Home Park or Subdivision" means the preparation of additional sites by the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads).

"Flood" or "Flooding"

(a) A general and temporary condition of partial or complete inundation of normally dry land areas from:

1. The overflow of inland or tidal waters.
2. The unusual and rapid accumulation or runoff of surface waters from any source.
3. Mudslides (i.e., mudflows) which are proximately caused by flooding as defined in paragraph (a)(2) of this definition and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas, as when earth is carried by a current of water and deposited along the path of the current.

(b) The collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels or suddenly caused by an unusually high water level in a natural body of water, accompanied by a severe storm, or by an unanticipated force of nature, such as flash flood or an abnormal tidal surge, or by some similarly unusual and unforeseeable event which results in flooding as defined in paragraph (a)(1) of this definition.

"Flood Elevation Determination" means a determination by the Federal Emergency Management Agency (FEMA) of the water surface elevations of the base flood, that is, the flood level that has a one percent or greater chance of occurrence in any given year.

"Flood Elevation Study" means an examination, evaluation and determination of flood hazards and, if appropriate, corresponding water surface elevations, or an examination, evaluation and determination of mudslide (i.e., mudflow) or flood-related erosion hazards.

"Flood Hazard Boundary Map (FHBM)" means an official map of a community, issued by FEMA, where the boundaries of areas of special flood hazard have been designated as Zone A.

"Flood Insurance Rate Map (FIRM)" means an official map of a community, issued by FEMA, delineating the areas of special flood hazard or the risk premium zones applicable to the community.

"Flood Insurance Study" is the official report provided by FEMA, evaluating flood hazards and containing flood profiles and water surface elevation of the base flood.

"Floodplain" or **"Floodprone Area"** means any land area susceptible to being inundated by water from any source (see definition of "flooding").

"Floodplain Management" means the operation of an overall program of corrective and preventive measures for reducing flood damage, including but not limited to emergency preparedness plans, flood control works and floodplain management regulations.

"Flood Protection System" means those physical structural works for which funds have been authorized, appropriated, and expended and which have been constructed specifically to modify flooding in order to reduce the extent of the area within a community subject to a "special flood hazard" and the extent of the depths of associated flooding. Such a system typically includes hurricane tidal barriers, dams, reservoirs, levees or dikes. These specialized flood modifying works are those constructed in conformance with sound engineering standards.

"Floodproofing" means any combination of structural and nonstructural additions, changes, or adjustments to structures which reduce or eliminate flood damage to real estate or improved real property, water and sanitary facilities and structures and their contents.

"Flood-related Erosion" means the collapse or subsidence of land along the shore of a lake or other body of water as a result of undermining caused by waves or currents of water exceeding anticipated cyclical levels or suddenly caused by an unusually high water level in a natural body of water, accompanied by a severe storm, or by an unanticipated force of nature, such as a flash flood, or by some similarly unusual and unforeseeable event which results in flooding.

"Flood-related Erosion Area" or **"Flood-related Erosion Prone Area"** means a land area adjoining the shore of a lake or other body of water, which due to the composition of the shoreline or bank and high water levels or wind-driven currents, is likely to suffer flood-related erosion damage.

"Flood-related Erosion Area Management" means the operation of an overall program of corrective and preventive measures for reducing flood-related erosion damage, including but not limited to emergency preparedness plans, flood-related erosion control works and floodplain management regulations.

"Floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

"Freeboard" means a factor of safety usually expressed in feet above a flood level for purposes of floodplain management. "Freeboard" tends to compensate for the many unknown factors that could contribute to flood heights greater than the height calculated for a selected size flood and floodway conditions, such as wave action, blockage of bridge or culvert openings, and the hydrological effect of urbanization of the watershed.

"Functionally Dependent Use" means a use which cannot perform its intended purpose unless it is located or carried out in close proximity to water. The term includes only docking facilities, port facilities that are necessary for the loading and unloading of cargo or passengers, and ship

building and ship repair facilities, but does not include long-term storage or related manufacturing facilities.

"Highest Adjacent Grade" means the highest natural elevation of the ground surface, prior to construction, adjacent to the proposed walls of a structure.

"Historic Structure" means any structure that is:

1. Listed individually in the National Register of Historic Places (a listing maintained by the U.S. Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;
2. Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;
3. Individually listed on the Tennessee inventory of historic places and determined as eligible by states with historic preservation programs which have been approved by the Secretary of the Interior; or
4. Individually listed on the Loudon County, Tennessee inventory of historic places and determined as eligible by communities with historic preservation programs that have been certified either:
 - a. By the approved Tennessee program as determined by the Secretary of the Interior or
 - b. Directly by the Secretary of the Interior.

"Levee" means a man-made structure, usually an earthen embankment, designed and constructed in accordance with sound engineering practices to contain, control or divert the flow of water so as to provide protection from temporary flooding.

"Levee System" means a flood protection system which consists of a levee, or levees, and associated structures, such as closure and drainage devices, which are constructed and operated in accordance with sound engineering practices.

"Lowest Floor" means the lowest floor of the lowest enclosed area, including a basement. An unfinished or flood resistant enclosure used solely for parking of vehicles, building access or storage in an area other than a basement area is not considered a building's lowest floor; provided, that such enclosure is not built so as to render the structure in violation of the applicable non-elevation design requirements of this Resolution.

"Manufactured Home" means a structure, transportable in one or more sections, which is built on a permanent chassis and designed for use with or without a permanent foundation when attached to the required utilities. The term "Manufactured Home" does not include a "Recreational Vehicle".

"Manufactured Home Park or Subdivision" means a parcel (or contiguous parcels) of land divided into two or more manufactured home lots for rent or sale.

"Map" means the Flood Hazard Boundary Map (FHBM) or the Flood Insurance Rate Map (FIRM) for a community issued by FEMA.

"Mean Sea Level" means the average height of the sea for all stages of the tide. It is used as a reference for establishing various elevations within the floodplain. For the purposes of this Resolution, the term is synonymous with the National Geodetic Vertical Datum (NGVD) of 1929, the North American Vertical Datum (NAVD) of 1988, or other datum, to which Base Flood Elevations shown on a community's Flood Insurance Rate Map are referenced.

"National Geodetic Vertical Datum (NGVD)" means, as corrected in 1929, a vertical control used as a reference for establishing varying elevations within the floodplain.

"New Construction" means any structure for which the "start of construction" commenced on or after the effective date of the initial floodplain management Resolution and includes any subsequent improvements to such structure.

"New Manufactured Home Park or Subdivision" means a manufactured home park or subdivision for which the construction of facilities for servicing the lots on which the manufactured homes are to be affixed (including at a minimum, the installation of utilities, the construction of streets, and either final site grading or the pouring of concrete pads) is completed on or after the effective date of this resolution or the effective date of the initial floodplain management resolution and includes any subsequent improvements to such structure.

"North American Vertical Datum (NAVD)" means, as corrected in 1988, a vertical control used as a reference for establishing varying elevations within the floodplain.

"100-year Flood" see **"Base Flood"**.

"Person" includes any individual or group of individuals, corporation, partnership, association, or any other entity, including State and local governments and agencies.

"Reasonably Safe from Flooding" means base flood waters will not inundate the land or damage structures to be removed from the Special Flood Hazard Area and that any subsurface waters related to the base flood will not damage existing or proposed structures.

"Recreational Vehicle" means a vehicle which is:

1. Built on a single chassis;
2. 400 square feet or less when measured at the largest horizontal projection;
3. Designed to be self-propelled or permanently towable by a light duty truck;
4. Designed primarily not for use as a permanent dwelling but as temporary living quarters for recreational, camping, travel, or seasonal use.

"Regulatory Floodway" means the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge the base flood without cumulatively increasing the water surface elevation more than a designated height.

"Regulatory Flood Protection Elevation" means the "Base Flood Elevation" plus the "Freeboard". In "Special Flood Hazard Areas" where Base Flood Elevations (BFEs) have been determined, this elevation shall be the BFE plus 1 foot. In "Special Flood Hazard Areas" where

no BFE has been established, this elevation shall be at least three (3) feet above the highest adjacent grade.

"Riverine" means relating to, formed by, or resembling a river (including tributaries), stream, brook, etc.

"Special Flood Hazard Area" is the land in the floodplain within a community subject to a one percent or greater chance of flooding in any given year. The area may be designated as Zone A on the FHBM. After detailed ratemaking has been completed in preparation for publication of the FIRM, Zone A usually is refined into Zones A, AO, AH, A1-30, AE or A99.

"Special Hazard Area" means an area having special flood, mudslide (i.e., mudflow) and/or flood-related erosion hazards, and shown on an FHBM or FIRM as Zone A, AO, A1-30, AE, A99, or AH.

"Start of Construction" includes substantial improvement, and means the date the building permit was issued, provided the actual start of construction, repair, reconstruction, rehabilitation, addition, placement, or other improvement was within 180 days of the permit date. The actual start means either the first placement of permanent construction of a structure (including a manufactured home) on a site, such as the pouring of slabs or footings, the installation of piles, the construction of columns, or any work beyond the stage of excavation; and includes the placement of a manufactured home on a foundation. Permanent construction does not include initial land preparation, such as clearing, grading and filling; nor does it include the installation of streets and/or walkways; nor does it include excavation for a basement, footings, piers, or foundations or the erection of temporary forms; nor does it include the installation on the property of accessory buildings, such as garages or sheds, not occupied as dwelling units or not part of the main structure. For a substantial improvement, the actual start of construction means the first alteration of any wall, ceiling, floor, or other structural part of a building, whether or not that alteration affects the external dimensions of the building.

"State Coordinating Agency" the Tennessee Emergency Management Agency, State NFIP Office, as designated by the Governor of the State of Tennessee at the request of FEMA to assist in the implementation of the NFIP for the State.

"Structure" for purposes of this Resolution, means a walled and roofed building, including a gas or liquid storage tank, that is principally above ground, as well as a manufactured home.

"Substantial Damage" means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed fifty percent (50%) of the market value of the structure before the damage occurred.

"Substantial Improvement" means any reconstruction, rehabilitation, addition, alteration or other improvement of a structure in which the cost equals or exceeds fifty percent (50%) of the market value of the structure before the "start of construction" of the initial improvement. This term includes structures which have incurred "substantial damage", regardless of the actual repair work performed. The market value of the structure should be (1) the appraised value of the structure prior to the start of the initial improvement, or (2) in the case of substantial damage, the value of the structure prior to the damage occurring.

The term does not, however, include either: (1) Any project for improvement of a structure to correct existing violations of State or local health, sanitary, or safety code specifications which have been pre-identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions and not solely triggered by an improvement or repair

project or; (2) Any alteration of a "historic structure", provided that the alteration will not preclude the structure's continued designation as a "historic structure".

"Substantially Improved Existing Manufactured Home Parks or Subdivisions" is where the repair, reconstruction, rehabilitation or improvement of the streets, utilities and pads equals or exceeds fifty percent (50%) of the value of the streets, utilities and pads before the repair, reconstruction or improvement commenced.

"Variance" is a grant of relief from the requirements of this Resolution.

"Violation" means the failure of a structure or other development to be fully compliant with the community's floodplain management regulations. A structure or other development without the elevation certificate, other certification, or other evidence of compliance required in this Resolution is presumed to be in violation until such time as that documentation is provided.

"Water Surface Elevation" means the height, in relation to the National Geodetic Vertical Datum (NGVD) of 1929, the North American Vertical Datum (NAVD) of 1988, or other datum, where specified, of floods of various magnitudes and frequencies in the floodplains of riverine areas.

ARTICLE III. GENERAL PROVISIONS

Section A. Application

This Resolution shall apply to all areas within the unincorporated area of Loudon County, Tennessee.

Section B. Basis for Establishing the Areas of Special Flood Hazard

The Areas of Special Flood Hazard identified on the Loudon County, Tennessee, as identified by FEMA, and in its Flood Insurance Study (FIS) dated May 16, 2007 and Flood Insurance Rate Map (FIRM), Community Panel Numbers 47105C0025D, 47105C0075D, 47105C0083D, 47105C0084D, 47105C0089D, 47105C0092D, 47105C0093D, 47105C0094D, 47105C0100D, 47105C0111D, 47105C0125D, 47105C0150D, 47105C0157D, 47105C0159D, 47105C0166D, 47105C0167D, 47105C0175D, 47105C0176D, 47105C0177D, 47105C0178D, 47105C0181D, 47105C0200D, 47105C0225D, and 47105C0300D, dated May 16, 2007, along with all supporting technical data, are adopted by reference and declared to be a part of this Resolution.

Section C. Requirement for Development Permit

A development permit shall be required in conformity with this Resolution prior to the commencement of any development activities.

Section D. Compliance

No land, structure or use shall hereafter be located, extended, converted or structurally altered without full compliance with the terms of this Resolution and other applicable regulations.

Section E. Abrogation and Greater Restrictions

This Resolution is not intended to repeal, abrogate, or impair any existing easements, covenants or deed restrictions. However, where this Resolution conflicts or overlaps with another regulatory instrument, whichever imposes the more stringent restrictions shall prevail.

Section F. Interpretation

In the interpretation and application of this Resolution, all provisions shall be: (1) considered as minimum requirements; (2) liberally construed in favor of the governing body and; (3) deemed neither to limit nor repeal any other powers granted under Tennessee statutes.

Section G. Warning and Disclaimer of Liability

The degree of flood protection required by this Resolution is considered reasonable for regulatory purposes and is based on scientific and engineering considerations. Larger floods can and will occur on rare occasions. Flood heights may be increased by man-made or natural causes. This Resolution does not imply that land outside the Areas of Special Flood Hazard or uses permitted within such areas will be free from flooding or flood damages. This Resolution shall not create liability on the part of Loudon County, Tennessee or by any officer or employee thereof for any flood damages that result from reliance on this Resolution or any administrative decision lawfully made hereunder.

Section H. Penalties for Violation

Violation of the provisions of this Resolution or failure to comply with any of its requirements, including violation of conditions and safeguards established in connection with grants of variance shall constitute a misdemeanor punishable as other misdemeanors as provided by law. Any person who violates this resolution or fails to comply with any of its requirements shall, upon adjudication therefore, be fined as prescribed by Tennessee statutes, and in addition, shall pay all costs and expenses involved in the case. Each day such violation continues shall be considered a separate offense. Nothing herein contained shall prevent Loudon County, Tennessee from taking such other lawful actions to prevent or remedy any violation.

ARTICLE IV. ADMINISTRATION

Section A. Designation of Resolution Administrator

The **Director of Codes Enforcement** is hereby appointed as the Administrator to implement the provisions of this Resolution.

Section B. Permit Procedures

Application for a development permit shall be made to the Administrator on forms furnished by the community prior to any development activities. The development permit may include, but is not limited to the following: plans in duplicate drawn to scale and showing the nature, location, dimensions, and elevations of the area in question; existing or proposed structures, earthen fill placement, storage of materials or equipment, and drainage facilities. Specifically, the following information is required:

1. Application stage

- a. Elevation in relation to mean sea level of the proposed lowest floor, including basement, of all buildings where Base Flood Elevations are available, or to certain height above the highest adjacent grade when applicable under this Resolution.
- b. Elevation in relation to mean sea level to which any non-residential building will be floodproofed where Base Flood Elevations are available, or to certain height above the highest adjacent grade when applicable under this Resolution.
- c. A FEMA Floodproofing Certificate from a Tennessee registered professional engineer or architect that the proposed non-residential floodproofed building will meet the floodproofing criteria in Article V, Sections A and B.
- d. Description of the extent to which any watercourse will be altered or relocated as a result of proposed development.
- e. A final Finished Construction Elevation Certificate (FEMA Form 086-0-33) is required after construction is completed and prior to Certificate of Compliance/Occupancy issuance. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of final as-built construction of the elevation of the reference level and all attendant utilities.
- f. In order to determine if improvements or damage meet the Substantial Improvement or Substantial Damage criteria, the applicant shall provide to the Floodplain Administrator a detailed cost to repair all damages and/or cost of improvements which includes the complete costs associated with all types of work necessary to completely repair or improve a building. These include the costs of all materials, labor, and other items necessary to perform the proposed work. These must be in the form of:
 - An itemized costs of materials, and labor, or estimates of materials and labor that are prepared by licensed contractors or professional construction cost estimators
 - Building valuation tables published by building code organizations and cost-estimating manuals and tools available from professional building cost-estimating services.
 - A qualified estimate of costs that is prepared by the local official using professional judgement and knowledge of local and regional construction costs.
 - A detailed cost estimate provided and prepared by the building owner. This must include as much supporting documentation as possible (such as pricing information from lumber companies, plumbing and electrical suppliers, etc). In addition, the estimate must include the value of labor, including the value of the owner's labor.

2. Construction Stage

Within AE Zones, where Base Flood Elevation data is available, any lowest floor certification made relative to mean sea level shall be prepared by or under the direct supervision of, a Tennessee registered land surveyor and certified by same. The Administrator shall record the elevation of the lowest floor on the development permit. When floodproofing is utilized for a non-residential building, said certification shall be prepared by, or under the direct supervision of, a Tennessee registered professional engineer or architect and certified by same.

Within approximate A Zones, where Base Flood Elevation data is not available, the elevation of the lowest floor shall be determined as the measurement of the lowest floor of the building relative to the highest adjacent grade. The Administrator shall record the elevation of the lowest floor on the development permit. When floodproofing is utilized for a non-residential building, said certification shall be prepared by, or under the direct supervision of, a Tennessee registered professional engineer or architect and certified by same.

For all new construction and substantial improvements, the permit holder shall provide to the Administrator an as-built certification of the lowest floor elevation or floodproofing level upon the completion of the lowest floor or floodproofing.

Any work undertaken prior to submission of the certification shall be at the permit holder's risk. The Administrator shall review the above-referenced certification data. Deficiencies detected by such review shall be corrected by the permit holder immediately and prior to further work being allowed to proceed. Failure to submit the certification or failure to make said corrections required hereby, shall be cause to issue a stop-work order for the project.

3. Finished Construction Stage

For all new construction and substantial improvements, the permit holder shall provide to the Administrator a final Finished Construction Elevation Certificate (FEMA Form 086-0-33). A final Finished Construction Elevation Certificate is required after construction is completed and prior to Certificate of Compliance/Occupancy issuance. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of final as-built construction of the elevation of the reference level and all attendant utilities. The Administrator will keep the certificate on file in perpetuity.

Section C. Duties and Responsibilities of the Administrator

Duties of the Administrator shall include, but not be limited to, the following:

1. Review all development permits to assure that the permit requirements of this Resolution have been satisfied, and that proposed building sites will be reasonably safe from flooding.

2. Review proposed development to assure that all necessary permits have been received from those governmental agencies from which approval is required by Federal or State law, including Section 404 of the Federal Water Pollution Control Act Amendments of 1972, 33 U.S.C. 1334.
3. Notify adjacent communities and the Tennessee Emergency Management Agency, State NFIP Office, prior to any alteration or relocation of a watercourse and submit evidence of such notification to FEMA.
4. For any altered or relocated watercourse, submit engineering data/analysis within six (6) months to FEMA to ensure accuracy of community FIRM's through the Letter of Map Revision process.
5. Assure that the flood carrying capacity within an altered or relocated portion of any watercourse is maintained.
6. Record the elevation, in relation to mean sea level or the highest adjacent grade, where applicable, of the lowest floor (including basement) of all new and substantially improved buildings, in accordance with Article IV, Section B.
7. Record the actual elevation, in relation to mean sea level or the highest adjacent grade, where applicable to which the new and substantially improved buildings have been floodproofed, in accordance with Article IV, Section B.
8. When floodproofing is utilized for a nonresidential structure, obtain certification of design criteria from a Tennessee registered professional engineer or architect, in accordance with Article IV, Section B.
9. Where interpretation is needed as to the exact location of boundaries of the Areas of Special Flood Hazard (for example, where there appears to be a conflict between a mapped boundary and actual field conditions), make the necessary interpretation. Any person contesting the location of the boundary shall be given a reasonable opportunity to appeal the interpretation as provided in this Resolution.
10. When Base Flood Elevation data and floodway data have not been provided by FEMA, obtain, review, and reasonably utilize any Base Flood Elevation and floodway data available from a Federal, State, or other sources, including data developed as a result of these regulations, as criteria for requiring that new construction, substantial improvements, or other development in Zone A on the Loudon County, Tennessee FIRM meet the requirements of this Resolution.
11. Maintain all records pertaining to the provisions of this Resolution in the office of the Administrator and shall be open for public inspection. Permits issued under the provisions of this Resolution shall be maintained in a separate file or marked for expedited retrieval within combined files.
12. A final Finished Construction Elevation Certificate (FEMA Form 086-0-33) is required after construction is completed and prior to Certificate of Compliance/Occupancy issuance. It shall be the duty of the permit holder to submit to the Floodplain Administrator a certification of final as-built construction of the elevation of the reference level and all attendant utilities. The Floodplain Administrator shall review the certificate data submitted. Deficiencies

detected by such review shall be corrected by the permit holder immediately and prior to Certificate of Compliance/Occupancy issuance. In some instances, another certification may be required to certify corrected as-built construction. Failure to submit the certification or failure to make required corrections shall cause to withhold the issuance of a Certificate of Compliance/Occupancy. The Finished Construction Elevation Certificate certifier shall provide at least 2 photographs showing the front and rear of the building taken within 90 days from the date of certification. The photographs must be taken with views confirming the building description and diagram number provided in Section A. To the extent possible, these photographs should show the entire building including foundation. If the building has split-level or multi-level areas, provide at least 2 additional photographs showing side views of the building. In addition, when applicable, provide a photograph of the foundation showing a representative example of the flood openings or vents. All photographs must be in color and measure at least 3" × 3". Digital photographs are acceptable.

ARTICLE V. PROVISIONS FOR FLOOD HAZARD REDUCTION

Section A. General Standards

In all areas of special flood hazard, the following provisions are required:

1. New construction and substantial improvements shall be anchored to prevent flotation, collapse and lateral movement of the structure;
2. Manufactured homes shall be installed using methods and practices that minimize flood damage. They must be elevated and anchored to prevent flotation, collapse and lateral movement. Methods of anchoring may include, but are not limited to, use of over-the-top or frame ties to ground anchors. This requirement is in addition to applicable State of Tennessee and local anchoring requirements for resisting wind forces.
3. New construction and substantial improvements shall be constructed with materials and utility equipment resistant to flood damage;
4. New construction and substantial improvements shall be constructed by methods and practices that minimize flood damage;
5. All electrical, heating, ventilation, plumbing, air conditioning equipment, and other service facilities shall be designed and/or located so as to prevent water from entering or accumulating within the components during conditions of flooding;
6. New and replacement water supply systems shall be designed to minimize or eliminate infiltration of flood waters into the system;
7. New and replacement sanitary sewage systems shall be designed to minimize or eliminate infiltration of flood waters into the systems and discharges from the systems into flood waters;

8. On-site waste disposal systems shall be located and constructed to avoid impairment to them or contamination from them during flooding;
9. Any alteration, repair, reconstruction or improvements to a building that is in compliance with the provisions of this Resolution, shall meet the requirements of "new construction" as contained in this Resolution;
10. Any alteration, repair, reconstruction or improvements to a building that is not in compliance with the provision of this Resolution, shall be undertaken only if said non-conformity is not further extended or replaced;
11. All new construction and substantial improvement proposals shall provide copies of all necessary Federal and State permits, including Section 404 of the Federal Water Pollution Control Act amendments of 1972, 33 U.S.C. 1334;
12. All subdivision proposals and other proposed new development proposals shall meet the standards of Article V, Section B;
13. When proposed new construction and substantial improvements are partially located in an area of special flood hazard, the entire structure shall meet the standards for new construction;
14. When proposed new construction and substantial improvements are located in multiple flood hazard risk zones or in a flood hazard risk zone with multiple Base Flood Elevations, the entire structure shall meet the standards for the most hazardous flood hazard risk zone and the highest Base Flood Elevation.

Section B. Specific Standards

In all Areas of Special Flood Hazard, the following provisions, in addition to those set forth in Article V, Section A, are required:

1. Residential Structures

In AE Zones where Base Flood Elevation data is available, new construction and substantial improvement of any residential building (or manufactured home) shall have the lowest floor, including basement, elevated to no lower than one (1) foot above the Base Flood Elevation. Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures".

Within approximate A Zones where Base Flood Elevations have not been established and where alternative data is not available, the administrator shall require the lowest floor of a building to be elevated to a level of at least three (3) feet above the highest adjacent grade (as defined in Article II). Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures"

2. Non-Residential Structures

In AE Zones, where Base Flood Elevation data is available, new construction and substantial improvement of any commercial, industrial, or non-residential building, shall have the lowest floor, including basement, elevated or floodproofed to no lower than one (1) foot above the level of the Base Flood Elevation. Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures"

In approximate A Zones, where Base Flood Elevations have not been established and where alternative data is not available, new construction and substantial improvement of any commercial, industrial, or non-residential building, shall have the lowest floor, including basement, elevated or floodproofed to no lower than three (3) feet above the highest adjacent grade (as defined in Article II). Should solid foundation perimeter walls be used to elevate a structure, openings sufficient to facilitate equalization of flood hydrostatic forces on both sides of exterior walls shall be provided in accordance with the standards of this section: "Enclosures"

Non-Residential buildings located in all A Zones may be floodproofed, in lieu of being elevated, provided that all areas of the building below the required elevation are watertight, with walls substantially impermeable to the passage of water, and are built with structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effects of buoyancy. A Tennessee registered professional engineer or architect shall certify that the design and methods of construction are in accordance with accepted standards of practice for meeting the provisions above, and shall provide such certification to the Administrator as set forth in Article IV, Section B.

3. Enclosures

All new construction and substantial improvements that include fully enclosed areas formed by foundation and other exterior walls below the lowest floor that are subject to flooding, shall be designed to preclude finished living space and designed to allow for the entry and exit of flood waters to automatically equalize hydrostatic flood forces on exterior walls.

- a. Designs for complying with this requirement must either be certified by a Tennessee professional engineer or architect or meet or exceed the following minimum criteria.
 - 1) Provide a minimum of two openings having a total net area of not less than one (1) square inch for every square foot of enclosed area subject to flooding;
 - 2) The bottom of all openings shall be no higher than one (1) foot above the finished grade;
 - 3) Openings may be equipped with screens, louvers, valves or other coverings or devices provided they permit the automatic flow of floodwaters in both directions.
- b. The enclosed area shall be the minimum necessary to allow for parking of vehicles, storage or building access.

- c. The interior portion of such enclosed area shall not be finished or partitioned into separate rooms in such a way as to impede the movement of floodwaters and all such partitions shall comply with the provisions of Article V, Section B.

4. Standards for Manufactured Homes and Recreational Vehicles

- a. All manufactured homes placed, or substantially improved, on: (1) individual lots or parcels, (2) in expansions to existing manufactured home parks or subdivisions, or (3) in new or substantially improved manufactured home parks or subdivisions, must meet all the requirements of new construction.
- b. All manufactured homes placed or substantially improved in an existing manufactured home park or subdivision must be elevated so that either:
 - 1) In AE Zones, with Base Flood Elevations, the lowest floor of the manufactured home is elevated on a permanent foundation to no lower than one (1) foot above the level of the Base Flood Elevation or
 - 2) In approximate A Zones, without Base Flood Elevations, the manufactured home chassis is elevated and supported by reinforced piers (or other foundation elements of at least equivalent strength) that are at least three (3) feet in height above the highest adjacent grade (as defined in Article II).
- c. Any manufactured home, which has incurred “substantial damage” as the result of a flood, must meet the standards of Article V, Sections A and B.
- d. All manufactured homes must be securely anchored to an adequately anchored foundation system to resist flotation, collapse and lateral movement.
- e. All recreational vehicles placed in an identified Special Flood Hazard Area must either:
 - 1) Be on the site for fewer than 180 consecutive days;
 - 2) Be fully licensed and ready for highway use (a recreational vehicle is ready for highway use if it is licensed, on its wheels or jacking system, attached to the site only by quick disconnect type utilities and security devices, and has no permanently attached structures or additions), or;
 - 3) The recreational vehicle must meet all the requirements for new construction.

5. Standards for Subdivisions and Other Proposed New Development Proposals

Subdivisions and other proposed new developments, including manufactured home parks, shall be reviewed to determine whether such proposals will be reasonably safe from flooding.

- a. All subdivision and other proposed new development proposals shall be consistent with the need to minimize flood damage.
- b. All subdivision and other proposed new development proposals shall have public utilities and facilities such as sewer, gas, electrical and water systems located and constructed to minimize or eliminate flood damage.
- c. All subdivision and other proposed new development proposals shall have adequate drainage provided to reduce exposure to flood hazards.
- d. In all approximate A Zones require that all new subdivision proposals and other proposed developments (including proposals for manufactured home parks and subdivisions) greater than 50 lots or 5 acres, whichever is the lesser, include within such proposals Base Flood Elevation data (See Article V, Section E).

Section C. Standards for Special Flood Hazard Areas with Established Base Flood Elevations and With Floodways Designated

Located within the Special Flood Hazard Areas established in Article III, Section B, are areas designated as floodways. A floodway may be an extremely hazardous area due to the velocity of floodwaters, debris or erosion potential. In addition, the area must remain free of encroachment in order to allow for the discharge of the base flood without increased flood heights and velocities. Therefore, the following provisions shall apply:

1. Encroachments are prohibited, including fill, new construction, substantial improvements or other development within the adopted regulatory floodway. Development may be permitted however, provided it is demonstrated through hydrologic and hydraulic analyses performed in accordance with standard engineering practice that the encroachment shall not result in any increase in flood levels or floodway widths during a base flood discharge. A registered professional engineer must provide supporting technical data and certification thereof;
2. A community may permit encroachments within the adopted regulatory floodway that would result in an increase in base flood elevations, provided that the applicant first applies for a conditional letter of map revision (CLOMR) and floodway revision, fulfills the requirements for such revisions as established under the provisions of § 65.12, and receives the approval of FEMA;
3. ONLY if Article V, Section C, provisions (1) through (2) are satisfied, then any new construction or substantial improvement shall comply with all other applicable flood hazard reduction provisions of Article V, Sections A and B.

Section D. Standards for Areas of Special Flood Hazard Zones AE with Established Base Flood Elevations but Without Floodways Designated

Located within the Special Flood Hazard Areas established in Article III, Section B, where streams exist with base flood data provided but where no floodways have been designated (Zones AE), the following provisions apply:

1. Require until a regulatory floodway is designated, that no new construction, substantial , or other development, including fill shall be permitted within Zone AE on the community's FIRM, unless it is demonstrated through hydrologic and hydraulic analyses performed that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the community.
2. A community may permit encroachments within within Zones AE on the community's FIRM, that would result in an increase in the water surface elevation of the base flood, provided that the applicant first applies for a conditional letter of map revision (CLOMR) and floodway revision, fulfills the requirements for such revisions as established under the provisions of § 65.12, and receives the approval of FEMA;
3. ONLY if Article V, Section D, provisions (1) through (2) are satisfied, then any new construction or substantial improvement shall comply with all other applicable flood hazard reduction provisions of Article V, Sections A and B.

Section E. Standards for Streams without Established Base Flood Elevations and Floodways (A Zones)

Located within the Special Flood Hazard Areas established in Article III, Section B, where streams exist, but no base flood data has been provided and where a Floodway has not been delineated, the following provisions shall apply:

1. The Administrator shall obtain, review, and reasonably utilize any Base Flood Elevation and floodway data available from any Federal, State, or other sources, including data developed as a result of these regulations (see 2 below), as criteria for requiring that new construction, substantial improvements, or other development in approximate A Zones meet the requirements of Article V, Sections A and B.
2. Require that all new subdivision proposals and other proposed developments (including proposals for manufactured home parks and subdivisions) greater than 50 lots or 5 acres, whichever is the lesser, include within such proposals Base Flood Elevation data.
3. Within approximate A Zones, where Base Flood Elevations have not been established and where such data is not available from other sources, require the lowest floor of a building to be elevated or floodproofed to a level of at least three (3) feet above the highest adjacent grade (as defined in Article II). All applicable data including elevations or floodproofing certifications shall be recorded as set forth in Article IV, Section B. Openings sufficient to facilitate automatic equalization of hydrostatic flood forces on exterior walls shall be provided in accordance with the standards of Article V, Section B.
4. Within approximate A Zones, where Base Flood Elevations have not been established and where such data is not available from other sources, no encroachments, including structures or fill material, shall be located within an area equal to the width of the stream or twenty feet (20), whichever is greater, measured from the top of the stream bank, unless certification by a Tennessee

registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within Loudon County, Tennessee. The engineering certification should be supported by technical data that conforms to standard hydraulic engineering principles.

5. New construction and substantial improvements of buildings, where permitted, shall comply with all applicable flood hazard reduction provisions of Article V, Sections A and B. Within approximate A Zones, require that those subsections of Article V Section B dealing with the alteration or relocation of a watercourse, assuring watercourse carrying capacities are maintained and manufactured homes provisions are complied with as required.

Section F. Standards For Areas of Shallow Flooding (Zone AO)

Located within the Special Flood Hazard Areas established in Article III, Section B, are areas designated as shallow flooding areas. These areas have special flood hazards associated with base flood depths of one (1) to three (3) feet where a clearly defined channel does not exist and where the path of flooding is unpredictable and indeterminate. In addition to Article V, Sections A and B, all new construction and substantial improvements shall meet the following requirements:

1. The lowest floor (including basement) shall be elevated at least as high as the depth number specified on the Flood Insurance Rate Map (FIRM), in feet, plus a freeboard of one (1) foot above the highest adjacent grade; or at least three (3) feet above the highest adjacent grade, if no depth number is specified.
2. Non-residential structures may, in lieu of elevation, be floodproofed to the same level as required in Article V, Section F(1) so that the structure, together with attendant utility and sanitary facilities, below that level shall be watertight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic and hydrodynamic loads and effects of buoyancy. Certification is required in accordance with Article IV, Section B(1) (c) and Article V, Section B(2).
3. Adequate drainage paths shall be provided around structures on slopes, to guide floodwaters around and away from proposed structures.

Section G. Standards For Areas of Shallow Flooding (Zone AH)

Located within the Special Flood Hazard Areas established in Article III, Section B, are areas designated as shallow flooding areas. These areas are subject to inundation by 1-percent-annual-chance shallow flooding (usually areas of ponding) where average depths are one (1) to three (3) feet. Base Flood Elevations are derived from detailed hydraulic analyses are shown in this zone.

In addition to meeting the requirements of Article V, Sections A and B, all new construction and substantial improvements shall meet the following requirements:

1. Adequate drainage paths shall be provided around structures on slopes, to guide floodwaters around and away from proposed structures.

Section H. Standards For Areas Protected by Flood Protection System (A-99 Zones)

Located within the Areas of Special Flood Hazard established in Article III, Section B, are areas of the 100-year floodplain protected by a flood protection system but where Base Flood Elevations have not been determined. Within these areas (A-99 Zones) all provisions of Article IV and Article V shall apply.

Section I. Standards for Unmapped Streams

Located within the Loudon County, Tennessee, are unmapped streams where areas of special flood hazard are neither indicated nor identified. Adjacent to such streams, the following provisions shall apply:

1. No encroachments including fill material or other development including structures shall be located within an area of at least equal to twice the width of the stream, measured from the top of each stream bank, unless certification by a Tennessee registered professional engineer is provided demonstrating that the cumulative effect of the proposed development, when combined with all other existing and anticipated development, will not increase the water surface elevation of the base flood more than one (1) foot at any point within the locality.
2. When a new flood hazard risk zone, and Base Flood Elevation and floodway data is available, new construction and substantial improvements shall meet the standards established in accordance with Articles IV and V.
3. ONLY if Article III, Section B, provisions (1) through (2) are satisfied, then any new construction or substantial improvement shall comply with all other applicable flood hazard reduction provisions of Article V, Sections A and B.

ARTICLE VI. VARIANCE PROCEDURES

Section A. Regional Board of Zoning Appeals

1. Authority

The Loudon County, Tennessee Regional Board of Zoning Appeals shall hear and decide appeals and requests for variances from the requirements of this Resolution.

2. Procedure

Meetings of the Regional Board of Zoning Appeals shall be held at such times, as the Board shall determine. All meetings of the Regional Board of Zoning Appeals shall be open to the public. The Regional Board of Zoning Appeals shall adopt rules of procedure and shall keep records of applications and actions thereof, which shall be a public record. Compensation of the members of the Regional Board of Zoning Appeals shall be set by the Legislative Body.

3. Appeals: How Taken

An appeal to the Regional Board of Zoning Appeals may be taken by any person, firm or corporation aggrieved or by any governmental officer, department, or bureau affected by any decision of the Administrator based in whole or in part upon the provisions of this Resolution. Such appeal shall be taken by filing with the Regional Board of Zoning Appeals a notice of appeal, specifying the grounds thereof. In all cases where an appeal is made by a property owner or other interested party, a fee of **(0.00)** dollars for the cost of publishing a notice of such hearings shall be paid by the appellant. The Administrator shall transmit to the Regional Board of Zoning Appeals all papers constituting the record upon which the appeal action was taken. The Regional Board of Zoning Appeals shall fix a reasonable time for the hearing of the appeal, give public notice thereof, as well as due notice to parties in interest and decide the same within a reasonable time which shall be by the first day of the month in which the request will be heard. At the hearing, any person or party may appear and be heard in person or by agent or by attorney.

4. Powers

The Regional Board of Zoning Appeals shall have the following powers:

a. Administrative Review

To hear and decide appeals where it is alleged by the applicant that there is error in any order, requirement, permit, decision, determination, or refusal made by the Administrator or other administrative official in carrying out or enforcement of any provisions of this Resolution.

b. Variance Procedures

In the case of a request for a variance the following shall apply:

- 1) The Loudon County, Tennessee Regional Board of Zoning Appeals shall hear and decide appeals and requests for variances from the requirements of this Resolution.
- 2) Variances may be issued for the repair or rehabilitation of historic structures as defined, herein, upon a determination that the proposed repair or rehabilitation will not preclude the structure's continued designation as a historic structure and the variance is the minimum necessary deviation from the requirements of this Resolution to preserve the historic character and design of the structure.
- 3) In passing upon such applications, the Regional Board of Zoning Appeals shall consider all technical evaluations, all relevant

factors, all standards specified in other sections of this Resolution, and:

- a) The danger that materials may be swept onto other property to the injury of others;
 - b) The danger to life and property due to flooding or erosion;
 - c) The susceptibility of the proposed facility and its contents to flood damage;
 - d) The importance of the services provided by the proposed facility to the community;
 - e) The necessity of the facility to a waterfront location, in the case of a functionally dependent use;
 - f) The availability of alternative locations, not subject to flooding or erosion damage, for the proposed use;
 - g) The relationship of the proposed use to the comprehensive plan and floodplain management program for that area;
 - h) The safety of access to the property in times of flood for ordinary and emergency vehicles;
 - i) The expected heights, velocity, duration, rate of rise and sediment transport of the flood waters and the effects of wave action, if applicable, expected at the site;
 - j) The costs of providing governmental services during and after flood conditions including maintenance and repair of public utilities and facilities such as sewer, gas, electrical, water systems, and streets and bridges.
- 4) Upon consideration of the factors listed above, and the purposes of this Resolution, the Regional Board of Zoning Appeals may attach such conditions to the granting of variances, as it deems necessary to effectuate the purposes of this Resolution.
 - 5) Variances shall not be issued within any designated floodway if any increase in flood levels during the base flood discharge would result.

Section B. Conditions for Variances

1. Variances shall be issued upon a determination that the variance is the minimum relief necessary, considering the flood hazard and the factors listed in Article VI, Section A.
2. Variances shall only be issued upon: a showing of good and sufficient cause, a determination that failure to grant the variance would result in exceptional hardship; or a determination that the granting of a variance will not result in

increased flood heights, additional threats to public safety, extraordinary public expense, create nuisance, cause fraud on or victimization of the public, or conflict with existing local laws or Resolutions.

3. Any applicant to whom a variance is granted shall be given written notice that the issuance of a variance to construct a structure below the Base Flood Elevation will result in increased premium rates for flood insurance (as high as \$25 for \$100) coverage, and that such construction below the Base Flood Elevation increases risks to life and property.
4. The Administrator shall maintain the records of all appeal actions and report any variances to FEMA upon request.

ARTICLE VII. LEGAL STATUS PROVISIONS

Section A. Conflict with Other Resolutions

In case of conflict between this Resolution or any part thereof, and the whole or part of any existing or future Resolution of Loudon County, Tennessee, the most restrictive shall in all cases apply.

Section B. Severability

If any section, clause, provision, or portion of this Resolution shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, provision, or portion of this Resolution which is not of itself invalid or unconstitutional.

Section C. Effective Date

This Resolution shall become effective on April 5, 2021, the public welfare demanding it.

Approved and adopted by the Loudon County, Tennessee, Mayor and County Commission.

Date

Mayor of Loudon County, Tennessee

Attest: _____
County Clerk

Date of Public Hearing

Date of Publication of
Caption and Summary

Loudon County Commission

**Ft. Loudon Medical Center / Transaction
Related to the Expansion of the Facility**

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF
LOUDON COUNTY, TENNESSEE
(FORT LOUDOUN MEDICAL CENTER TRANSACTION)**

April 5, 2021

WHEREAS, Loudon County, Tennessee (the "County") is the fee simple owner of that certain tract or parcel of real property which has a street address of 550 Fort Loudoun Medical Center Drive, Lenoir City, Tennessee and is also identified as all of Parcel 079.03 on Tax Map 015 among the maps of the Property Assessor for Loudon County, Tennessee (the "Property"); and

WHEREAS, the Property is improved with, among other things, a hospital commonly known as Fort Loudoun Medical Center (the "Hospital"); and

WHEREAS, for more than 16 years, the County has ground leased the Property to Fort Loudoun Medical Center, a not-for-profit corporation organized and existing under the laws of the State of Tennessee ("FLMC") pursuant to that certain Lease Agreement dated November 12, 2004 (the "Hospital Lease"); and

WHEREAS, FLMC is a wholly-owned subsidiary of Covenant Health, a Tennessee non-profit corporation ("Covenant"), and the two have expended in excess of \$49,500,000 in (a) constructing the Hospital, (b) constructing a medical office building, (c) incurring amounts required by the Hospital Lease, and (d) developing and expanding healthcare services in the County; and

WHEREAS, FLMC and Covenant desire to further expand and enhance the healthcare services being provided to the County's residents by (a) converting the Hospital from a facility with all semi-private rooms into a facility with all private rooms, through the construction of a new wing with approximately 25 new private rooms, and (b) renovating certain areas of the existing Hospital as necessary to accomplish this objective, with an expected cost of \$12 million to \$15 million, all at their sole cost and expense; and

WHEREAS, in light of the significant sums of money that will be necessary to accomplish the foregoing and considering that the term of the Hospital Lease is set to end no later than December 31, 2034, FLMC and Covenant desire to ensure that they will be able to maintain a long term presence at the Property after the expansion and enhancements are completed, and therefore have requested that the County transfer ownership of the Property to FLMC in accordance with the provisions of an Agreement to Expand and Improve Fort Loudoun Medical Center, a copy of which is attached hereto as **Exhibit A** (the "Expansion and Improvement Agreement"); and

WHEREAS, the Loudon County Board of Commissioners (the "County Commission") believes the expansion and enhancement of the Hospital and healthcare services to the residents of the County which are contemplated by FLMC and Covenant, as set forth in the Expansion and Improvement Agreement, are in the best interests of the County and its residents and should be approved; and

WHEREAS, the County Commission also desires to authorize the County Mayor to execute, acknowledge, and deliver on behalf of the County, the Expansion and Improvement Agreement, as well as all other documents and instruments which are necessary or appropriate, to accomplish the purposes thereof.

NOW, THEREFORE BE IT RESOLVED THAT:

1. The Expansion and Improvement Agreement is in the best interests of the County and its residents and is hereby approved in all respects.
2. The County Mayor be, and hereby is, acting in his official capacity and without the joinder of any other person, authorized, empowered, and directed (subject to the conditions described herein) to execute, acknowledge, and deliver on behalf of the County the Expansion and Improvement Agreement, along with any and all other documents and instruments which are necessary or prudent, in the County Mayor's discretion, to fulfill the obligations of the County thereunder.
3. The County Mayor be and hereby is, acting in his official capacity but without the joinder of any other person, authorized, empowered, and directed to approve the final form of all documents and instruments in connection with the transactions contemplated in the Expansion and Improvement Agreement, with such completions, omissions, insertions, and changes as may be approved by such County Mayor, his execution of the same to constitute conclusive evidence of his approval of the form of such documents and instruments.
4. The County Mayor be and hereby is, acting in his official capacity and without the joinder of any other person, authorized, empowered, and directed to execute and deliver all certificates and instruments and to take all such further actions as he may consider necessary or desirable in connection with accomplishing the intents and purposes of the Expansion and Improvement Agreement.
5. All other acts of the County Mayor which are in conformity with the purposes and intents of this resolution and in furtherance of accomplishing the purposes set forth in the Expansion and Improvement Agreement are hereby approved and confirmed in all respects

APPROVED:

Henry Cullen
Chair, Loudon County Board of Commissioners

Buddy Bradshaw
Loudon County Mayor

ATTEST:

Carrie McKelvey
County Clerk

Exhibit A

(Copy of Agreement to Expand and Improve Fort Loudoun Medical Center)

[See attached]

AGREEMENT TO EXPAND AND IMPROVE FORT LOUDOUN MEDICAL CENTER

This Agreement to Expand and Improve Fort Loudoun Medical Center (this "Agreement") is made and entered into as of this ____ day of April, 2021 (the "Effective Date"), by and between

LOUDON COUNTY, TENNESSEE, a county and political subdivision of the State of Tennessee (the "County"),

FORT LOUDOUN MEDICAL CENTER, a not-for-profit corporation organized and existing under the laws of the State of Tennessee ("FLMC"), and

COVENANT HEALTH, a not-for-profit corporation organized and existing under the laws of the State of Tennessee ("Covenant").

The County, FLMC, and Covenant are sometimes collectively referred to as the "Parties" and individually as a "Party."

RECITALS:

A. The County is the fee simple owner of that certain tract or parcel of land located in Loudon County, Tennessee which is described on the Exhibit A attached hereto (the "Land").

B. Pursuant to a Lease Agreement between FLMC, Covenant, and the County dated November 9, 2004 (the "Lease") and a Memorandum of Lease between FLMC, the County, and Covenant dated November 12, 2004 and recorded in Trust Book 766, page 662 in the Register's Office for Loudon County, Tennessee (the "Memo of Lease"), FLMC leased from the County the Land, together with all improvements located thereon at the time and certain easements and other rights appurtenant thereto. The Lease required FLMC to, among other things, construct a hospital facility (the "Hospital") and expend substantial sums of money for the purpose of developing and enhancing the availability and quality of healthcare provided to the residents of Loudon County, Tennessee.

C. To the knowledge of each Party, FLMC and Covenant have each complied with all their obligations under the Lease to be performed prior to the Effective Date, including the construction of the Hospital and the enhancement of the healthcare services available to residents of Loudon County, Tennessee.

D. The Parties agree that the quantity and quality of healthcare services available to the residents of Loudon County, Tennessee will be further enhanced if certain renovations and additions are made to the Hospital and the Land (as more particularly described in this Agreement, the "Enhancement Work").

E. FLMC is willing to undertake and perform the Enhancement Work at its sole cost and expense in consideration of the County transferring ownership of the Land and Hospital to FLMC. Covenant, as the parent company of FLMC, is willing to guarantee the performance and completion of the Enhancement Work.

F. The County believes that the Enhancement Work will provide substantial and material benefits to the County and its residents, and therefore it is willing to enter into this Agreement for the purposes contained herein.

G. The Enhancement Work shall commence no later than 24 months from the Effective Date.

NOW, THEREFORE, in consideration of the premises, the covenants of the Parties set forth herein, and other good and valuable consideration exchanged between the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Recitals; Definitions and Exhibits.

1.1 Recitals. The Recitals set forth above are hereby incorporated and made a part of this Agreement.

1.2 Certain Definitions. Those terms listed on the Appendix attached to this Agreement shall have the meanings set forth therein whenever used in this Agreement or any Exhibits attached hereto, unless the context clearly requires otherwise. All definitions shall also be applicable to the singular and plural forms of such words and terms. Likewise, those words and terms which are defined in the body of this Agreement shall have the meaning given to them whenever used in this Agreement or any of the Exhibits attached hereto.

1.3 Exhibits. The Exhibits listed below are attached to and incorporated into this Agreement by reference. In the event of any inconsistency between such Exhibits and the provisions of this Agreement, the provisions of the Exhibits shall control. The Exhibits attached to this Agreement are:

<u>Appendix</u>	-	Defined Terms
<u>Exhibit A</u>	-	Description of the Land
<u>Exhibit B</u>	-	List of Permitted Encumbrances
<u>Exhibit C</u>	-	Work Letter
<u>Exhibit D</u>	-	Form of Agreement for Right of First Refusal
<u>Exhibit E</u>	-	Copy of Jail Agreement

2. Transfer of Ownership. Subject to and on the terms and conditions set forth in this Agreement, and in consideration of the Enhancement Work and the other obligations of FLMC and Covenant as set forth in this Agreement, the County hereby covenants and agrees to transfer and convey to FLMC the following (collectively, the "Property"): (i) the Land, (ii) the Hospital and all other buildings, roads, and other improvements located thereon or thereunder (collectively, the "Improvements"), (iii) all reversions, remainders, easements, rights-of-way, appurtenances, hereditaments, and privileges in, to, or for the benefit of the Land or any of the Improvements, and (iv) all other rights, privileges, and appurtenances owned by the County and which in any way relate to or are used in connection with the Land and any of the Improvements.

3. Expansion of and Improvements to Hospital.

3.1 Subject to and on the terms and conditions set forth in this Agreement, and in consideration of the transfer of the Property to FLMC, FLMC shall construct, or cause to be constructed, at FLMC's sole cost and expense, a certain expansion of and improvements to the Hospital as described in Exhibit C attached hereto (said Exhibit C is referred to as the "Work Letter," and the work described therein is referred to collectively as the "Enhancement Work"), all of which shall be performed in accordance with the provisions of the Work Letter. The Parties agree that the description of the work to be performed by FLMC in the Work Letter constitutes a full and complete description of the Enhancement Work, as defined in Recital D above.

3.2 Covenant hereby guarantees the full and prompt performance by FLMC of all its obligations in Section 3.1. Furthermore, neither Covenant nor FLMC will sell, transfer, or otherwise dispose of all or any significant portion of its assets without requiring such buyer or transferee to join in writing in the foregoing guarantee. Covenant's obligations under this Agreement are limited to those set forth in this

Section 3, and at such time as all such obligations are fully paid and satisfied or provision for full payment and satisfaction has been made to the reasonable satisfaction of the County, the provisions of this Section 3 shall cease to be effective.

3.3 The obligations of FLMC and Covenant contained in Section 3.1 and 3.2 shall survive the Closing.

3.4 Other than the obligations of FLMC and Covenant contained herein, there is no, and there shall not be, any separate, other, or additional consideration, whether in cash or in kind, due or payable for the transactions contemplated in this Agreement.

4. Closing.

4.1 Closing. Subject to the other provisions contained in this Agreement, the consummation of the transfer and conveyance of the Property (the "Closing") shall occur on the date which is the earlier of the following (as applicable, the "Closing Date"):

4.1.1 The date on which the Parties mutually agree in writing; or

4.1.2 Ten (10) business days following the date upon which both of the following shall have occurred: (a) the final approval of this Agreement and the transactions contemplated hereby by the Governing Body and all periods for filing an appeal or other Action to challenge or invalidate such approval have expired; and (b) the execution of this Agreement by all of the Parties hereto.

4.2 Transfer Agent. The Closing shall be conducted by Tennessee Valley Title Insurance Company or such other title company or law firm as the Parties may hereafter agree to in writing (as applicable, the "Transfer Agent").

4.3 Location of Closing. The Closing shall occur at the location agreed to by the Parties or, failing that, the main office of the Transfer Agent; provided, that it shall not be necessary for any Party to be present at the Closing so long as it has performed all its obligations under this Agreement including delivering all those documents, amounts, and other items required of it under this Agreement.

5. Representations and Warranties.

5.1 County's Representations and Warranties. For the purpose of inducing FLMC and Covenant to enter into this Agreement, the County hereby represents and warrants to FLMC all the following as of the date the County has executed this Agreement and again as of the Closing Date, all of which are being relied upon by FLMC and Covenant:

5.1.1 The County is a duly created and validly existing county and political subdivision of the State of Tennessee;

5.1.2 The County has the power and authority to enter into this Agreement and the transactions hereby contemplated and to carry out and perform its obligations hereunder;

5.1.3 This Agreement and the transactions contemplated hereby have been duly approved and authorized by final, unappealable action of the Governing Body, and no further consent or approval of any Person is required;

5.1.4 Neither the County's execution and delivery of this Agreement nor its performance of its obligations under this Agreement will (i) violate any provision of the Constitution of the State of Tennessee or any Laws or (ii) conflict with or violate, in any material respect, any representation, warranty, covenant, agreement, or other obligation of the County;

5.1.5 This Agreement constitutes the valid and binding obligation of the County, enforceable in accordance with its terms, subject only to bankruptcy and other similar Laws affecting the rights of creditors and the exercise of judicial discretion in appropriate cases, and the individuals executing this Agreement and the documents or instruments contemplated hereby on behalf of the County have been duly authorized to do so by the Governing Body;

5.1.6 To the best of the County's knowledge, the County owns the Land in fee simple with title thereto unencumbered by any encumbrance, obligation, covenant, or restriction other than

Permitted Encumbrances. The County has no claims or any interest in any of the equipment, furnishings, beds, trade fixtures, or other personal property located on the Property and at the Closing, it shall execute and deliver to FLMC a Bill of Sale and Assignment quitclaiming all rights, title and interest it has, if any, to the same.

5.1.7 To the knowledge of each Party, FLMC and Covenant (i) have each fully performed all their duties and obligations under the Lease and the Memo of Lease, (ii) there is no existing breach or default by either Party under either the Lease or the Memo of Lease, and (iii) there is no condition or circumstance that, with the giving of notice, the lapse of time, or both, would constitute a breach or default under any such documents; and

5.1.8 There is no Action pending or, to the County's knowledge, threatened against the County, that, if determined adversely to the County, would materially affect the ability of the County to perform any of its duties or obligations under this Agreement.

5.2 FLMC's and Covenant's Representations and Warranties. For the purpose of inducing the County to enter into this Agreement and consummate the transactions set forth herein, FLMC and Covenant each hereby makes the following representations and warranties to the County as of the date each has executed this Agreement, and again as of the Closing Date, all of which are being relied upon by the County:

5.2.1 Each of FLMC and Covenant is a non-profit public benefit corporation organized and existing under the Laws of the State of Tennessee and exempt from federal income taxation under Section 501(a) of the Code;

5.2.2 Each of FLMC and Covenant has the power and authority to enter into this Agreement and the transactions hereby contemplated and to carry out its obligations hereunder;

5.2.3 This Agreement and the transactions contemplated hereby have been duly approved and authorized by the final action of the respective Boards of Directors of FLMC and Covenant and no further consent or approval of any Person is required;

5.2.4 This Agreement constitutes the valid and binding obligation of FLMC and Covenant, enforceable in accordance with its terms, subject only to bankruptcy and other similar Laws affecting the rights of creditors and the exercise of judicial discretion in appropriate cases, and the individuals executing this Agreement and the documents or instruments contemplated hereby on behalf of the FLMC and Covenant have been duly authorized to do so by the Governing Body;

5.2.5 Neither FLMC's nor Covenant's execution and delivery of this Agreement nor their performance of their obligations under this Agreement will (i) violate any provision of the Constitution of the State of Tennessee or and Laws, or (ii) conflict with or violate, in any material respect, any representation, warranty, covenant, agreement, or other obligation of FLMC or Covenant; and

5.2.6 There is no Action pending or, to the knowledge of FLMC and Covenant, there is no Action threatened against FLMC or Covenant, that, if determined adversely to FLMC or Covenant, would materially affect the ability of FLMC or Covenant to perform its duties and obligations in this Agreement.

5.3 Survival. The representations, warranties, indemnification obligations, rights, and remedies of the Parties contained in this Section 5 shall survive the Closing or earlier termination of this Agreement.

6. County's Undertakings Pending Closing.

6.1 Until the Closing or earlier termination of this Agreement, the County shall:

6.1.1 Status of Title. Not do anything or permit anything to be done that would impair or modify the status of the title as shown on any title commitment or survey procured by FLMC, unless the same is first approved or requested by FLMC, as determined in FLMC's Discretion;

6.1.2 Zoning. Not take any action to change the zoning of the Property or any portion thereof, unless first approved or requested to do so by FLMC, as determined in FLMC's Discretion; or

6.1.3 Transfer. Not cause or permit the transfer, conveyance, sale, assignment, pledge, mortgage, lease, or encumbrance of all or any portion of the Property.

6.2 In addition to the County's other obligations in this Agreement, until the Closing or earlier termination of this Agreement, the County shall also promptly notify FLMC and Covenant in writing upon learning or receiving notice, whichever first occurs, of any of the following:

6.2.1 Events. Any event, transaction, or occurrence including any potential change in any Law that would or could materially affect in an adverse manner the title, condition, or utility of the Property or any portion thereof or the consummation of the transactions contemplated in this Agreement;

6.2.2 Litigation. Any Action filed or threatened to be filed against the or the County that could affect the ability of the County to consummate the transactions contemplated by this Agreement;

6.2.3 Zoning. Any proposed change in any zoning or other Law affecting the use, occupancy, or future improvement of the Property or any portion thereof, unless such change was requested by FLMC; and

6.2.4 Acknowledgment. FLMC and Covenant acknowledge that the jurisdiction for any zoning change concerning the Property is vested exclusively with the Lenoir City, Tennessee, zoning commission.

7. Closing Deliveries; Possession.

7.1 Deliveries by the County. At the Closing, the County shall, in addition to the other matters set forth in this Agreement, if any, deliver all of the following to FLMC or the Transfer Agent, as appropriate, all of which shall be properly completed, executed, and, where applicable, acknowledged and notarized, and in the form required in this Agreement or otherwise in a form reasonably acceptable to FLMC:

7.1.1 Limited Warranty Deed. A Limited Warranty Deed pursuant to which the County agrees to defend the title to the Property against the claims of all Persons claiming by, through, or under the County, but no further or otherwise (the "Deed") conveying good and marketable title to the Property to FLMC free and clear of any and all liens and encumbrances except for the Permitted Encumbrances, and the legal description of the Land in the Deed shall be the same as set forth on the Exhibit A attached hereto;

7.1.2 Quitclaim Deed. Should FLMC obtain a new survey of the Land and such survey shows the legal description of the Land different from that described on the attached Exhibit A, the County shall, at the request of FLMC, execute, acknowledge, and deliver a Quitclaim Deed to FLMC describing the Land according to the description shown on such new survey;

7.1.3 Resolutions and Consents. Appropriate resolutions, approvals, and/or consents from the Governing Body, with all applicable appeal periods having expired, authorizing, or ratifying, as appropriate (a) the execution of this Agreement and all documents to be executed and delivered by the County in connection with the Closing, and (b) the performance by the County of all its obligations under this Agreement and under such documents required to be executed and/or delivered by the County herein;

7.1.4 Opinion or Certificate of County's Counsel. A certificate or opinion from the County's counsel certifying or opining that all necessary action has been taken by the County to authorize and consummate the transactions contemplated in this Agreement.

7.1.5 Settlement Statement. A counterpart signature page for a settlement statement prepared by the Transfer Agent for the transaction and which reflects the credits, debits, and adjustments contemplated by or specifically provided for in this Agreement (the "Settlement Statement");

7.1.6 Owner's Affidavit. An "owner's affidavit," "title affidavit" or similar agreement that will allow the Title Insurance Company to delete all the so-called "preprinted" or "standard" exceptions from the Title Policy;

7.1.7 Certificate. A certificate which certifies to FLMC and Covenant that all the representations and warranties made by the County in this Agreement are true and correct as of the Closing Date;

7.1.8 Termination of Lease. An agreement terminating the Lease and the Memo of Lease (the "Lease Termination"); and

7.1.9 Other Documents. Such other documents or instruments reasonably requested by FLMC, Covenant, the Transfer Agent, and/or the Title Insurance Company and that are reasonably necessary to complete the Closing and/or for FLMC to obtain the Title Policy in the condition contemplated in this Agreement.

7.2 Deliveries by FLMC and Covenant. At the Closing, FLMC and Covenant shall deliver all of the following to the County or the Transfer Agent, as appropriate, all of which shall be properly completed, executed, and, where applicable, acknowledged and notarized, and in the form required in this Agreement or otherwise in a form reasonably acceptable to the County:

7.2.1 Opinion or Certificate of FLMC's Counsel. A certificate or opinion from FLMC's and Covenant's counsel certifying or opining that all necessary action has been taken by FLMC and Covenant to authorize and consummate the transactions contemplated in this Agreement;

7.2.2 Settlement Statement. A counterpart signature page for the Settlement Statement;

7.2.3 Certificate. A certificate which certifies to the County that all the representations and warranties made by FLMC and Covenant in this Agreement are true and correct as of the Closing Date;

7.2.4 Termination of Lease. A counterpart signature page for the Lease Termination;

7.2.5 Intentionally Omitted.

7.2.6 ROFR/Memo. The Right of First Refusal Agreement shall be promptly recorded in the Register's Office for Loudon County, Tennessee, as soon as practical after the Closing.

7.2.7 Other Documents. Such other documents or instruments reasonably requested by the County and/or the Transfer Agent and that are reasonably necessary to complete the Closing.

The Parties agree that it shall not be necessary for Covenant to execute a guaranty agreement separate from this Agreement. Instead, the Parties agree that the language contained in Section 3.2 of this Agreement shall be sufficient, and that such guaranty provisions shall survive the Closing.

7.3 Possession. The Parties acknowledge that FLMC is already in possession of the Land and the Improvements, and, subject to the provisions of the Lease, it shall remain in possession of the same until the Closing. Subject to the representations and warranties of the County contained in this Agreement, FLMC agrees that it is accepting the Property in its "**AS IS, WHERE IS**" condition.

8. Closing Costs; No Prorations.

8.1 Closing Costs. Subject in all events to the provisions of Section 8.3 hereof, the County shall pay (a) the cost of the County's counsel and consultants, if any, (b) the cost of obtaining all approvals and consents from the Governing Body, and (c) the cost to record all title curative documents, including satisfactions of all deeds of trust or liens. Other than as set forth in the foregoing sentence, all other fees, costs, and expenses for or related to the Closing including the Transfer Agent's settlement fee, costs of preparing the Deed and, if necessary, the Quitclaim Deed (both of which shall be prepared by the

Transfer Agent), conveyance taxes, and recording fees, shall be paid by FLMC.

8.2 No Prorations. The Parties acknowledge and agree that (a) no real property taxes are currently being assessed to the Property, and (b) FLMC, as the tenant of the Property, is currently responsible for paying all utility bills for those utilities consumed on the Property. As a result, the Parties agree that there shall be no need to prorate any amounts for real property taxes, utilities, or similar items for the Closing.

8.3 Fees of County's Legal Counsel. As partial consideration for the County's willingness to enter into this Agreement and perform its obligations contained herein, FLMC agrees that, if and only if the Closing shall occur, it shall either pay in the first instance or reimburse the County for all reasonable attorneys' fees and expenses which the County incurs to its outside counsel, Kramer Rayson, LLP (the "Firm"), and which fees and expenses pertain to the negotiation and preparation of this Agreement and the consummation of the Closing; provided, that all such fees and expenses are charged at the rates which the Firm typically charges the County for similar work and shall take into account, among other things, all typical discounts, if any.

9. Conditions Precedent.

9.1 Conditions to Both Parties' Obligations. Each Party's obligation to complete the transactions contemplated hereby is contingent upon all of the following being satisfied as of the Closing Date, each of which constitutes a condition precedent to each Party's obligation to complete the transactions contemplated in this Agreement and may be waived by each Party in its sole and absolute discretion by such Party executing and delivering a written waiver to the other Party expressly stating the same:

9.1.1 Performance by the Other Party. The other Party has performed all its duties and obligations under this Agreement in all material respects;

9.1.2 Representations and Warranties. All the representations and warranties of the other Party contained in this Agreement are true and accurate in all material respects; and

9.1.3 No Default. There is no pending default by the other Party, and there is no condition or circumstance that, with the giving of notice, the passage of time, or both, would constitute a default by the other Party.

9.2 Conditions to FLMC's Obligations. FLMC's obligation to complete the transactions contemplated hereby is also contingent upon all of the following being satisfied as of the Closing Date, each of which constitutes a condition precedent to FLMC's obligation to complete the acquisition of the Property and may be waived by FLMC in FLMC's Discretion by FLMC executing and delivering a written waiver to the County expressly stating the same:

9.2.1 No Change in Zoning Laws. There has been no change in the zoning or any similar Law affecting the use and/or occupancy of the Property or any portion thereof.

9.3 Failure of Condition. If any condition precedent set forth in this Section 9 is not satisfied at or before Closing, and the same is not expressly waived in writing by the Party benefitted by the same, as determined in such Party's sole and absolute discretion, then such benefitting Party shall have the right and option, as determined in its sole and absolute discretion, to either: (a) terminate this Agreement, and, in such event, the Parties shall thereafter have no further rights, duties, or obligations under this Agreement except for the Surviving Obligations, or (b) extend the Closing Date for an additional period of thirty (30) days so the Parties may attempt to satisfy the unsatisfied condition; provided, that if the Closing Date is extended, the condition is still not satisfied within such additional thirty (30) day period, and the Party benefitted by such condition does not waive the unsatisfied condition during such additional thirty (30) day period, this Agreement shall automatically terminate and the Parties shall thereafter have no further rights, duties, or obligations under this Agreement except for the Surviving Obligations.

10. Events of Default and Remedies.

10.1 County Default and FLMC's Remedies. If (a) any representation or warranty of the County contained in this Agreement is materially false when made or becomes materially false prior to the Closing or earlier termination of this Agreement due to any act or omission of the County or any Person for which the County is responsible, (b) the County fails or otherwise refuses to perform any of its obligations contained in this Agreement, and said failure or refusal continues for ten (10) days after it receives a written notice from FLMC specifying and demanding it remedy the same, or (c) the Closing does not occur due to the fault of the County (for a reason other than one permitted in this Agreement), then in any such event, the County shall be in material breach of this Agreement (each a "County Default").

In the event of a County Default, FLMC shall have the right to either (x) terminate this Agreement, and, in such event, the Parties shall thereafter have no further rights, duties, or obligations under this Agreement, except for the Surviving Obligations; or (y) obtain specific performance from the County and, in the Action seeking specific performance, FLMC may also recover all Legal Fees it incurs in the Action obtaining the same.

10.2 Default by FLMC or Covenant; County's Remedies. If (a) any representation or warranty of FLMC or Covenant contained in this Agreement is materially false when made or becomes materially false prior to the Closing due to any act or omission of FLMC, Covenant, or any Person for which either of them is responsible, (b) FLMC fails or otherwise refuses to perform any of its obligations under this Agreement, and said failure or refusal continues for ten (10) days after it receives a written notice from the County specifying and demanding it remedy the same, or (c) the Closing does not occur due to the fault of FLMC or Covenant (for a reason other than one permitted in this Agreement), the same shall constitute a material breach of this Agreement by FLMC (each a "FLMC Default").

In the event of a FLMC Default, the County shall have the right to either (x) terminate this Agreement, and, in such event, the Parties shall thereafter have no further rights, duties, or obligations under this Agreement, except for the Surviving Obligations; or (y) obtain specific performance from FLMC and, in the Action seeking specific performance, the County may also recover all Legal Fees it incurs in the Action obtaining the same.

10.3 Lease. Notwithstanding anything contained in this Section 10 or this Agreement to the contrary, should the Closing not occur for any reason including the termination of this Agreement pursuant to this Section 10, the Lease shall remain in full force and effect.

10.4 Survival. The provisions of this Section 10 shall survive the termination of this Agreement.

11. No Brokerage Commissions.

11.1 FLMC's Representations. FLMC hereby represents and warrants to the County that neither it nor Covenant has engaged any real estate agent, broker, finder, facilitator, or other intermediary in connection with the transactions contemplated by this Agreement. FLMC further represents and warrants to the County that there is no real estate, brokerage, commission, or similar payment owed in connection with the transactions contemplated by this Agreement to any party claiming through FLMC or Covenant or arising out of the actions of FLMC or Covenant.

11.2 County's Representations. The County represents and warrants to FLMC and Covenant that the County has not engaged any real estate agent, broker, finder, facilitator, or other intermediary in connection with the transactions contemplated by this Agreement. The County further represents and warrants to FLMC and Covenant that there is no real estate, brokerage, commission, or similar payment owed in connection with the transactions contemplated by this Agreement to any party claiming through the County or arising out of the actions of the County.

11.3 **Survival.** The provisions of this Section 11 shall survive the Closing or the earlier termination of this Agreement.

12. **Notices.** All notices, demands, elections, deliveries, and other communications between the Parties required or desired to be given in connection with this Agreement (for purposes of this Section 12, each a “Notice”), to be effective under this Agreement, shall be in writing and shall be deemed to be given and received: (i) when personally delivered, (ii) when sent by electronic mail (i.e., email), (iii) one business day after sent by a reputable overnight courier and marked for next business day delivery, or (iv) three business days after deposit with the United States Postal Service as certified mail, return receipt requested; in each instance with all charges and/or postage prepaid and addressed as follows:

If to FLMC: Fort Loudoun Medical Center
550 Fort Loudoun Medical Center Drive
Lenoir City, Tennessee 37771
Attention: Jeffrey Feike, CAO
Email: jfeike@covhlth.com

If to Covenant: Covenant Health
100 Fort Sanders West Blvd.
Knoxville, Tennessee 37922
Attention: James D. VanderSteege, President and CEO
Email: jvanders@covhlth.com

If to the County: County of Loudon, Tennessee
100 River Road, #106
Loudon, Tennessee 37774
Attention: Honorable Buddy Bradshaw
Email: _____

Notwithstanding the foregoing provisions of this Section 12, if a Notice is delivered on a non-business day or after 6:00 p.m. (local time of the recipient) on a business day, then, in either event, the same shall not be deemed given or received until 9:00 a.m. (local time of the recipient) on the following business day.

Any Party may from time to time designate another Person, physical address, mailing address, and/or email address for the receipt of future Notices by sending a Notice in accordance with the provisions of this Section 12 to the other Party to the Person(s) and address(es) set forth herein or as last provided by such other Party in accordance with the provisions of this Section 12.

13. **Risk of Loss.** FLMC shall bear the risk of loss to the Property until the Closing; provided, that this provision shall not modify any of the provisions contained in the Lease.

14. **Casualty.** Should any Casualty occur prior to the Closing, the first Party to learn of the same shall promptly notify the others. Further, should a Casualty occur prior to the Closing, neither Party shall have the right to terminate this Agreement and the transactions contemplated hereby shall proceed to Closing according to the terms and conditions hereof. At Closing, all insurance proceeds shall be paid to FLMC, and the County shall assign to FLMC all rights to any such proceeds and all additional proceeds which may be owed resulting from such Casualty. The provisions of this Section 14 shall survive the Closing.

15. **Eminent Domain.** If, prior to the Closing, all, any portion of, or any interest in the Property

shall be taken or threatened to be taken by eminent domain or deed in lieu thereof, the Party which first learns of the same shall promptly notify the others. In such event, FLMC shall thereafter have the absolute right, exercisable at any time prior to the Closing, to terminate this Agreement by delivering a notice to the County stating the same. Should FLMC exercise its right to terminate this Agreement pursuant to the provisions of this Section 15 then, this Agreement shall terminate as of the date of FLMC's notice, and the Parties shall thereafter no further rights, duties, or obligations under this Agreement except for the Surviving Obligations.

16. Additional Agreements and Obligations.

16.1 Right of First Refusal. Contemporaneous with the Closing and in partial consideration for the County entering into this Agreement and fulfilling all its obligations contained herein, FLMC shall grant to the County a right of first refusal (the "ROFR") to acquire the Property if, and only if, FLMC or any successor Covenant Entity (as defined in Section 16.3 below) shall elect, as determined in its sole and absolute discretion, to sell, transfer, or convey fee simple ownership of the Property or any portion thereof to a Party other than a Covenant Entity as a single, stand-alone transaction (as opposed to a transaction involving the sale, transfer or conveyance of multiple properties of FLMC and one or more other Covenant Entities), which ROFR shall be granted to the County in an agreement substantially similar to the one attached hereto as Exhibit D, which shall be recorded in Register's Office for Loudon County, Tennessee, as soon as practical after the Closing. For the avoidance of doubt, the parties agree that the ROFR shall not arise in the context of (i) a merger, membership exchange or similar transaction to which Covenant is a party (regardless of whether Covenant is the surviving or controlling entity as a result of such transaction), or (ii) a transaction involving the sale of all or substantially all of the assets or properties of Covenant, or a transaction involving the sale of all or substantially all of the assets or properties of FLMC and one or more other Covenant Entities

16.2 Restrictions. The Parties acknowledge that the Restricted Lots are currently subject to certain restrictions as set forth in Article I of that certain Declaration of Restrictive Covenants and Easements dated August 13, 2004 and recorded in Book T741, page 263 in the Register's Office for Loudon County, Tennessee, to which instrument specific reference is hereby made and incorporated herein as if set out verbatim (the "Declaration"). The Parties also acknowledge that Section 9 of the Declaration currently provides that the restrictions contained therein shall expire on August 13, 2044.

As part of the consideration for the County entering into this Agreement, FLMC covenants and agrees that if, and only if, the Closing occurs, it shall use commercially reasonable efforts, commencing promptly after the Closing, to enter into an amendment of the Declaration with the owners of the Restricted Lots (and those other parties which have an interest in the same), which amendment will have the effect of making permanent the provisions restricting the use of the Restricted Lots.

The provisions of this Section 16.2 shall survive the Closing.

16.3 Establishment of Scholarships. Following the Closing and continuing thereafter for so long as FLMC or any Covenant Entity (each a "Covenant Entity") owns the Property, FLMC or another Covenant Entity shall establish an annual scholarship in the amount of \$5,000 (the "Scholarship") for each of the three (3) high schools currently located in Loudon County, Tennessee (i.e., Lenoir City High School, Loudon County High School, and Greenback High School), which shall be awarded each calendar year to a Qualified Graduate (as defined below).

As used in this Agreement, "Qualified Graduate" means an individual who is a graduating senior from one of the high schools currently located in Loudon County, Tennessee (i.e., Lenoir City High School, Loudon County High School and Greenback High School) and who (i) intends to pursue a degree in nursing or other clinical area approved by FLMC or Covenant (which may include an associates' degree, bachelor's degree, or another degree or certification acceptable to FLMC or the applicable Covenant Entity providing the Scholarship) from an appropriately-accredited school and (ii) who commits in a manner acceptable to the entity awarding the Scholarship to work in the field of nursing (or other approved clinical area) at a

Covenant owned or controlled facility in Loudon County following graduation for a period of at least three (3) years.

The provisions of this Section 16.3 shall survive the Closing.

16.4 Provision of Services to Inmates. The Parties acknowledge that FLMC and the County previously entered into a Services Agreement dated June 24, 2014, a copy of which is attached hereto as Exhibit E (the "Jail Agreement") wherein FLMC agreed, subject to the provisions contained therein, to provide certain medical services from time to time to the inmates of the Loudon County Jail. The Parties agree that the Jail Agreement shall continue in effect following the Closing according to the terms and conditions thereof, except that as regards Section 2 of the Jail Agreement, the reference therein to thirty-three percent (33%) shall be replaced with thirty-two percent (32%). Patients who are provided services at Hospital under or pursuant to the Jail Agreement shall not be considered indigent patients as described in Section 16.5 below. Section 2 of the Jail Agreement shall be further modified to require FLMC to use commercially reasonable efforts to ascertain whether County inmates who are provided medical services at the Hospital have medical benefit insurance coverage. If such coverage is determined to be available, FLMC shall be authorized to charge its standard negotiated billing rates applicable to such insurance coverage.

The provisions of this Section 16.4 shall survive the Closing.

16.5 Indigent Patients. Covenant and FLMC agree that FLMC shall provide treatment to indigent patients in accordance with the policies and practices of Covenant as the same exist from time to time.

17. Miscellaneous.

17.1 Entire Agreement; Amendments. This Agreement contains all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Any prior correspondence, discussions, memoranda, letters of intent, or agreements are superseded in total by this Agreement.

17.2 Successors and Permitted Assigns. This Agreement shall be binding upon the Parties and their respective successors and assigns.

17.3 Time of Essence. Time is of the essence with this Agreement and all the provisions thereof.

17.4 Multiple Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the agreement of the Parties. For purposes of executing this Agreement, a document signed and transmitted by electronic mail (i.e., email) in Portable Document Format (pdf) shall be treated as an original document, the signature of any Party thereon shall be considered an original signature, and the document transmitted shall be considered to have the same binding legal effect as an original signature on an original document. At the request of any Party, any document transmitted by email shall be re-executed by the Parties in original form. No Party may raise the fact that any signature was transmitted through the use of email as a defense to the enforcement of this Agreement or any amendment executed in compliance with this subsection.

17.5 Proper Execution. This Agreement shall have no binding force or effect on any Party, shall not constitute an offer, and shall not confer any rights upon any Party or impose any obligations upon any Party irrespective of any reliance thereon, change of position, or partial performance unless and until such time as all the Parties have executed this Agreement.

17.6 No Presumption from Draftsmanship. In the event of a dispute involving the interpretation or construction of this Agreement involving FLMC, Covenant, the County, and/or any other party or parties, it shall be deemed that this Agreement was jointly drafted by all the parties to the dispute, and no rule of construction or presumption shall be asserted in favor or to the detriment of FLMC, Covenant, the County, or any other party based upon the identity of the party actually drafting this Agreement.

17.7 Severability. If any term or provision of this Agreement or the application thereof to any Person or circumstance shall to any extent be invalid or unenforceable, as evidenced by the final order of a court of competent jurisdiction, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by Law.

17.8 Use of Headings and Subheadings. The headings and subheadings used in this Agreement are for the purpose of convenience only and in no way define, describe, limit, or amplify the scope or intent of this Agreement or any of the provisions thereof.

17.9 Pronouns and Tense. Whenever used in this Agreement, as necessary to effectuate its purposes, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

17.10 Governing Law. This Agreement and the performance thereof shall be governed, interpreted, construed, enforced, and regulated by the Laws of the State of Tennessee, without reference to its conflicts of laws principles.

17.11 No Partnership. This Agreement does not and shall not be construed to create a partnership, joint venture, or a relationship of principal and agent between the Parties or any of them. Instead, the only relationship created by this Agreement is that of transferor, transferee, and guarantor, as applicable.

17.12 Dates. Notwithstanding anything contained in this Agreement to the contrary, wherever in this Agreement any provision governs the date of commencement or expiration of any time period, or the date of occurrence of any act or event, if such date would otherwise fall on a day other than a business day, then and in each such event, such date shall be deemed for all purposes of this Agreement to commence, expire, or occur, as the case may be, on the next succeeding day which is a business day.

17.13 Force Majeure. If performance of any action by a Party is prevented or delayed by an Event of Force Majeure, the time for performance of such action will be extended for the period that such action is delayed or prevented by such Event of Force Majeure; provided, that the Party asserting the right to additional time under this Section shall promptly give notice to the other Parties of the fact it is asserting the same, a reasonably-detailed description of its justification, and the estimated period of time such Event of Force Majeure shall delay its performance.

17.14 Further Assurances. Each Party covenants and agrees to sign, execute, acknowledge, deliver, and/or file of record, or cause to be signed, executed, acknowledged, delivered, and/or filed of record, and to do or make, or cause to be done or made, upon the reasonable written request of any other Party, any and all agreements, instruments, papers, acts, or things, supplemental, confirmatory, or otherwise, as may be reasonably required by any other Party for the purpose of or in connection with confirming and consummating the matters described herein. The provisions of this Section 17.14 shall survive the Closing.

17.15 Assignment. FLMC shall have the absolute right to assign this Agreement to any Affiliate of FLMC; provided, that any such assignment shall not release FLMC or Covenant from any or all their obligations hereunder. In the event of an assignment, the assigning Party shall promptly notify the other Parties of the assignment and provide a copy of the document accomplishing the same once the assignment has been consummated.

17.16 Effective Date. This Agreement shall become binding on the Parties on the Effective Date, which shall be the date it has been executed by all the Parties. The last Party to execute this Agreement is authorized to complete the date on the first page of this Agreement prior to returning it to the other Parties.

17.17 Indemnity. FLMC and Covenant, jointly and severally, covenant and agree to indemnify, defend, and hold the County harmless from and against any and all losses, damages, fines, fees, costs and expenses, including but not limited to attorney fees, which it incurs due to all Actions which are filed against the County, arising from or pertaining to the operations of FLMC under the Lease on or before the Closing Date and for any period thereafter.

The provisions of this Section 17.17 shall survive the Closing.

In Witness Whereof, the Parties have executed this Agreement through their duly authorized undersigned representatives to be effective as of the Effective Date.

(Signature Pages of the Parties follow)

Signature Page of FLMC
(Attached to Agreement with Covenant Health and Loudon County, Tennessee)

FLMC:

FORT LOUDOUN MEDICAL CENTER,
a Tennessee not-for-profit corporation

By: _____

Printed Name: Jeffrey Feike

Title: President and CAO

Date: _____

Signature Page of Covenant
(Attached to Agreement with Fort Loudoun Medical Center and Loudon County, Tennessee)

COVENANT:

COVENANT HEALTH,
a Tennessee not-for-profit corporation

By: _____

Printed Name: James D. VanderSteeg

Title: President and CEO

Date: _____

Signature Page of the County

(Attached to Agreement with Fort Loudoun Medical Center and Covenant Health)

COUNTY:

LOUDON COUNTY, TENNESSEE,
a county and political subdivision of the
State of Tennessee

By: _____

Printed Name: Buddy Bradshaw

Title: County Mayor

Date: _____

Appendix

Whenever used in the Agreement to Expand and Improve Fort Loudoun Medical Center between Loudon County, Tennessee, Fort Loudoun Medical Center, and Covenant Health or any Exhibit attached thereto, the following words and phrases shall have the following definitions unless the context shall clearly require otherwise. These defined terms are in addition to the terms specifically defined in the Agreement. These definitions shall also be applicable to the singular and plural forms of such words and phrases.

“Action” shall mean any claim, action, suit, lawsuit, demand, proceeding, petition or investigation, including any proceeding involving eminent domain or tax certiorari proceeding, whether at law or in equity or before any court, arbitrator, arbitration panel, or Governmental Authority.

“Affiliate” shall mean, with respect to any Person, any Person that controls, is controlled by, or is under common control with such Person, together with its and their respective members, partners, venturers, directors, officers, stockholders, agents, employees, spouses, legal representatives, successors, and assigns. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise.

“Agreement” shall mean the Agreement to Expand and Improve Fort Loudoun Medical Center to which this Appendix is attached.

“business day” means a day other than a Saturday, a Sunday, a day designated as or determined to be a legal holiday observed by the federal government under 5 U.S.C. Section 6103, or a day designated as or determined to be a holiday observed by the government of the State of Tennessee under Tennessee Code Annotated Section 15-1-101.

“Casualty” shall mean any fire, flood, tornado, windstorm, earthquake, act of God, epidemic, pandemic, or other condition which causes damage to or delay in FLMC’s performance of any of its duties hereunder and which was not caused by FLMC or any Person for whom it is legally responsible.

“Closing Date” means the date on which ownership of the Property is transferred to FLMC.

“Code” means the federal Internal Revenue Code of 1986, as amended, or the provisions of any successor code with respect to the federal taxation of income of individuals, corporations, and other organizations, as applicable.

“County Party” means the County, any Affiliate of the County, or any employee, contractor, agent, or representative of either of them.

“Covenant Entity” shall have the meaning set forth in Section 16.3 of the Agreement.

“Declaration” shall have the meaning set forth in Section 16.2 of the Agreement.

“Enhancement Work” shall have the meaning given to it in Recital D of the Agreement, as more particularly described in Section 3 of the Work Letter attached to the Agreement

“Entity” shall mean any corporation, limited liability company, general partnership, limited partnership, joint venture, Governmental Authority, or any other legal entity.

“Event of Force Majeure” shall mean any event beyond the control of FLMC and may include, without limitation, weather, acts of God, epidemics, pandemics, interference by Governmental Authorities, civil disturbance, riots, strikes, lockouts, labor disputes, the inability to procure labor or materials, injunctions, Casualty, war, terrorist acts, or other events of a similar or dissimilar nature.

“Firm” shall have the meaning set forth in Section 8.3 of this Agreement.

“FLMC’s Discretion” shall mean the discretion of FLMC, which may be withheld, conditioned, or delayed in FLMC sole and absolute subjective judgment.

“Governing Body” shall mean the Loudon County Commission or such successor body as may be provided by Law.

“Governmental Authority” shall mean any federal, State, county, municipal, local, or other governmental body or authority, or any department, commission, board, office, court, bureau, agency, or instrumentality thereof, and whether the same is domestic or foreign and, in each instance, has jurisdiction over the Property (or any portion thereof), FLMC, the County, or Covenant.

“Jail Agreement” shall have the meaning set forth in Section 16.4 of the Agreement.

“Laws” shall collectively mean all laws, statutes, ordinances, rules, regulations, court orders, permits, authorizations, executive orders, directives, guidelines, and other orders, and all interpretations of the foregoing issued by any Governmental Authority, and all restrictive covenants, equitable servitudes, permissive use agreements, easements, and other agreements applicable to or affecting the Property or any portion thereof.

“Legal Fees” collectively means all reasonable attorneys’ fees, paralegal fees, expert witness fees, consultant fees, litigation expenses, costs of investigation, court costs, and other expenses incurred (i) obtaining legal advice regarding an event or circumstance and whether or not an Action is ever initiated, (ii) initiating or defending any Action, (iii) litigating any Action and pursuing or defending against all appeals thereof, and (iv) enforcing all remedies granted in any Action including collecting all amounts owed.

“PCBs” shall mean polychlorinated biphenyls.

“Permitted Encumbrances” shall collectively mean those matters specified in Exhibit B of the Agreement.

“Person” shall mean an individual human being or an Entity.

“Qualified Graduate” shall have the meaning set forth in Section 16.3 of the Agreement.

“Restricted Lots” collectively means all the following tracts or parcels of land located in Loudon County, Tennessee and which are adjacent to the Land:

(a) All of Lots 1 and 5 as shown on the Final Plat for Covenant Health recorded in Plat Cabinet F, Page 280 in the Loudon County Register’s Office, to which plat specific reference is hereby made for a more particular description; and

(b) All of Lots 2A and 2B as shown on that certain plat entitled Covenant Health S/D Lot 2 recorded in Plat Cabinet F, Page 369 in the Loudon County Register’s Office, to which plat specific reference is hereby made for a more particular description.

“ROFR” shall have the meaning set forth in Section 16.1 of the Agreement.

“Surviving Obligations” shall collectively mean those obligations of one, some, or all of the Parties specified in the Agreement as surviving the termination of the Agreement and/or the Closing.

“Title Insurance Company” shall mean a national or regional title insurance company chosen by and acceptable to FLMC and which is licensed to issue title insurance in the State of Tennessee.

“Title Policy” collectively means (i) a standard ALTA Owner’s Policy of Title Insurance (2006) which insures FLMC, at standard premium rates, that FLMC is the fee simple owner of the Property and without exception to any matter other than the Permitted Exceptions, and (ii) those endorsements thereto as may be reasonably requested by FLMC.

“to FLMC’s knowledge” shall mean the current actual (and not imputed) knowledge of the Person executing the Agreement on behalf of FLMC without any further inquiry or investigation.

“to Covenant’s knowledge” shall mean the current actual (and not imputed) knowledge of the Person executing the Agreement on behalf of Covenant without any further inquiry or investigation.

“to the County’s knowledge” shall mean the current actual (and not imputed) knowledge of the Person executing the Agreement on behalf of the County without any further inquiry or investigation.

Exhibit A
(Description of the Land)

SITUATED in District No. Two (2) of Loudon County, Tennessee, and within the corporate limits of the City of Lenoir City, Tennessee, being known and designated as all of Lot 3 as shown on the Final Plat for Covenant Health recorded in Plat Cabinet F, Page 280, in the Loudon County Register's Office, said lot being more particularly bounded and described as shown by map aforesaid, to which map specific reference is hereby made for a more particular description.

BEING the same property conveyed to Loudon County, Tennessee from Covenant Health by Warranty Deed dated November 9, 2004 and recorded in Deed Book 289, page 845 in the Loudon County Register's Office.

TOGETHER WITH drainage easements, detention basin easements, ingress/egress and utility easements granted and established in Declaration of Restrictive Covenants and Easements made by Covenant Health dated August 13, 2004, filed for record in Trust Book 741, page 263, in the Loudon County Register's Office, to the extent the same are appurtenant to Lot 3 described above.

Exhibit B
(Permitted Encumbrances)

1. All ad valorem real property taxes for 2021 and all subsequent years;
2. All applicable zoning and similar land use Laws;
3. All encumbrances caused by FLMC or any Affiliate of FLMC during the County's ownership of the Land;
4. Those applicable matters shown on the plat recorded in Plat Cabinet F, Page 280 in the Register's Office for Loudon County, Tennessee;
5. Those applicable matters which would be shown on a current and accurate survey of the Property; and
6. Those other matters which are acceptable to FLMC in FLMC's Discretion.

Exhibit C
(Work Letter)

WORK LETTER

1. **GENERAL**. This Work Letter sets forth the agreement of FLMC, Covenant, and the County with respect to the construction of certain improvements to the Land and Hospital following the Closing.

2. **DEFINED TERMS**. As used in this Work Letter, the following terms shall have the following meanings unless the context clearly requires otherwise. Further, all capitalized terms used, but not defined in this Work Letter, shall have the meanings ascribed to them in the Lease. All other capitalized terms used, but not defined, in this Work Letter shall have their ordinary and customary meanings. All definitions shall be applicable to both the singular and plural forms of such words.

(a) **Building Permits**. "Building Permits" shall collectively mean all permits and approvals required from all necessary Governmental Authorities for the construction of the Enhancement Work.

(b) **Occupancy Certifications**. "Occupancy Certifications" collectively means those certificates and authorizations with respect to the Enhancement Work which FLMC is required to obtain from all applicable Governmental Authorities in order for the same to be used for its intended purposes.

(c) **Project Architect**. "Project Architect" means a Tennessee-licensed architect chosen and engaged by FLMC in FLMC's Discretion to design the Enhancement Work.

(d) **Punch List Items**. "Punch List Items" collectively means those items which require correction or adjustment upon initial completion of all the Enhancement Work, but which do not materially affect the utility or value of the same.

(e) **County Delay**. "County Delay" means any material delay in the completion of the Enhancement Work caused in whole or in part by the County or any other County Party. As used in this definition, a material delay in the completion of the Enhancement Work means one or more actions or omissions by the County and/or another County Party, the aggregate effect of which delays the time for completion of the Enhancement Work by one (1) day or more. The Project Architect shall determine whether a County Delay has occurred and the extent of such County Delay, and his decision shall be conclusive and binding on the Parties.

(f) **Substantial Completion**. "Substantial Completion" or "Substantially Completed" means that level of completion of the Enhancement Work such that all elements thereof have been substantially completed in accordance with this Work Letter other than the Punch List Items. Substantial Completion shall be determined by the Project Architect, whose decision shall be conclusive and binding on the Parties. The Project Architect shall issue a written statement to the County, Covenant, and FLMC certifying when "Substantial Completion" of the Enhancement Work has been achieved.

(g) **Substantial Completion Date**. "Substantial Completion Date" means the date upon which the Enhancement Work is Substantially Completed, as evidenced by the written statement of the Project Architect.

3. **CONSTRUCTION OF THE ENHANCEMENT WORK**.

(a) **Scope of Enhancement Work**. In accordance with and subject to the provisions of this Work Letter, FLMC shall, at FLMC's sole cost and expense, perform or contract for the performance of that scope of work which is necessary to (i) construct an additional twenty-five private patient rooms onto the Hospital, (ii) renovate and convert all existing semi-private patient rooms in the Hospital into private patient rooms, (iii) renovation of certain areas of the Hospital necessary to accomplish the foregoing, and (iv) obtain all Occupancy Certifications for the foregoing (the work contemplated in this Section 3(a) is collectively referred to as the "Enhancement Work").

(b) Design of Enhancement Work. FLMC shall cause the Enhancement Work to be designed and engineered, as appropriate, by architects and engineers who are authorized to perform such work (or their appropriate portion thereof) in the State of Tennessee. All aspects of the design, layout, and specifications of the Enhancement Work shall be decided by FLMC in FLMC's Discretion.

(c) Construction of Enhancement Work. FLMC shall cause the Enhancement Work to be constructed by contractors who are licensed to perform such work (or their appropriate portion thereof) in the State of Tennessee. All contractors and subcontractors who are to perform the Enhancement Work shall be chosen by FLMC as determined in FLMC's Discretion.

FLMC shall cause the Enhancement Work to be constructed (i) in a good and workmanlike condition, (ii) using new materials, (iii) using standard quantities and procedures, and (iv) in substantial compliance with sound trade practices, all Laws, and the provisions of this Work Letter.

Notwithstanding the foregoing, FLMC's obligations under this Work Letter shall be subject to delays caused by (i) Casualties, (ii) Events of Force Majeure, and (iii) County Delays.

FLMC shall determine, in FLMC's Discretion, when the Enhancement Work shall commence, as well as the sequence in which it shall be performed; provided that the Enhancement Work shall commence no later than twenty-four (24) months from the Effective Date (such date, or the actual date on which the Enhancement Work is commenced, if earlier, being referred to as the "Work Commencement Date"). FLMC shall provide the County with written notice of the Work Commencement Date. Once commenced, FLMC shall use commercially reasonable efforts to attain Substantial Completion of the Enhancement Work.

Upon Substantial Completion of the Enhancement Work, the Project Architect shall issue a written statement to the County, Covenant, and FLMC certifying that "Substantial Completion" of the Enhancement Work has been achieved, which written statement shall be conclusive and binding on the Parties.

(d) Ownership. The Parties agree that FLMC shall be the sole owner of all the Enhancement Work.

4. COST OF ENHANCEMENT WORK. FLMC agrees to expend not less than Twelve Million and No/100 Dollars (\$12,000,000.00) (the "Minimum Investment") in performing the Enhancement Work. Those amounts which may be included in the calculation of the Minimum Investment include all the following:

- (a) All costs of obtaining all Building Permits and Occupancy Certifications;
- (b) All due diligence costs related to the title, geotechnical, and environmental condition of the Property;
- (c) All costs incurred in the surveying and design of the Enhancement Work;
- (d) All site preparation costs, costs of materials, and construction costs;
- (e) All costs for all payment bonds, performance bonds, letters of credit, and similar items; and
- (f) All costs of equipment, furnishings, and fixtures, legal, accounting, and consulting fees, capitalized interest, and financing costs.

The Parties acknowledge and agree that it is their intent that the Minimum Investment include all costs of any nature whatsoever incurred by FLMC in connection with the design, construction, and opening of the Enhancement Work. FLMC may, in FLMC's Discretion, waive any requirement that any general contractor or subcontractor provide or post any bond, letter of credit, or other security.

5. **DELAYS**. Notwithstanding anything contained in the Agreement to the contrary, FLMC shall not be responsible for delays in attaining Substantial Completion due to one or more Casualties, Events of Force Majeure, and/or County Delays.

6. **INSURANCE**. Throughout the construction of the Enhancement Work, FLMC shall maintain or require its contractors to maintain (i) commercial general liability insurance coverage of not less than \$1 million per occurrence for personal injury, bodily injury, death or property damage and an additional \$2 million of umbrella coverage or the equivalent thereof; (ii) builder's risk insurance for the full replacement value of the construction work comprising the Enhancement Work; and (iii) worker's compensation insurance in the minimum amounts required by Law. FLMC may also require any contractor to obtain and maintain such other types of insurance and in such amounts as FLMC may elect, in FLMC's Discretion, from time to time.

Exhibit D

(Agreement for Right of First Refusal)

[See document attached hereto]

Exhibit E

(Copy of the Jail Agreement)

[See copy of Jail Agreement attached hereto]

SERVICES AGREEMENT

THIS SERVICES AGREEMENT ("Agreement") is made and entered into this 24th day of JUNE, 2014 by and between **Fort Loudoun Medical Center**, a Tennessee non-profit corporation (the "Hospital") and **Loudon County, Tennessee**, a political subdivision of the State of Tennessee, (the "County"). In consideration of the promises and mutual covenants herein, the parties agree as follows:

1. **Medical Services.** To the extent requested by the County during the term of this Agreement, Hospital agrees to provide needed medical services to individuals who are then inmates in the Loudon County Jail (the "Inmates"); provided that the medical services to be provided by Hospital shall be limited to those services that are (i) within the scope of Hospital's license, (ii) for which Hospital has the appropriate equipment and facilities to provide, and (iii) routinely provided by Hospital to patients. The medical services that are to be provided by Hospital and that are subject to this Agreement include the services of physicians who are employed by Hospital and who practice exclusively at Hospital, but do not include the services of other physicians who practice at Hospital but are not employed by Hospital.

2. **Fees for Medical Services.** In consideration of the services to be provided by Hospital to Inmates, the County covenants and agrees to pay Hospital's fees for such services; provided, that Hospital agrees that the fees it charges for such services shall not exceed thirty-three percent (33%) of Hospital's standard fees, as reflected on its chargemaster. The County acknowledges and agrees that any individual that is brought to the Hospital by the County and with respect to which the County indicates such individual is an inmate and for which the County requests medical treatment shall be treated as an Inmate for all purposes under this Agreement until such time as such individual is discharged by Hospital, and the County shall be responsible for all fees for such individual's medical services in accordance with the terms hereof. Hospital shall bill the County for the services it provides to Inmates pursuant to the terms hereof no less often than monthly, and the County shall pay such fees within fifteen (15) days of receipt of an invoice.

3. **Security.** The parties acknowledge that treatment of the Inmates by Hospital presents issues of safety and security that Hospital does not normally face in the treatment of its other patients. The parties agree that the County shall provide any and all law enforcement personnel necessary to assure that the Hospital premises remain a safe and secure environment and that the Inmates do not injure or harm any Hospital personnel, patients or others while on Hospital premises.

4. **Term.** Subject to sooner termination as provided for herein, this Agreement shall be for a term of one (1) year commencing on July 01, 2014. This Agreement shall automatically renew for successive one (1) year terms unless either party shall notify the other in writing at least sixty (60) days prior to the expiration of the then current term that such party does not wish to so renew this Agreement.

5. **Termination.**

(a) Either party may terminate this Agreement upon sixty (60) days prior written notice to the other party.

(b) Hospital may terminate this Agreement immediately upon written notice to County in the event of the material breach by County of any of its duties and obligations under this Agreement, which remain uncured or unremedied for a period of five (5) days after written notice of such breach is given by Hospital to County specifying the event or facts constituting such breach.

(c) Hospital shall have the right to terminate this Agreement immediately upon notice to County in the event (I) either Hospital has received an opinion of its counsel that, by reason of the terms or existence of this Agreement, Hospital, any of its affiliates or their directors, officers or employees might (i) suffer the loss of its tax-exempt status or incur excise taxes under "intermediate sanctions" regulations, (ii) lose its right to participate in Medicare, TennCare (Medicaid) or other governmental reimbursement programs, or (iii) otherwise be in violation of any law, rule or regulation, and (II) Hospital and County are unable to promptly reach an agreement on amendments to this Agreement that, in the opinion of such counsel, would serve to cure such violations and eliminate such risks on the part of Hospital, its affiliates and/or their directors, officers or employees.

(d) The parties agree further that upon termination of this Agreement, whether by County or Hospital, and whether or not for cause, the following terms and conditions shall apply:

(1) Any Inmates then being treated at Hospital shall be discharged or transferred to another facility, as appropriate, as soon as it is practical and medically appropriate under the circumstances.

(2) The County shall pay all fees due Hospital for services provided by Hospital to Inmates through the date of termination and all fees for Inmates who are inpatients on the date of termination through the date such Inmates are discharged or transferred to another facility.

6. **Entire Agreement.** This Agreement sets forth the entire understanding of the parties regarding County's relationship with Hospital and supersedes any current or prior agreements between the parties which shall be of no further force or effect as of the effective date of this Agreement.

7. **Binding Effect.** All the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the respective permitted successor and assigns of the parties.

8. **Notices.** Any notice, demand or communication required, permitted or desired to be given hereunder, shall be deemed effectively given when personally delivered or mailed by prepaid certified mail, return receipt requested, addressed as follows:

County: Loudon County, Tennessee
100 RIVER ROAD
STE. 110
Loudon, Tennessee 37777
Attn: JONAS LOVLAN

Hospital: Fort Loudoun Medical Center
550 Fort Loudoun Medical Center Drive
Lenoir City, Tennessee 37772
Attn: Jeffrey Feike

or to such other address and to the attention of such other person(s) or officer(s) as either party may designate by written notice.

9. **Amendments and Agreement Execution.** This Agreement and amendments thereto shall be in writing and executed in multiple copies on behalf of Hospital and County. Each multiple copy shall be deemed an original, but all multiple copies together shall constitute one and the same instrument.

10. **Severability.** In the event any provision of this Agreement is held to be unenforceable for any reason, the unenforceability thereof shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

11. **Headings.** The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

12. **No Third-Party Beneficiaries.** The parties acknowledge and agree that this Agreement is for the benefit of the parties hereto and for no other party, and that only the parties hereto may enforce or obtain damages related to a breach of this Agreement.

IN WITNESS WHEREOF, Hospital and County have executed this Agreement as of the date first above written.

FORT LOUDOUN MEDICAL CENTER

By: *Jeffrey L. [Signature]*
Title: PRESIDENT / CAO
Date: 6/24/14

Hospital

LOUDON COUNTY, TENNESSEE

By: *J. W. [Signature]*
Title: Sheriff
Date: 6/24/14

By: *Jean Youface*
Title: Purchasing Director
Date: 06/24/2014

County

This Instrument Prepared By:
Jason T. Murphy, Attorney
Frantz, McConnell & Seymour, LLP
550 W. Main Street, Suite 500
Knoxville, Tennessee 37902

AGREEMENT FOR RIGHT OF FIRST REFUSAL

This Agreement for Right of First Refusal (this Agreement”) is made this ____ day of _____, 2021 (the “Effective Date”), by and between

FORT LOUDOUN MEDICAL CENTER, a not-for-profit corporation organized and existing under the laws of the State of Tennessee (“**FLMC**”), and

LOUDON COUNTY, TENNESSEE, a county and political subdivision of the State of Tennessee (the “**County**”).

FLMC and the County are sometimes jointly referred to as the “**Parties**” or individually as a “**Party**.”

RECITALS:

A. FLMC has this day acquired from the County the fee simple title to those certain tracts or parcels of land located in Loudon County, Tennessee which are described on the **Exhibit A** attached hereto (jointly, the “**Land**”).

B. As a condition to the County transferring ownership of the Property to FLMC, the County requires FLMC to, among other things, grant it a right of first refusal to acquire the Property in the circumstances described herein, and FLMC is willing to grant the County such a right of first refusal on the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the premises, the payment of Ten Dollars (\$10.00), and other good and valuable consideration exchanged between the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. Recitals; Definitions and Exhibits.

1.1 Recitals. The Recitals set forth above are incorporated herein and made a part of this Agreement.

1.2 Certain Definitions. Those terms listed on the Appendix attached to this Agreement shall have the meanings set forth therein whenever used in this Agreement or any Exhibits attached hereto, unless the context clearly requires otherwise. All definitions shall also be applicable to the singular and plural forms of such words and terms. Likewise, those words and terms which are defined in the body of this Agreement shall have the meaning given to them whenever used in this Agreement or any of the Exhibits attached hereto.

1.3 Exhibits. The Exhibits listed below are attached to and incorporated into this Agreement by reference. In the event of any inconsistency between such Exhibits and the provisions of this Agreement, the provisions of the Exhibits shall control. The Exhibits attached to this Agreement are:

<u>Appendix</u>	- Defined Terms
<u>Exhibit A</u>	- Description of the Land

2. Right of First Refusal.

2.1 Use of Defined Term FLMC in this Section. Whenever “FLMC” is used in this Section 2, it refers to Fort Loudon Medical Center or any Covenant Entity which owns the fee simple interest in the Land or any portion thereof at the time any of the events contemplated in this Section 2 occurs.

2.2 Grant of Right of First Refusal. Subject to the provisions in this Agreement, FLMC hereby grants to the County a right of first refusal (the “ROFR”) to acquire the Property if, and only if, FLMC shall elect, as determined in its sole and absolute discretion, to sell, transfer, or convey fee simple ownership of the Property or any portion thereof to a party other than a Covenant Entity as a single, stand-alone transaction (as opposed to a transaction involving the sale, transfer or conveyance of multiple properties of FLMC and one or more other Covenant Entities). For the avoidance of doubt, the Parties agree that the ROFR shall not arise in the context of (i) a merger, membership exchange or similar transaction to which FLMC or Covenant is a party (regardless of whether FLMC or Covenant is the surviving or controlling entity as a result of such transaction), or (ii) a transaction involving the sale of all or substantially all of the assets or properties of FLMC or Covenant, or a transaction involving the sale of all or substantially all of the assets or properties of FLMC and one or more other Covenant Entities.

2.3 Notice of Third Party Offer. In the event FLMC shall desire to sell, transfer, or convey the fee simple interest in the Property or any portion thereof in a transaction giving rise to the ROFR pursuant to Section 2.2 above, it shall first obtain a bona fide written offer from a Third Party that desires to acquire the same and which FLMC desires to accept (the “Third Party Offer”). The Third Party Offer must (a) contain all the terms and conditions of the proposed sale and purchase (which shall consist of, among other things, a cash purchase price), and (b) a description of the Land or portion thereof which is to be acquired by the Third Party (the “Offered Land”).

FLMC shall promptly send written notice of the Third Party Offer to the County after it receives the same. Said notice shall also include (a) a true and exact copy of the Third Party Offer, and (b) a written offer from FLMC offering to sell, transfer, and convey the Offered Property to the County on the same terms and conditions contained in the Third Party Offer (the “FLMC Offer”).

The County shall have thirty (30) days after it receives the notice and FLMC Offer within which to accept the same, as determined in the County’s sole and absolute discretion. Should the County desire to accept the FLMC Offer, it shall do so by signing the FLMC Offer and returning it to FLMC within said 30-day period. The County shall be required to pay all earnest money and perform any other requirements set forth in the FLMC Offer which are necessary for it to accept the same.

2.4 Acceptance of FLMC Offer. If the County accepts the FLMC Offer within the time period and otherwise in accordance with the provisions of the FLMC Offer, the Parties shall proceed in accordance with the terms of the FLMC Offer.

2.5 Failure to Accept FLMC Offer.

(a) If the County does not accept the FLMC Offer within thirty (30) days after it receives the same from FLMC, the ROFR for the Offered Land shall automatically terminate and shall no longer arise in the connection with any future or subsequent sale, transfer or conveyance of the Offered Land or any portion thereof or interest therein, subject to the provisions in subsection (b) below.

(b) If the County does not accept the Third Party Offer and either (i) FLMC does not thereafter accept the Third Party Offer or (i) FLMC accepts the Third Party Offer, but FLMC and the Third Party do not subsequently close on the Third Party Offer on substantially the same material terms and conditions which were contained in the Third Party Offer previously submitted to the County, the

County's ROFR with respect to the Offered Land shall automatically be reinstated, and FLMC shall be required to either resubmit the revised Third Party Offer to the County for its review and possible acceptance or submit any new Third Party Offer it receives for the Offered Land in the future to the County in the manner specified above.

2.6 Sale without Notice to the County. Any sale, transfer, or conveyance of the fee simple interest in the Land or any portion thereof by FLMC in violation of the provisions of this Agreement shall not extinguish the ROFR, but rather such sale, transfer, or conveyance shall be made subject thereto such that the County shall still have the ROFR with respect to the Land or portion thereof that was sold, transferred, or conveyed.

2.7 Term. The ROFR shall commence on the Effective Date, and shall continue in full force and effect until the first of the following events occur:

(a) The date on which the County reacquires the fee simple interest in the Land from FLMC or a Covenant Entity, if ever; provided, that if the County only acquires a portion of the Land, the portion of the Land not acquired by the County shall remain subject to the ROFR except as set forth below;

(b) If FLMC grants a lien or other security interest in the Land or a portion thereof by executing a mortgage, deed of trust, or other instrument (each a "Mortgage") to or for the benefit of a Bank, and said Bank subsequently forecloses on the Mortgage or accepts a deed in lieu of foreclosure for the Property or portion thereof (each a "Foreclosure Event"), then the Property or portion thereof upon which the Foreclosure Event occurs shall be released from the ROFR; and

(c) If the Land is offered for sale to the County in accordance with the provisions of this Section 2, the date on which the County declines to repurchase it or fails to accept the Third Party Offer within the time permitted for the same, all in accordance with Section 2.5, but subject to the reinstatement provisions contained therein.

2.8 Only Portion of the Land Included. Should the Offered Land not include all the Land, but instead only a portion thereof, then the portion of the Land not included therein shall continue to be subject to the ROFR and the provisions of this Agreement.

2.9 Recording. This Agreement may be recorded in the Register's Office for Loudon County, Tennessee at the request and expense of the County.

3. Notices. All notices, demands, elections, deliveries, and other communications between the Parties required or desired to be given in connection with this Agreement (for purposes of this Section 3, each a "Notice"), to be effective under this Agreement, shall be in writing and shall be deemed to be given and received (a) when delivered personally, (b) one business day after deposit with a national overnight courier service (e.g., Federal Express, UPS, DHL, or Airborne) and marked for overnight priority delivery, or (c) three business days after deposit with the United States Postal Service as certified mail, return receipt requested; in each event with all charges and postage prepaid and addressed as follows:

If to FLMC: Fort Loudoun Medical Center
550 Fort Loudoun Medical Center Drive
Lenoir City, Tennessee 37771
Attention: President

With Copies To: Covenant Health
100 Fort Sanders West Blvd.
Knoxville, Tennessee 37922

Attention: Chief Executive Officer

And: Covenant Health
100 Fort Sanders West Blvd.
Knoxville, Tennessee 37922
Attention: General Counsel

If to County: County of Loudon, Tennessee
100 River Road, #106
Loudon, Tennessee 37774
Attention: County Mayor

With a Copy To: County of Loudon, Tennessee
100 River Road, #106
Loudon, Tennessee 37774
Attention: County Law Director

Notwithstanding the foregoing, if any Notice is sent by personal delivery and is delivered on a day other than a business day or after 5:00 p.m. on a business day, the same shall not be considered received until the first business day after the day on which it was delivered.

Either Party may from time to time designate another person or address for the receipt of future Notices by giving a Notice in accordance with this Section 3 to the other Party to the person and at the address set forth herein, or as last provided by such other Party in accordance with the provisions of this Section 3.

4. Miscellaneous.

4.1 Entire Agreement; Amendments. This Agreement contains all the representations and the entire agreement between the Parties with respect to the subject matter hereof. Any prior correspondence, discussions, memoranda, letters of intent, or agreements are superseded in total by this Agreement.

4.2 No Assignment. The County shall not have the right to assign the ROFR or any of its rights contained in this Agreement except with the written consent of Covenant, which consent may be withheld, conditioned, or delayed in its sole and absolute discretion.

4.3 Successors and Permitted Assigns. This Agreement shall be binding upon the Parties and their respective successors and permitted assigns.

4.4 Time of Essence. Time is of the essence with this Agreement and all the provisions thereof.

4.5 Multiple Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute the agreement of the Parties.

4.6 Proper Execution. This Agreement shall have no binding force or effect on either Party, shall not constitute an offer, and shall not confer any rights upon any Party or impose any obligations upon any Party irrespective of any reliance thereon, change of position, or partial performance unless and until such time as all the Parties have executed this Agreement.

4.7 No Presumption from Draftsmanship. In the event of a dispute involving the interpretation or construction of this Agreement involving FLMC, the County, and/or any other party or parties, it shall be deemed that this Agreement was jointly drafted by all the parties to the dispute, and no rule of construction or presumption shall be asserted in favor or to the detriment of FLMC, the County, or any other party based upon the identity of the party actually drafting this Agreement.

4.8 Severability. If any term or provision of this Agreement or the application thereof to any Person or circumstance shall to any extent be invalid or unenforceable, as evidenced by the final order of a court of competent jurisdiction, the remainder of this Agreement, or the application of such term or provision to Persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by Law.

4.9 Use of Headings and Subheadings. The headings and subheadings used in this Agreement are for the purpose of convenience only and in no way define, describe, limit, or amplify the scope or intent of this Agreement or any of the provisions thereof.

4.10 Pronouns and Tense. Whenever used in this Agreement, as necessary to effectuate its purposes, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall be applicable to all genders.

4.11 Governing Law. This Agreement and the performance thereof shall be governed, interpreted, construed, enforced, and regulated by the Laws of the State of Tennessee, without reference to its conflict of laws principles.

4.12 No Partnership. This Agreement does not and shall not be construed to create a partnership, joint venture, or a relationship of principal and agent between the Parties. Instead, the only relationship created by this Agreement is that of grantor and grantee.

4.13 Dates. Notwithstanding anything contained in this Agreement to the contrary, wherever in this Agreement any provision governs the date of commencement or expiration of any time period, or the date of occurrence of any act or event, if such date would otherwise fall on a day other than a business day, then and in each such event, such date shall be deemed for all purposes of this Agreement to commence, expire, or occur, as the case may be, on the next succeeding day which is a business day.

4.14 Force Majeure. If performance of any action by a Party is prevented or delayed by an Event of Force Majeure, the time for performance of such action will be extended for the period that such action is delayed or prevented by such Event of Force Majeure; provided, that the Party asserting the right to additional time under this Section shall promptly give notice to the other Party of the fact it is asserting the same, a reasonably-detailed description of its justification, and the estimated period of time such Event of Force Majeure shall delay its performance.

4.15 Further Assurances. Each Party covenants and agrees to sign, execute, acknowledge, deliver, and/or file of record, or cause to be signed, executed, acknowledged, delivered, and/or filed of record, and to do or make, or cause to be done or made, upon the reasonable written request of the other Party, any and all agreements, instruments, papers, acts, or things, supplemental, confirmatory, or otherwise, as may be reasonably required by the other Party for the purpose of or in connection with confirming and consummating the matters described herein.

4.16 Rule Against Perpetuities. In the event any provision in this Addendum shall be invalid due to the time limitations, or lack thereof, then such event or events shall be required to be performed prior to period provided in Tennessee Code Annotated Section 66-1-201, *et seq.*

4.17 No Conveyance Tax Owed. This Agreement grants certain rights a governmental entity and therefore is this Agreement is exempt from the payment of conveyance tax upon its recording in the Register's Office for Loudon County, Tennessee.

In Witness Whereof, the Parties have executed this Agreement through their duly authorized undersigned representatives to be effective as of the Effective Date.

(Signature Pages of the Parties follow)

Signature Page of FLMC
(Attached to Agreement for Right of First Refusal with Loudon County, Tennessee)

FLMC:

FORT LOUDOUN MEDICAL CENTER,
a Tennessee not-for-profit corporation

By: _____

Printed Name: Jeffrey Feike

Title: President and CAO

STATE OF TENNESSEE)
COUNTY OF _____)ss.

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Jeffrey Feike, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the President and CAO of Fort Loudoun Medical Center, the within named bargainor, a Tennessee not-for-profit corporation, and that he as such President and CAO executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as President and CAO.

Witness my hand and seal this _____ day of _____, 2021.

Notary Public

My Commission Expires: _____

Signature Page of the County
(Attached to Agreement Right of First Refusal with Fort Loudoun Medical Center)

COUNTY:

LOUDON COUNTY, TENNESSEE,
a county and political subdivision of the
State of Tennessee

By: _____

Printed Name: Buddy Bradshaw

Title: County Mayor

STATE OF TENNESSEE)
COUNTY OF LOUDON)ss.

Before me, a Notary Public in and for the State and County aforesaid, personally appeared Buddy Bradshaw, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence) and who, upon oath, acknowledged himself to be the County Mayor of Loudon County, Tennessee, the within named bargainer, a county and political subdivision of the State of Tennessee, and that he as such County Mayor executed the foregoing instrument for the purpose therein contained by signing the name of the County by himself as County Mayor.

Witness my hand and seal this _____ day of _____, 2021.

Notary Public

My Commission Expires: _____

Appendix

Whenever used in the Agreement for Right of First Refusal between Fort Loudoun Medical Center and Loudon County, Tennessee, or any Exhibit attached thereto, the following words and phrases shall have the following definitions unless the context shall clearly require otherwise. These defined terms are in addition to the terms specifically defined in the Agreement. These definitions shall also be applicable to the singular and plural forms of such words and phrases.

“Affiliate” shall mean, with respect to any Person, any Person that controls, is controlled by, or is under common control with such Person, together with its and their respective members, partners, venturers, directors, officers, stockholders, agents, employees, spouses, legal representatives, successors, and assigns. A Person shall be presumed to have control when it possesses the power, directly or indirectly, to direct, or cause the direction of, the management or policies of another Person, whether through ownership of voting securities, by contract, or otherwise.

“Agreement” shall mean the Agreement for Right of First Refusal to which this Appendix is attached.

“Bank” shall mean a bank, insurance company, or other lending institution.

“business day” means a day other than a Saturday, a Sunday, a day designated as or determined to be a legal holiday observed by the federal government under 5 U.S.C. Section 6103, or a day designated as or determined to be a holiday observed by the government of the State of Tennessee under Tennessee Code Annotated Section 15-1-101.

“County” means Loudon County, Tennessee, a county and political subdivision of the State of Tennessee.

“Covenant” shall have the meaning set forth in Section 2.5 of the Agreement.

“Covenant Entity” shall mean FLMC, Covenant, or any Affiliate of either of them.

“Effective Date” shall have the meaning set forth in the title block of the Agreement.

“Entity” shall mean any corporation, limited liability company, general partnership, limited partnership, joint venture, Governmental Authority, or any other legal entity.

“Event of Force Majeure” shall mean any event beyond the control of FLMC and may include, without limitation, weather, acts of God, epidemics, pandemics, interference by Governmental Authorities, civil disturbance, riots, strikes, lockouts, labor disputes, the inability to procure labor or materials, injunctions, Casualty, war, terrorist acts, or other events of a similar or dissimilar nature.

“FLMC” means Fort Loudoun Medical Center, a Tennessee not-for-profit corporation.

“FLMC Offer” shall have the meaning set forth in Section 2.2 of the Agreement.

“Foreclosure Event” shall have the meaning set forth in Section 2.7(b) of the Agreement.

“Governmental Authority” shall mean any federal, State, county, municipal, local, or other governmental body or authority, or any department, commission, board, office, court, bureau, agency, or instrumentality thereof, and whether the same is domestic or foreign and, in each instance, has jurisdiction over the Property (or any portion thereof), FLMC or the County.

“Land” shall have the meaning set forth in Recital A of the Agreement.

“Laws” shall collectively mean all laws, statutes, ordinances, rules, regulations, court orders, permits, authorizations, executive orders, directives, guidelines, and other orders, and all interpretations of the foregoing issued by any Governmental Authority, and all restrictive covenants, equitable servitudes, permissive use agreements, easements, and other agreements applicable to or affecting the Property or any portion thereof.

“Mortgage” shall have the meaning set forth in Section 2.7(b) of the Agreement.

“Notice” shall have the meaning set forth in Section 3 of the Agreement.

“Offered Land” shall have the meaning set forth in Section 2.2 of the Agreement.

“Parties” shall have the meaning set forth in the title block of the Agreement.

“Party” shall have the meaning set forth in the title block of the Agreement.

“Person” shall mean an individual human being or an Entity.

“Property” shall have the meaning set forth in Recital A of the Agreement.

“ROFR” shall have the meaning set forth in Section 2.1 of the Agreement.

“Third Party” means any Person other than a Covenant Entity.

“Third Party Offer” means a Person other than a Covenant Entity.

Exhibit A
(Description of the Land)

SITUATED in District No. Two (2) of Loudon County, Tennessee, and within the corporate limits of the City of Lenoir City, Tennessee, being known and designated as all of Lot 3 as shown on the Final Plat for Covenant Health recorded in Plat Cabinet F, Page 280, in the Loudon County Register's Office, said lot being more particularly bounded and described as shown by map aforesaid, to which map specific reference is hereby made for a more particular description.

BEING the same property conveyed to Loudon County, Tennessee from Covenant Health by Warranty Deed dated November 9, 2004 and recorded in Deed Book 289, page 845 in the Loudon County Register's Office.

TOGETHER WITH drainage easements, detention basin easements, ingress/egress and utility easements granted and established in Declaration of Restrictive Covenants and Easements made by Covenant Health dated August 13, 2004, filed for record in Trust Book 741, page 263, in the Loudon County Register's Office, to the extent the same are appurtenant to Lot 3 described above.

Loudon County Commission

**TOSHA Resolution for Updated Safety
and Health Plan**

RESOLUTION NUMBER _____

RESOLUTION TO ESTABLISH AN UPDATED OCCUPATIONAL SAFETY AND HEALTH PROGRAM PLAN, DEVISE RULES AND REGULATIONS, AND TO PROVIDE FOR A SAFETY DIRECTOR AND THE IMPLEMENTATION OF SUCH PROGRAM PLAN

WHEREAS, in compliance with Public Chapter 561 of the General Assembly of the State of Tennessee for the year 1972, the Loudon County Commission hereby updates the Occupational Safety and Health Program Plan for our employees.

WHEREAS, due to various changes in subsequent years, it has become necessary to amend the program plan to comply with more recent state requirements.

NOW, THEREFORE,

SECTION 1. BE IT RESOLVED BY THE Loudon County Commission that there be and is hereby amended as follows:

TITLE:

This section shall be known as "The Occupational Safety and Health Program Plan" for the employees of Loudon County Tennessee.

PURPOSE:

The Loudon County Commission in electing to update the established Program Plan will maintain an effective and comprehensive Occupational Safety and Health Program Plan for its employees and shall:

- 1) Provide a safe and healthful place and condition of employment that includes:
 - a) Top Management Commitment and Employee Involvement
 - b) Continually analyze the worksite to identify all hazards and potential hazards
 - c) Develop and maintain methods for preventing or controlling the existing or potential hazards; and
 - d) Train managers, supervisors, and employees to understand and deal with worksite hazards.

- 2) Acquire, maintain and require the use of safety equipment, personal protective equipment and devices reasonably necessary to protect employees.

- 3) Record, keep, preserve, and make available to the Commissioner of Labor and Workforce Development, or persons within the Department of Labor and Workforce Development to whom such responsibilities have been delegated, adequate records of all occupational accidents and illnesses and personal injuries for proper evaluation and necessary corrective action as required.

- 4) Consult with the Commissioner of Labor and Workforce Development with regard to the adequacy of the form and content of records.

- 5) Consult with the Commissioner of Labor and Workforce Development, as appropriate, regarding safety and health problems which are considered to be unusual or peculiar and are such that they cannot be achieved under a standard promulgated by the State.

- 6) Provide reasonable opportunity for the participation of employees in the effectuation of the objectives of this Program Plan, including the opportunity to make anonymous complaints concerning conditions or

practices injurious to employee safety and health.

7) Provide for education and training of personnel for the fair and efficient administration of occupational safety and health standards and provide for education and notification of all employees of the existence of this Program Plan.

COVERAGE:

The provisions of the Occupational Safety and Health Program Plan for the employees of Loudon County Tennessee shall apply to all employees of each administrative department, commission, board, division, or other agency whether part-time or full-time, seasonal or permanent.

STANDARDS AUTHORIZED:

The Occupational Safety and Health standards adopted by the Loudon County Commission are the same as, but not limited to, the State of Tennessee Occupational Safety and Health Standards promulgated, or which may be promulgated, in accordance with Section 6 of the Tennessee Occupational Safety and Health Act of 1972 (T.C.A. Title 50, Chapter 3).

VARIANCES FROM STANDARDS AUTHORIZED:

Upon written application to the Commissioner of Labor and Workforce Development of the State of Tennessee, we may request an order granting a temporary variance from any approved standards. Applications for variances shall be in accordance with Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, VARIANCES FROM OCCUPATIONAL SAFETY AND HEALTH STANDARDS, CHAPTER 0800-01-02, as authorized by T.C.A., Title 50. Prior to requesting such temporary variance, we will notify or serve notice to our employees, their designated representatives, or interested parties and present them with an opportunity for a hearing. The posting of notice on the main bulletin board shall be deemed sufficient notice to employees.

ADMINISTRATION:

For the purposes of this resolution, the Facilities Maintenance Director is designated as the Safety Director of Occupational Safety and Health to perform duties and to exercise powers assigned to plan, develop, and administer this Program Plan. The Safety Director shall develop a plan of operation for the Program Plan in accordance with Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, SAFETY AND HEALTH PROVISIONS FOR THE PUBLIC SECTOR, CHAPTER 0800-01-05, as authorized by T.C.A., Title 50.

FUNDING THE PROGRAM PLAN:

Sufficient funds for administering and staffing the Program Plan pursuant to this resolution shall be made available as authorized by the Loudon County Commission.

SEVERABILITY:

SECTION 2. BE IT FURTHER RESOLVED that if any section, sub-section, sentence, clause, phrase, or portion of this resolution is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

AMENDMENTS, ETC:

SECTION 3. BE IT FURTHER RESOLVED that this resolution shall take effect from and after the date it shall have

been passed, properly signed, certified, and has met all other legal requirements, and as otherwise provided by law, the general welfare of the Loudon County Commission, requiring it.

(Executive) _____ (Date)

_____ (Passed First Reading)

PLAN OF OPERATION FOR THE OCCUPATIONAL SAFETY AND HEALTH
PROGRAM PLAN FOR THE EMPLOYEES OF LOUDON COUNTY, TENNESSEE

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I. PURPOSE AND COVERAGE

The purpose of this plan is to provide guidelines and procedures for implementing the Occupational Safety and Health Program Plan for the employees of Loudon County.

This plan is applicable to all employees, part-time or full-time, seasonal or permanent.

The Loudon County Commission, in electing to update and maintain an effective Occupational Safety and Health Program Plan for its employees,

- a. Provide a safe and healthful place and condition of employment.
- b. Require the use of safety equipment, personal protective equipment, and other devices where reasonably necessary to protect employees.
- c. Make, keep, preserve, and make available to the Commissioner of Labor and Workforce Development, his designated representatives, or persons within the Department of Labor and Workforce Development to whom such responsibilities have been delegated, including the Safety Director of the Division of Occupational Safety and Health, adequate records of all occupational accidents and illnesses and personal injuries for proper evaluation and necessary corrective action as required.
- d. Consult with the Commissioner of Labor and Workforce Development or his designated representative with regard to the adequacy of the form and content of such records.
- e. Consult with the Commissioner of Labor and Workforce Development regarding safety and health problems which are considered to be unusual or peculiar and are such that they cannot be resolved under an occupational safety and health standard promulgated by the State.
- f. Assist the Commissioner of Labor and Workforce Development or his monitoring activities to determine Program Plan effectiveness and compliance with the occupational safety and health standards.
- g. Make a report to the Commissioner of Labor and Workforce Development annually, or as may otherwise be required, including information on occupational accidents, injuries, and illnesses and accomplishments and progress made toward achieving the goals of the Occupational Safety and Health Program Plan.
- h. Provide reasonable opportunity for and encourage the participation of employees in the effectuation of the objectives of this Program Plan, including the opportunity to make anonymous complaints concerning conditions or practices which may be injurious to employees' safety and health.

II. DEFINITIONS

For the purposes of this Program Plan, the following definitions apply:

- a. COMMISSIONER OF LABOR and Workforce Development means the chief executive officer of the Tennessee Department of Labor and Workforce Development. This includes any person appointed, designated, or deputized to perform the duties or to exercise the powers assigned to the Commissioner of Labor and Workforce Development.
- b. EMPLOYER means the Loudon County Commission and includes each administrative department, board, commission, division, or other agency of Loudon County.
- c. SAFETY DIRECTOR OF OCCUPATIONAL SAFETY AND HEALTH or SAFETY DIRECTOR means the person designated by the establishing resolution, or executive order to perform duties or to exercise powers assigned so as to plan, develop, and administer the Occupational Safety and Health Program Plan for the employees of Loudon County.
- d. INSPECTOR(S) means the individual(s) appointed or designated by the Safety Director of Occupational

Safety and Health to conduct inspections provided for herein. If no such compliance inspector(s) is appointed, inspections shall be conducted by the Safety Director of Occupational Safety and Health.

- e. APPOINTING AUTHORITY means any official or group of officials of the employer having legally designated powers of appointment, employment, or removal there from for a specific department, board, commission, division, or other agency of this employer.
- f. EMPLOYEE means any person performing services for this employer and listed on the payroll of this employer, either as part-time, full-time, seasonal, or permanent. It also includes any persons normally classified as "volunteers" provided such persons received remuneration of any kind for their services. This definition shall not include independent contractors, their agents, servants, and employees.
- g. PERSON means one or more individuals, partnerships, associations, corporations, business trusts, or legal representatives of any organized group of persons.
- h. STANDARD means an occupational safety and health standard promulgated by the Commissioner of Labor and Workforce Development in accordance with Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972 which requires conditions or the adoption or the use of one or more practices, means, methods, operations, or processes or the use of equipment or personal protective equipment necessary or appropriate to provide safe and healthful conditions and places of employment.
- i. IMMINENT DANGER means any conditions or practices in any place of employment which are such that a hazard exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such hazard can be eliminated through normal compliance enforcement procedures.
- j. ESTABLISHMENT or WORKSITE means a single physical location under the control of this employer where business is conducted, services are rendered, or industrial type operations are performed.
- k. SERIOUS INJURY or HARM means that type of harm that would cause permanent or prolonged impairment of the body in that:
 - 1. A part of the body would be permanently removed (e.g., amputation of an arm, leg, finger(s); loss of an eye) or rendered functionally useless or substantially reduced in efficiency on or off the job (e.g., leg shattered so severely that mobility would be permanently reduced), or
 - 2. A part of an internal body system would be inhibited in its normal performance or function to such a degree as to shorten life or cause reduction in physical or mental efficiency (e.g., lung impairment causing shortness of breath).

On the other hand, simple fractures, cuts, bruises, concussions, or similar injuries would not fit either of these categories and would not constitute serious physical harm.

- l. ACT or TOSH Act shall mean the Tennessee Occupational Safety and Health Act of 1972.
- m. GOVERNING BODY means the County Quarterly Court, Board of Aldermen, Board of Commissioners, City or Town Council, Board of Governors, etc., whichever may be applicable to the local government, government agency, or utility to which this plan applies.
- n. CHIEF EXECUTIVE OFFICER means the chief administrative official, County Judge, County Chairman, County Mayor, Mayor, City Manager, General Manager, etc., as may be applicable.

III. EMPLOYERS RIGHTS AND DUTIES

Rights and duties of the employer shall include, but are not limited to, the following provisions:

- a. Employer shall furnish to each employee conditions of employment and a place of employment free from recognized hazards that are causing or are likely to cause death or serious injury or harm to employees.
- b. Employer shall comply with occupational safety and health standards and regulations promulgated pursuant to Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972.
- c. Employer shall refrain from an unreasonable restraint on the right of the Commissioner of Labor and

Workforce Development to inspect the employers place(s) of business. Employer shall assist the Commissioner of Labor and Workforce Development in the performance of their monitoring duties by supplying or by making available information, personnel, or aids reasonably necessary to the effective conduct of the monitoring activity.

- d. Employer is entitled to participate in the development of standards by submission of comments on proposed standards, participation in hearing on proposed standards, or by requesting the development of standards on a given issue under Section 6 of the Tennessee Occupational Safety and Health Act of 1972.
- e. Employer is entitled to request an order granting a variance from an occupational safety and health standard.
- f. Employer is entitled to protection of its legally privileged communication.
- g. Employer shall inspect all worksites to ensure the provisions of this Program Plan are complied with and carried out.
- h. Employer shall notify and inform any employee who has been or is being exposed in a biologically significant manner to harmful agents or material in excess of the applicable standard and of corrective action being taken.
- i. Employer shall notify all employees of their rights and duties under this Program Plan.

IV. EMPLOYEES RIGHTS AND DUTIES

Rights and duties of employees shall include, but are not limited to, the following provisions:

- a. Each employee shall comply with occupational safety and health act standards and all rules, regulations, and orders issued pursuant to this Program Plan and the Tennessee Occupational Safety and Health Act of 1972 which are applicable to his or her own actions and conduct.
- b. Each employee shall be notified by the placing of a notice upon bulletin boards, or other places of common passage, of any application for a permanent or temporary order granting the employer a variance from any provision of the TOSH Act or any standard or regulation promulgated under the Act.
- c. Each employee shall be given the opportunity to participate in any hearing which concerns an application by the employer for a variance from a standard or regulation promulgated under the Act.
- d. Any employee who may be adversely affected by a standard or variance issued pursuant to the Act or this Program Plan may file a petition with the Commissioner of Labor and Workforce Development or whoever is responsible for the promulgation of the standard or the granting of the variance.
- e. Any employee who has been exposed or is being exposed to toxic materials or harmful physical agents in concentrations or at levels in excess of that provided for by any applicable standard shall be provided by the employer with information on any significant hazards to which they are or have been exposed, relevant symptoms, and proper conditions for safe use or exposure. Employees shall also be informed of corrective action being taken.
- f. Subject to regulations issued pursuant to this Program Plan, any employee or authorized representative of employees shall be given the right to request an inspection and to consult with the Safety Director or Inspector at the time of the physical inspection of the worksite.
- g. Any employee may bring to the attention of the Safety Director any violation or suspected violations of the standards or any other health or safety hazards.
- h. No employee shall be discharged or discriminated against because such employee has filed any complaint or instituted or caused to be instituted any proceeding or inspection under or relating to this Program Plan.
- i. Any employee who believes that he or she has been discriminated against or discharged in violation of subsection (h) of this section may file a complaint alleging such discrimination with the Safety Director. Such employee may also, within thirty (30) days after such violation occurs, file a complaint with the Commissioner of Labor and Workforce Development alleging such discrimination.
- j. Nothing in this or any other provisions of this Program Plan shall be deemed to authorize or require any

employee to undergo medical examination, immunization, or treatment for those who object thereto on religious grounds, except where such is necessary for the protection of the health or safety or others or when a medical examination may be reasonably required for performance of a specific job.

- k. Employees shall report any accident, injury, or illness resulting from their job, however minor it may seem to be, to their supervisor or the Safety Director within twenty-four (24) hours after the occurrence.

V. ADMINISTRATION

- a. The Safety Director of Occupational Safety and Health is designated to perform duties or to exercise powers assigned so as to administer this Occupational Safety and Health Program Plan.
 - 1. The Safety Director may designate person or persons as he deems necessary to carry out his powers, duties, and responsibilities under this Program Plan.
 - 2. The Safety Director may delegate the power to make inspections, provided procedures employed are as effective as those employed by the Safety Director.
 - 3. The Safety Director shall employ measures to coordinate, to the extent possible, activities of all departments to promote efficiency and to minimize any inconveniences under this Program Plan.
 - 4. The Safety Director may request qualified technical personnel from any department or section of government to assist him in making compliance inspections, accident investigations, or as he may otherwise deem necessary and appropriate in order to carry out his duties under this Program Plan.
 - 5. The Safety Director shall prepare the report to the Commissioner of Labor and Workforce Development required by subsection (g) of Section 1 of this plan.
 - 6. The Safety Director shall make or cause to be made periodic and follow-up inspections of all facilities and worksites where employees of this employer are employed. He shall make recommendations to correct any hazards or exposures observed. He shall make or cause to be made any inspections required by complaints submitted by employees or inspections requested by employees.
 - 7. The Safety Director shall assist any officials of the employer in the investigation of occupational accidents or illnesses.
 - 8. The Safety Director shall maintain or cause to be maintained records required under Section VIII of this plan.
 - 9. **The Safety Director shall, in the eventuality that there is a fatality, ensure that the Commissioner of Labor and Workforce Development receives notification of the occurrence within eight (8) hours. All work-related inpatient hospitalizations, amputations, and loss of an eye must be reported to TOSHA within 24 hours.**
- b. The administrative or operational head of each department, division, board, or other agency of this employer shall be responsible for the implementation of this Occupational Safety and Health Program Plan within their respective areas.
 - 1. The administrative or operational head shall follow the directions of the Safety Director on all issues involving occupational safety and health of employees as set forth in this plan.
 - 2. The administrative or operational head shall comply with all abatement orders issued in accordance with the provisions of this plan or request a review of the order with the Safety Director within the abatement period.
 - 3. The administrative or operational head should make periodic safety surveys of the establishment under his jurisdiction to become aware of hazards or standards violations that may exist and make an attempt to immediately correct such hazards or violations.
 - 4. The administrative or operational head shall investigate all occupational accidents, injuries, or illnesses reported to him. He shall report such accidents, injuries, or illnesses to the Safety Director along with his

findings and/or recommendations in accordance with APPENDIX IV of this plan.

VI. STANDARDS AUTHORIZED

The standards adopted under this Program Plan are the applicable standards developed and promulgated under Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972. Additional standards may be promulgated by the governing body of this employer as that body may deem necessary for the safety and health of employees. Note: 29 CFR 1910 General Industry Regulations; 29 CFR 1926 Construction Industry Regulations; and the Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, CHAPTER 0800-01-1 through CHAPTER 0800-01-11 are the standards and rules invoked.

VII. VARIANCE PROCEDURE

The Safety Director may apply for a variance as a result of a complaint from an employee or of his knowledge of certain hazards or exposures. The Safety Director should definitely believe that a variance is needed before the application for a variance is submitted to the Commissioner of Labor and Workforce Development.

The procedure for applying for a variance to the adopted safety and health standards is as follows:

- a. The application for a variance shall be prepared in writing and shall contain:
 1. A specification of the standard or portion thereof from which the variance is sought.
 2. A detailed statement of the reason(s) why the employer is unable to comply with the standard supported by representations by qualified personnel having first-hand knowledge of the facts represented.
 3. A statement of the steps the employer has taken and will take (with specific date) to protect employees against the hazard covered by the standard.
 4. A statement of when the employer expects to comply and what steps have or will be taken (with dates specified) to come into compliance with the standard.
 5. A certification that the employer has informed employees, their authorized representative(s), and/or interested parties by giving them a copy of the request, posting a statement summarizing the application (to include the location of a copy available for examination) at the places where employee notices are normally posted and by other appropriate means. The certification shall contain a description of the means actually used to inform employees and that employees have been informed of their right to petition the Commissioner of Labor and Workforce Development for a hearing.
- b. The application for a variance should be sent to the Commissioner of Labor and Workforce Development by registered or certified mail.
- c. The Commissioner of Labor and Workforce Development will review the application for a variance and may deny the request or issue an order granting the variance. An order granting a variance shall be issued only if it has been established that:
 1. The employer
 - i. Is unable to comply with the standard by the effective date because of unavailability of professional or technical personnel or materials and equipment required or necessary construction or alteration of facilities or technology.
 - ii. Has taken all available steps to safeguard employees against the hazard(s) covered by the standard.
 - iii. Has as effective Program Plan for coming into compliance with the standard as quickly as possible.

2. The employee is engaged in an experimental Program Plan as described in subsection (b), section 13 of the Act.
- d. A variance may be granted for a period of no longer than is required to achieve compliance or one (1) year, whichever is shorter.
- e. Upon receipt of an application for an order granting a variance, the Commissioner to whom such application is addressed may issue an interim order granting such a variance for the purpose of permitting time for an orderly consideration of such application. No such interim order may be effective for longer than one hundred eighty (180) days.
- f. The order or interim order granting a variance shall be posted at the worksite and employees notified of such order by the same means used to inform them of the application for said variance (see subsection (a)(5) of this section).

VIII. RECORDKEEPING AND REPORTING

Recording and reporting of all occupational accident, injuries, and illnesses shall be in accordance with instructions and on forms prescribed in the booklet. You can get a copy of the Forms for Recordkeeping from the internet. Go to www.osha.gov and type Recordkeeping Forms in the search box.

The position responsible for recordkeeping is shown on the SAFETY AND HEALTH ORGANIZATIONAL CHART, Appendix IV to this plan.

Details of how reports of occupational accidents, injuries, and illnesses will reach the recordkeeper are specified by ACCIDENT REPORTING PROCEDURES, Appendix IV to this plan. The Rule of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, OCCUPATIONAL SAFETY AND HEALTH RECORD-KEEPING AND REPORTING, CHAPTER 0800-01-03, as authorized by T.C.A., Title 50.

IX. EMPLOYEE COMPLAINT PROCEDURE

If any employee feels that he is assigned to work in conditions which might affect his health, safety, or general welfare at the present time or at any time in the future, he should report the condition to the Safety Director of Occupational Safety and Health.

- a. The complaint should be in the form of a letter and give details on the condition(s) and how the employee believes it affects or will affect his health, safety, or general welfare. The employee should sign the letter but need not do so if he wishes to remain anonymous (see subsection (h) of Section 1 of this plan).
- b. Upon receipt of the complaint letter, the Safety Director will evaluate the condition(s) and institute any corrective action, if warranted. Within ten (10) working days following the receipt of the complaint, the Safety Director will answer the complaint in writing stating whether or not the complaint is deemed to be valid and if no, why not, what action has been or will be taken to correct or abate the condition(s) and giving a designated time period for correction or abatement. Answers to anonymous complaints will be posted upon bulletin boards or other places of common passage where the anonymous complaint may be reasonably expected to be seen by the complainant for a period of three (3) working days.
- c. If the complainant finds the reply not satisfactory because it was held to be invalid, the corrective action is felt to be insufficient, or the time period for correction is felt to be too long, he may forward a letter to the Chief Executive Officer or to the governing body explaining the condition(s) cited in his original complaint and why he believes the answer to be inappropriate or insufficient.
- d. The Chief Executive Officer or a representative of the governing body will evaluate the complaint and will

begin to take action to correct or abate the condition(s) through arbitration or administrative sanctions or may find the complaint to be invalid. An answer will be sent to the complainant within ten (10) working days following receipt of the complaint or the next regularly scheduled meeting of the governing body following receipt of the complaint explaining decisions made and action taken or to be taken.

- e. After the above steps have been followed and the complainant is still not satisfied with the results, he may then file a complaint with the Commissioner of Labor and Workforce Development. Any complaint filed with the Commissioner of Labor and Workforce Development in such cases shall include copies of all related correspondence with the Safety Director and the Chief Executive Officer or the representative of the governing body.
- f. Copies of all complaint and answers thereto will be filed by the Safety Director who shall make them available to the Commissioner of Labor and Workforce Development or his designated representative upon request.

X. EDUCATION AND TRAINING

a. Safety Director and/or Compliance Inspector(s):

- 1. Arrangements will be made for the Safety Director and/or Compliance Inspector(s) to attend training seminars, workshops, etc., conducted by the State of Tennessee or other agencies. A list of Seminars can be obtained.
- 2. Access will be made to reference materials such as 29 CFR 1910 General Industry Regulations; 29 CFR 1926 Construction Industry Regulations; The Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, and other equipment/supplies, deemed necessary for use in conducting compliance inspections, conducting local training, writing technical reports, and informing officials, supervisors, and employees of the existence of safety and health hazards will be furnished.

b. All Employees (including supervisory personnel):

A suitable safety and health training program for employees will be established. This program will, as a minimum:

- 1. Instruct each employee in the recognition and avoidance of hazards or unsafe conditions and of standards and regulations applicable to the employees work environment to control or eliminate any hazards, unsafe conditions, or other exposures to occupational illness or injury.
- 2. Instruct employees who are required to handle or use poisons, acids, caustics, toxicants, flammable liquids or gases, explosives, and other harmful substances in the proper handling procedures and use of such items and make them aware of the personal protective measures, person hygiene, etc., which may be required.
- 3. Instruct employees who may be exposed to environments where harmful plants or animals are present, of the hazards of the environment, how to best avoid injury or exposure, and the first aid procedures to be followed in the event of injury or exposure.
- 4. Instruct all employees of the common deadly hazards and how to avoid them, such as Falls; Equipment Turnover; Electrocution; Struck by/Caught In; Trench Cave In; Heat Stress; and Drowning.
- 5. Instruct employees on hazards and dangers of confined or enclosed spaces.
 - i. Confined or enclosed space means space having a limited means of egress and which is subject to the accumulation of toxic or flammable contaminants or has an oxygen deficient atmosphere. Confined or enclosed spaces include, but are not limited to, storage tanks, boilers, ventilation or exhaust ducts, sewers, underground utility accesses, tunnels, pipelines, and open top spaces more than four feet (4) in depth such as pits, tubs, vaults, and vessels.

- ii. Employees will be given general instruction on hazards involved, precautions to be taken, and on use of personal protective and emergency equipment required. They shall also be instructed on all specific standards or regulations that apply to work in dangerous or potentially dangerous areas.
- iii. The immediate supervisor of any employee who must perform work in a confined or enclosed space shall be responsible for instructing employees on danger of hazards which may be present, precautions to be taken, and use of personal protective and emergency equipment, immediately prior to their entry into such an area and shall require use of appropriate personal protective equipment.

XI. GENERAL INSPECTION PROCEDURES

It is the intention of the governing body and responsible officials to have an Occupational Safety and Health Program Plan that will insure the welfare of employees. In order to be aware of hazards, periodic inspections must be performed. These inspections will enable the finding of hazards or unsafe conditions or operations that will need correction in order to maintain safe and healthful worksites. Inspections made on a pre-designated basis may not yield the desired results. Inspections will be conducted, therefore, on a random basis at intervals not to exceed thirty (30) calendar days.

- a. In order to carry out the purposes of this Resolution, the Safety Director and/or Compliance Inspector(s), if appointed, is authorized:
 - 1. To enter at any reasonable time, any establishment, facility, or worksite where work is being performed by an employee when such establishment, facility, or worksite is under the jurisdiction of the employer and
 - 2. To inspect and investigate during regular working hours and at other reasonable times, within reasonable limits, and in a reasonable manner, any such place of employment and all pertinent conditions, processes, structures, machines, apparatus, devices, equipment, and materials therein, and to question privately any supervisor, operator, agent, or employee working therein.
- b. If an imminent danger situation is found, alleged, or otherwise brought to the attention of the Safety Director or Inspector during a routine inspection, he shall immediately inspect the imminent danger situation in accordance with Section XII of this plan before inspecting the remaining portions of the establishment, facility, or worksite.
- c. An administrative representative of the employer and a representative authorized by the employees shall be given an opportunity to consult with and/or to accompany the Safety Director or Inspector during the physical inspection of any worksite for the purpose of aiding such inspection.
- d. The right of accompaniment may be denied any person whose conduct interferes with a full and orderly inspection.
- e. The conduct of the inspection shall be such as to preclude unreasonable disruptions of the operation(s) of the workplace.
- f. Interviews of employees during the course of the inspection may be made when such interviews are considered essential to investigative techniques.
- g. Advance Notice of Inspections.
 - 1. Generally, advance notice of inspections will not be given as this precludes the opportunity to make minor or temporary adjustments in an attempt to create misleading impression of conditions in an

- establishment.
2. There may be occasions when advance notice of inspections will be necessary in order to conduct an effective inspection or investigation. When advance notice of inspection is given, employees or their authorized representative(s) will also be given notice of the inspection.
- h. The Safety Director need not personally make an inspection of each and every worksite once every thirty (30) days. He may delegate the responsibility for such inspections to supervisors or other personnel provided:
1. Inspections conducted by supervisors or other personnel are at least as effective as those made by the Safety Director.
 2. Records are made of the inspections, any discrepancies found, and corrective actions taken. This information is forwarded to the Safety Director.
- i. The Safety Director shall maintain records of inspections to include identification of worksite inspected, date of inspection, description of violations of standards or other unsafe conditions or practices found, and corrective action taken toward abatement. Those inspection records shall be subject to review by the Commissioner of Labor and Workforce Development or his authorized representative.

XII. IMMEDIATE DANGER PROCEDURES

- a. Any discovery, any allegation, or any report of imminent danger shall be handled in accordance with the following procedures:
1. The Safety Director shall immediately be informed of the alleged imminent danger situation and he shall immediately ascertain whether there is a reasonable basis for the allegation.
 2. If the alleged imminent danger situation is determined to have merit by the Safety Director, he shall make or cause to be made an immediate inspection of the alleged imminent danger location.
 3. As soon as it is concluded from such inspection that conditions or practices exist which constitutes an imminent danger, the Safety Director or Compliance Inspector shall attempt to have the danger corrected. All employees at the location shall be informed of the danger and the supervisor or person in charge of the worksite shall be requested to remove employees from the area, if deemed necessary.
 4. The administrative or operational head of the workplace in which the imminent danger exists, or his authorized representative, shall be responsible for determining the manner in which the imminent danger situation will be abated. This shall be done in cooperation with the Safety Director or Compliance Inspector and to the mutual satisfaction of all parties involved.
 5. The imminent danger shall be deemed abated if:
 - i. The imminence of the danger has been eliminated by removal of employees from the area of danger.
 - ii. Conditions or practices which resulted in the imminent danger have been eliminated or corrected to the point where an unsafe condition or practice no longer exists.
 6. A written report shall be made by or to the Safety Director describing in detail the imminent danger and its abatement. This report will be maintained by the Safety Director in accordance with subsection (i) of Section XI of this plan.
- b. Refusal to Abate.
1. Any refusal to abate an imminent danger situation shall be reported to the Safety Director and Chief Executive Officer immediately.

2. The Safety Director and/or Chief Executive Officer shall take whatever action may be necessary to achieve abatement.

XIII. ABATEMENT ORDERS AND HEARINGS

- a. Whenever, as a result of an inspection or investigation, the Safety Director or Compliance Inspector(s) finds that a worksite is not in compliance with the standards, rules or regulations pursuant to this plan and is unable to negotiate abatement with the administrative or operational head of the worksite within a reasonable period of time, the Safety Director shall:
 1. Issue an abatement order to the head of the worksite.
 2. Post or cause to be posted, a copy of the abatement order at or near each location referred to in the abatement order.
- b. Abatement orders shall contain the following information:
 1. The standard, rule, or regulation which was found to violated.
 2. A description of the nature and location of the violation.
 3. A description of what is required to abate or correct the violation.
 4. A reasonable period of time during which the violation must be abated or corrected.
- c. At any time within ten (10) days after receipt of an abatement order, anyone affected by the order may advise the Safety Director in writing of any objections to the terms and conditions of the order. Upon receipt of such objections, the Safety Director shall act promptly to hold a hearing with all interested and/or responsible parties in an effort to resolve any objections. Following such hearing, the Safety Director shall, within three (3) working days, issue an abatement order and such subsequent order shall be binding on all parties and shall be final.

XIV. PENALTIES

- a. No civil or criminal penalties shall be issued against any official, employee, or any other person for failure to comply with safety and health standards or any rules or regulations issued pursuant to this Program Plan.
- b. Any employee, regardless of status, who willfully and/or repeatedly violates, or causes to be violated, any safety and health standard, rule, or regulation or any abatement order shall be subject to disciplinary action by the appointing authority. It shall be the duty of the appointing authority to administer discipline by taking action in one of the following ways as appropriate and warranted:
 1. Oral reprimand.
 2. Written reprimand.
 3. Suspension for three (3) or more working days.
 4. Termination of employment.

XV. CONFIDENTIALITY OF PRIVILEGED INFORMATION

All information obtained by or reported to the Safety Director pursuant to this plan of operation or the legislation (resolution, or executive order) enabling this Occupational Safety and Health Program Plan which contains or

might reveal information which is otherwise privileged shall be considered confidential. Such information may be disclosed to other officials or employees concerned with carrying out this Program Plan or when relevant in any proceeding under this Program Plan. Such information may also be disclosed to the Commissioner of Labor and Workforce Development or their authorized representatives in carrying out their duties under the Tennessee Occupational Safety and Health Act of 1972.

XVI. DISCRIMINATION INVESTIGATIONS AND SANCTIONS

The Rule of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, DISCRIMINATION AGAINST EMPLOYEES EXERCISING RIGHTS UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1972 0800-01-08, as authorized by T.C.A., Title 50. The agency agrees that any employee who believes they have been discriminated against or discharged in violation of Tenn. Code Ann § 50-3-409 can file a complaint with their agency/safety Safety Director within 30 days, after the alleged discrimination occurred. Also, the agency agrees the employee has a right to file their complaint with the Commissioner of Labor and Workforce Development within the same 30 day period. The Commissioner of Labor and Workforce Development may investigate such complaints, make recommendations, and/or issue a written notification of a violation.

XVII. COMPLIANCE WITH OTHER LAWS NOT EXCUSED

- a. Compliance with any other law, statute, resolution, or executive order, which regulates safety and health in employment and places of employment, shall not excuse the employer, the employee, or any other person from compliance with the provisions of this Program Plan.
- b. Compliance with any provisions of this Program Plan or any standard, rule, regulation, or order issued pursuant to this Program Plan shall not excuse the employer, the employee, or any other person from compliance with the law, statute, resolution, or executive order, as applicable, regulating and promoting safety and health unless such law, statute, resolution, or executive order, as applicable, is specifically repealed.

Signature: Safety Director, Occupational Safety and Health and Date

APPENDIX - I WORK LOCATIONS
(ORGANIZATIONAL CHART)

{For this section make a list of each work location where in Loudon County, your employees work, such as Street Department, Fire Hall, City Hall, Courthouse, Jail, Sheriff Department, Each School, etc. covered under this Program Plan. Include, the address for the workplace, phone number at that workplace, and number of employees who work there.}

**Department, Agency,
Office, Board, Etc.**

County Mayor – __ Employees

Rollen "Buddy" Bradshaw
100 River Road
Loudon, TN 37774
865-458-4664

Agriculture Extension – __ Employees

John Goddard
100 River Road
Loudon, TN 37774
865-458-5612

Animal Shelter – __ Employees

Miracle Nichols
250 Jaime Drive
Loudon, TN 37774
865-458-5593

Circuit Court Clerk – __ Employees

Steve Harrelson
601 Grove St.
Loudon, TN 37774
865-458-2042

Clerk and Master – __ Employees

Lisa Niles
601 Grove St.
Loudon, TN 37774
865-458-2630

Convenience Center Greenback – __ Employees

Chris Parks
3840 Highway 95 South
Greenback, TN 37742
865-856-2010

Convenience Center Lenoir City – __ Employees

Chris Parks
500 Halls Ferry Rd.
Lenoir City, TN 37771
865-988-7558

Convenience Center Loudon – __ Employees

Chris Parks
300 Rock Quarry Rd.
Loudon, TN 37774
865-458-8536

County Clerk – __ Employees

Carrie McKelvey
101 Mulberry St.
Loudon, TN 37774
865-458-3314

Election Commission – __ Employees

Susan Harrison
100 River Rd.
Loudon, TN 37774
865-458-2560

EMA – __ Employees

Kelli Branam
500 John Parris Dr.
Loudon, TN 37774
865-458-7298

Finance – __ Employees

Tracy Blair
100 River Rd.
Loudon, TN 37774
865-458-4665

General Sessions Court Clerk – __ Employees

Steve Harrelson
12680 Highway 11 W
Lenoir City, TN 37771
865-986-3505

General Session Judge – __ Employees

Rex Dale
Hank Sledge
12680 Highway 11 W
Lenoir City, TN 37771
865-986-3505

Health Department – __ Employees

Teresa Harrill
600 Rayder Ave.
Loudon, TN 37774
865-458-2662

Facilities Maintenance – 10 Employees

Brian Brown
1203 West Broadway
Lenoir City, TN 37771
865-988-4077

Highway Department - __ Employees

Eddie Simpson
292 Blair Bend Dr.
Loudon, TN 37774
865-458-6940

Juvenile Center - __ Employees

Kevin Curbow
12665 Highway 11 W
Lenoir City, TN 37771
865-986-8696

Greenback Library - __ Employees

Jordan Baker
6889 Morganton Rd.
Greenback, TN 37742
865-856-2841

Lenoir City Library - __ Employees

Susan Dorsey
100 W Broadway
Lenoir City, TN 37771
865-986-3210

Loudon Library – __ Employees

Kate Clabough
210 River Rd.
Loudon, TN 37774
865-458-3161

Philadelphia Library – __ Employees

Mark Williams
714 Thompson St.
Philadelphia, TN 37846
865-458-9493

The Public Library at Tellico Village – __ Employees

Carol DeForest
300 Irene Ln.
Loudon, TN 37774
865-458-5199

Planning and Codes - __ Employees

Jim Jenkins
101 Mulberry St.
Loudon, TN 37774
865-458-4470

Property Assessor – __ Employees

Mike Campbell
101 Mulberry St.
Loudon, TN 37774
865-458-2050

Register of Deeds – __ Employees

Traci Littleton
101 Mulberry St.
Loudon, TN 37774
865-458-2605

Senior Citizens Center – __ Employees

Becki Wallace
901 Main St.
Loudon, TN 37774
865-458-5445

Sheriff's Department & Jail - __ Employees

Tim Guider
12680 Highway 11 W
Lenoir City, TN 37771
865-986-4823

Soil Conservation – __ Employees

100 River Rd.
Loudon, TN 37774
865-458-2306

Trustee – __ Employees

Chip Miller
101 Mulberry St.
Loudon, TN 37774
865-458-2630

Veteran's Affairs – __ Employees

Alvin Wagner
100 West Broadway
Lenoir City, TN 37771
865-816-3987

Loudon County Board of Education – __ Employees

Mike Garren
100 River Rd.
Loudon, TN 37774
865-458-5411

Eaton Elementary School – __ Employees

Ashley Bassler
423 Hickory Creek Rd.
Lenoir City, TN 37771

Fort Loudoun Middle School - __ Employees

Patrick Bethel
1083 Mulberry St.
Loudon, TN 37774
865-458-2026

Greenback School – __ Employees

Mike Casteel
6945 Morganton Rd.
Greenback, TN 37742
865-856-3028

Highland Park School – __ Employees

Kathy Windsor
4404 Highway 11 W
Lenoir City, TN 37772
865-986-2241

Loudon Elementary School – __ Employees

Christie Amburn
2175 Roberts Rd.
Loudon, TN 37774
865-458-2001

Loudon High School – __ Employees

Scott MacKintosh
1039 Mulberry St.
Loudon, TN 37774
865-458-4326

North Middle School – __ Employees

Jodi Lowery
421 Hickory Creek Rd.
Lenoir City, TN 37771
865-986-9944

Philadelphia Elementary School - __ Employees

Marvin Feezell
300 Spring St.
Philadelphia, TN 37846
865-458-6801

Steekee Elementary School – __ Employees

Donna Stapleton
4500 Steekee School Rd.
Loudon, TN 37774
865-458-3322

Technology Center – __ Employees

Cheri Parrish
4380 Harrison Rd.
Lenoir City, TN 37771
865-986-2036

TOTAL NUMBER OF EMPLOYEES: _____

{Once each work location has been listed, record the total number of employees that the county employees.}

APPENDIX – II NOTICE TO ALL EMPLOYEES

NOTICE TO ALL EMPLOYEES OF LOUDON COUNTY

The Tennessee Occupational Safety and Health Act of 1972 provide job safety and health protection for Tennessee workers through the promotion of safe and healthful working conditions. Under a plan reviewed by the Tennessee Department of Labor and Workforce Development, this government, as an employer, is responsible for administering the Act to its employees. Safety and health standards are the same as State standards and jobsite inspections will be conducted to ensure compliance with the Act.

Employees shall be furnished conditions of employment and a place of employment free from recognized hazards that are causing or are likely to cause death or serious injury or harm to employees.

Each employee shall comply with occupational safety and health standards and all rules, regulations, and orders issued pursuant to this Program Plan which are applicable to his or her own actions and conduct.

Each employee shall be notified by the placing upon bulletin boards or other places of common passage of any application for a temporary variance from any standard or regulation.

Each employee shall be given the opportunity to participate in any hearing which concerns an application for a variance from a standard.

Any employee who may be adversely affected by a standard or variance issued pursuant to this Program Plan may file a petition with the Safety Director or Human Resource Administrator.

Any employee who has been exposed or is being exposed to toxic materials or harmful physical agents in concentrations or at levels in excess of that provided for by an applicable standard shall be notified by the employer and informed of such exposure and corrective action being taken.

Subject to regulations issued pursuant to this Program Plan, any employee or authorized representative(s) of employees shall be given the right to request an inspection.

No employee shall be discharged or discriminated against because such employee has filed any complaint or instituted or caused to be instituted any proceedings or inspection under, or relating to, this Program Plan.

Any employee who believes he or she has been discriminated against or discharged in violation of these sections may, within thirty (30) days after such violation occurs, have an opportunity to appear in a hearing before the Loudon County Mayor for assistance in obtaining relief or to file a complaint with the Commissioner of Labor and Workforce Development alleging such discrimination.

A copy of the Occupational Safety and Health Program Plan for the Employees of Loudon County is available for inspection by any employee at Human Resource Administrators Office during regular office hours.

Signature: (City/County) MAYOR AND DATE

APPENDIX - III PROGRAM PLAN BUDGET

(Either answer questions 1-11 **or** fill in the statement below)

1. Prorated portion of wages, salaries, etc., for program administration and support.
2. Office space and office supplies.
3. Safety and health educational materials and support for education and training.
4. Safety devices for personnel safety and health.
5. Equipment modifications.
6. Equipment additions (facilities)
7. Protective clothing and equipment (personnel)
8. Safety and health instruments
9. Funding for projects to correct hazardous conditions.
10. Reserve fund for the Program Plan.
11. Contingencies and miscellaneous,

TOTAL ESTIMATED PROGRAM PLAN FUNDING,
ESTIMATE OF TOTAL BUDGET FOR:

OR Use This Statement:

STATEMENT OF FINANCIAL RESOURCE AVAILABILITY

Be assured that (Name of local government) Loudon County Government has sufficient financial resources available or will make sufficient financial resources available as may be required in order to administer and staff its Occupational Safety and Health Program Plan and to comply with standards.

APPENDIX – IV ACCIDENT REPORTING PROCEDURES

- (1-15) Employees shall report all accidents, injuries, or illnesses directly to the Safety Director as soon as possible, but not later than twenty-four (24) hours after the occurrence. Such reports may be verbal or in writing. All fatalities, inpatient hospitalizations, amputations, and losses of an eye shall be reported to the Safety Director and/or record keeper immediately, either by telephone or verbally, and will be followed by a written report within four (4) hours after their occurrence. The Safety Director will insure completion of required reports and records in accordance with Section VIII of the basic plan.
- (16-50) Employees shall report all accidents, injuries, or illnesses to their supervisor as soon as possible, but not later than two (2) hours after the occurrence. All fatalities, inpatient hospitalizations, amputations, and losses of an eye shall be reported to the Safety Director and/or record keeper immediately, either by telephone or verbally, and will be followed by a written report within four (4) hours after their occurrence. The supervisor will investigate the accident or illness, complete an accident report, and forward the accident report to the Safety Director and/or record keeper within twenty-four (24) hours of the time the accident or injury occurred or the time of the first report of the illness.
- (51-250) Employees shall report all accidents, injuries, or illnesses to their supervisors as soon as possible, but not later than two (2) hours after the occurrence. The supervisor will provide the Safety Director and/or record keeper with the name of the injured or ill employee and a brief description of the accident or illness by telephone as soon as possible, but not later than four (4) hours, after the accident or injury occurred or the time of the first report of the illness. All fatalities, inpatient hospitalizations, amputations, and losses of an eye shall be reported to the Safety Director and/or record keeper immediately, either by telephone or verbally, and will be followed by a written report within four (4) hours after their occurrence. The supervisor will then make a thorough investigation of the accident or illness (with the assistance of the Safety Director or Compliance Inspector, if necessary) and will complete a written report on the accident or illness and forward it to the Safety Director within seventy-two (72) hours after the accident, injury, or first report of illness and will provide one (1) copy of the written report to the recordkeeper.
- (251-Plus) Employees shall report all accidents, injuries, or illnesses to their supervisors as soon as possible, but not later than two (2) hours after their occurrence. The supervisor will provide the administrative head of the department with a verbal or telephone report of the accident as soon as possible, but not later than four (4) hours, after the accident. If the accident involves a fatality, inpatient hospitalization, amputation, loss of an eye, loss of consciousness, broken bones, or third-degree burns, the Safety Director will be notified by telephone immediately and will be given the name of the injured, a description of the injury, and a brief description of how the accident occurred. The supervisor will then make a thorough investigation of the accident or illness (with the assistance of the Safety Director or Compliance Inspector, if necessary) and will complete a written report on the accident or illness and forward it to the Safety Director within seventy-two (72) hours after the accident, injury, or first report of illness and will provide one (1) copy of the written report to the record keeper.

Since Workers Compensation Form 6A or OSHA NO. 301 Form must be completed; all reports submitted in writing to the person responsible for recordkeeping shall include the following information as a minimum:

1. Accident location, if different from employer's mailing address and state whether accident occurred on premises owned or operated by employer.
2. Name, social security number, home address, age, sex, and occupation (regular job title) of injured or ill employee.
3. Title of the department or division in which the injured or ill employee is normally employed.
4. Specific description of what the employee was doing when injured.
5. Specific description of how the accident occurred.
6. A description of the injury or illness in detail and the part of the body affected.
7. Name of the object or substance which directly injured the employee.
8. Date and time of injury or diagnosis of illness.
9. Name and address of physician, if applicable.
10. If employee was hospitalized, name and address of hospital.
11. Date of report.

NOTE: A procedure such as one of those listed above or similar information is necessary to satisfy Item Number 4 listed under PROGRAM PLAN in Section V. ADMINISTRATION, Part b of the Tennessee Occupational Safety and Health Plan. This information may be submitted in flow chart form instead of in narrative form if desired. These procedures may be modified in any way to fit local situations as they have been prepared as a guide only.

The four (4) procedures listed above are based upon the size of the work force and relative complexity of the organization. The approximate size of the organization for which each procedure is suggested is indicated in parenthesis in the left-hand margin at the beginning, i.e., (1-15), (16-50), (51-250), and (251 Plus), and the figures relate to the total number of employees including the Chief Executive Officer but excluding the governing body (County Court, City Council, Board of Directors, etc.).

Generally, the simpler an accident reporting procedure is, the more effective it is. Please select the one procedure listed above, or prepare a similar procedure or flow chart, which most nearly fits what will be the most effective for your local situation. Note also that the specific information listed for written reports applies to all three of the procedures listed for those organizations with sixteen (16) or more employees.

Loudon County Commission

Refunding Resolution

A RESOLUTION AUTHORIZING THE ISSUANCE OF RURAL SCHOOL REFUNDING BONDS OF LOUDON COUNTY, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF APPROXIMATELY \$7,550,000, 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, Sections 49-3-1001 et seq., and Sections 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes Loudon County, Tennessee (the "County"), by resolution of the Board of County Commissioners, to sell and issue bonds to refund outstanding indebtedness for schools; and

WHEREAS, the County has previously issued and has outstanding its Rural School Bonds, Series 2014B, dated December 30, 2014 (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 rural school refunding bonds, 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 the Division of Local Government 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, 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 approximately \$7,550,000 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 Loudon County, Tennessee, as follows:

Section 1. Authority. The bonds authorized by this resolution are issued pursuant to Sections 49-3-1001 et seq., and Sections 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 the approximately \$7,550,000 Rural School Refunding Bonds 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 Mayor pursuant to Section 8 hereof.

(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 Mayor" shall mean the County Mayor 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) "Governing Body" means the Board of County Commissioners of the County.

(i) "Municipal Advisor" for the Bonds authorized herein means Cumberland Securities Company, Inc.

(j) "Refunding Escrow Agent" or "Escrow Agent" means the refunding escrow agent appointed by the County Mayor pursuant to the terms hereof, or any successor designated by the Governing Body.

(k) "Refunding Escrow Agreement" or "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 B, subject to such changes thereto as shall be permitted by the terms of this resolution.

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

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

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee, the County has heretofore adopted its Debt Management Policy. The Governing Body hereby finds that

the issuance and sale of the Bonds, as proposed herein, is consistent with the County's Debt Management Policy.

(b) The estimated interest expense and costs of issuance of the Bonds have been made available to the Governing Body.

(c) Attached hereto as Exhibit A is an engagement letter (the "Engagement Letter") by Bass, Berry & Sims PLC, as Bond Counsel ("Bond Counsel"), for its services in connection with the issuance of the Bonds. The Engagement Letter details the attorney-client relationship to be entered into and the services to be provided by Bond Counsel in connection with the Bonds. The Governing Body hereby approves and authorizes the County Mayor to accept the Engagement Letter.

(d) The refunding of the Refunded Indebtedness authorized herein through the issuance of the Bonds will result in the reduction of the debt service payable by the County over the term of the Refunded Indebtedness, thereby effecting a cost savings to the public.

(e) The report on the plan of refunding issued by the State Director has been presented to the members of the Governing Body in connection with their consideration of this resolution.

Section 4. Authorization and Terms of the Bonds.

(a) For the purpose of providing funds to refund the Refunded Indebtedness and pay costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds, in one or more series, of the County in the aggregate principal amount of approximately \$7,550,000. The Bonds shall be issued in one or more series, in fully registered, book-entry form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted hereunder, shall be known as "Rural School Refunding Bonds", shall be dated their date of issuance, and shall have such series designation or such other dated date as shall be determined by the County Mayor pursuant to the terms hereof. The Bonds shall bear interest at a rate or rates not to exceed the maximum rate permitted by applicable Tennessee law at the time of issuance of the Bonds, or any series thereof, payable (subject to the adjustments permitted hereunder) semi-annually on June 1 and December 1 in each year, commencing December 1, 2021. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. Subject to the adjustments permitted pursuant to the terms hereof, the Bonds shall mature serially or be subject to mandatory redemption and shall be payable on June 1 of each year, subject to prior optional redemption as hereinafter provided, in the years 2022 through 2030, inclusive; provided, however, such amortization may be adjusted in accordance with the terms hereof.

(b) Subject to the adjustments permitted under Section 8 hereof, the Bonds shall be subject to redemption prior to maturity at the option of the County on June 1, 2028 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 selected by the Governing Body in its discretion. 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.

(c) Pursuant to the terms hereof, the County Mayor 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 Mayor. 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. If less than all of the Term Bonds to be redeemed within a single maturity shall be called for redemption, the interests within the maturity to be redeemed shall be selected in the manner provided in subsection (b) above.

At its option, to be exercised on or before the forty-fifth (45th) 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 (45th) 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 Mayor to appoint the Registration Agent for the Bonds and hereby authorizes the Registration Agent so appointed 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 Mayor 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 Mayor 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) 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, telecopy 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 lying outside the corporate limits of the City of Lenoir City, Tennessee. Subject to the foregoing, 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 appropriately completed when the Bonds are prepared and delivered:

(Form of Bond)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF LOUDON
RURAL SCHOOL REFUNDING BOND, SERIES 2021

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

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, Loudon 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, 2021], 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 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 of the Bonds shall be issued to DTC and immobilized in its custody or a custodian of DTC. The Registration Agent is a custodian and agent for DTC, and the Bonds 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) 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, 2028 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 (45th) 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 (45th) 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) refund all or a portion of the County's outstanding Rural School Bonds, Series 2014B, dated December 30, 2014, and (ii) pay costs incident to the issuance and sale of the Bonds, pursuant to Sections 49-3-1001 et seq., and Sections 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 April 5, 2021 (the "Resolution").

The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County lying outside the corporate limits of the City of Lenoir City, Tennessee. Subject to the foregoing, 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 irrevocably pledged.

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, 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 Mayor and attested by its County Clerk under the corporate seal of the County, all as of the date hereinabove set forth.

LOUDON COUNTY, TENNESSEE

By: _____
County Mayor

(SEAL)

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 Loudon 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 lying outside the corporate limits of the City of Lenoir City, Tennessee, 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 be 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, exclusive of original issue discount, plus accrued interest, as a whole or in part from time to time as shall be determined by the County Mayor, in consultation with the Municipal Advisor. The Bonds, or any series thereof, shall be sold by delivery of bids via physical delivery, mail, email, fax, or telephone or by electronic bidding means of an internet bidding service as shall be determined by the County Mayor, in consultation with the Municipal Advisor.

(b) If the Bonds are sold in more than one series, the County Mayor is authorized to cause to be sold in each series an aggregate principal amount of Bonds less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate principal amount of Bonds that may be authorized to refund the Refunded Indebtedness pursuant to Section 9-21-904, Tennessee Code Annotated, as amended.

(c) The County Mayor 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, to a designation other than "Rural School Refunding Bonds" 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, 2021, provided that such date is not later than twelve months from the dated date of such series of Bonds;

(4) adjust the principal and interest payment dates and the maturity amounts of the Bonds, or any series thereof, provided that (A) the total principal amount of all series of the Bonds does not exceed the total amount of Bonds that may be authorized to refund the Refunded Indebtedness pursuant to Section 9-21-904, Tennessee Code Annotated, as amended; and (B) the final maturity date of each series shall not be after the end of fiscal year 2036;

(5) remove or adjust 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 Mayor, 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 Mayor 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 Mayor 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 Mayor shall deem to be advantageous to the County and in doing so, the County Mayor is authorized to change the designation of the Bonds to a designation other than "Rural School 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 Mayor is authorized to award the Bonds, or any series thereof, in each case to the bidder 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 Mayor to the lowest bidder shall be binding on the County, and no further action of the Governing Body with respect thereto shall be required.

(f) The County Mayor 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 Mayor is hereby authorized to enter into a contract with the Municipal Advisor, for financial advisory services in connection with the sale of the Bonds and, as provided above, to accept an Engagement Letter from 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. The County Trustee and such other officers of the County, as determined by the County Mayor, are additionally authorized to execute, publish, and deliver all certificates and documents necessary or advisable in connection with the sale and delivery of the Bonds, as determined by the County Mayor in consultation with the Municipal Advisor.

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 Mayor and, if applicable, investment earnings on the foregoing, to refund the Refunded Indebtedness shall be applied to the refunding thereof by depositing such funds with the Escrow Agent and held in accordance with the terms of the Refunding Escrow Agreement and/or paying such funds directly to the holders (or paying agent for the holders) of the Refunded Bonds.

(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 Municipal 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 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 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. With respect to each emission of 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 Mayor is hereby authorized and directed to execute and the County Clerk to attest on behalf of the County the 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, if any, or to be held in cash un-invested; provided, however, that the yield on any such investments shall be determined in such manner that none of the Bonds will be an "arbitrage bond" within the meaning of Section 148(a) of the Code. The form of the Refunding Escrow Agreement presented to this meeting and attached hereto as Exhibit B is hereby in all respects approved and the County Mayor 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, or with such changes as may be approved by the County Mayor and the County Clerk, their execution thereof to constitute conclusive evidence of their approval of all such changes. The Governing Body hereby authorizes and directs the County Mayor to appoint a refunding escrow agent to serve as the Refunding Escrow Agent under the Refunding Escrow Agreement, and the Refunding Escrow Agent so appointed 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. Notwithstanding anything herein to the contrary, no Refunding Escrow Agreement shall be required for the refunding of the Refunded Indebtedness if deemed advisable by the County Mayor, in consultation with the Municipal Advisor.

Section 12. Redemption of the Refunded Indebtedness. The County Mayor and the County Clerk, or either of them, are hereby authorized and directed to take all steps necessary to redeem the Refunded Indebtedness at their earliest possible redemption date, including the giving of and publication of any redemption notice as required by the resolution(s) 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, to wit:

(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);

(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 mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, 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 Bonds are expected to be issued as federally tax-exempt bonds. In such event, the County hereby covenants that it will not use, or permit the use of, any proceeds of the Bonds in a manner that would cause the 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 Bonds that it will, throughout the term of the 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 Bonds shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code. The officers of the County are hereby authorized and directed to comply with the County's Federal Tax Policies and Procedures, if and to the extent applicable, in relation to the Bonds.

(b) The Governing Body hereby delegates to the County Mayor the authority to designate, and determine whether to designate, the Bonds as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the 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 Mayor 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 April 5, 2021.

County Mayor

Attested:

County Clerk

STATE OF TENNESSEE)

COUNTY OF LOUDON)

I, Carrie McKelvey, certify that I am the duly qualified and acting County Clerk of Loudon 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 April 5, 2021; 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 Rural School Refunding Bonds.

WITNESS my official signature and seal of said County on April ____, 2021.

County Clerk

(SEAL)

EXHIBIT A to the Resolution

Engagement Letter

(Attached)

[Letterhead of Bass, Berry & Sims PLC]

April 5, 2021

Loudon County, Tennessee
100 River Road #106
Loudon, Tennessee 37774
Attention: Rollen "Buddy" Bradshaw, County Mayor

Re: Issuance of Approximately \$7,550,000 in Aggregate Principal Amount of Rural School Refunding Bonds, Series 2021.

Dear County Mayor:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to Loudon County, Tennessee (the "Issuer"), in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds are being issued for the purposes of providing funds necessary to refinance certain outstanding debt of the Issuer and pay costs incident to the sale and issuance of the Bonds. We also understand that the Bonds will be sold at competitive sale.

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal income tax purposes.
- (2) Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bonds, coordinate the authorization and execution of such documents, and review enabling legislation.
- (3) Assist the Issuer in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance, and delivery of the Bonds, except that we will not be responsible for any required blue-sky filings.
- (4) Review legal issues relating to the structure of the Bonds; and
- (5) Prepare those sections of the official statement to be disseminated in connection with the sale of the Bonds involving the description of (i) federal law pertinent to the validity of the Bonds and the tax law treatment thereon, (ii) the terms of the Bonds and (iii) our Bond Opinion.

Our Bond Opinion will be addressed to the Issuer and the purchaser of the Bonds and will be delivered by us on the date the Bonds are exchanged for its purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will direct members of your staff and other employees of the Issuer to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include:

- a.
 - 1) Assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds other than as described in (5) above, or
 - 2) Performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document, or
 - 3) Rendering advice that the official statement or other disclosure documents
 - i) Do not contain any untrue statement of a material fact or
 - ii) Do not omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- b. Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission.
- c. Preparing blue sky or investment surveys with respect to the Bonds.
- d. Drafting state constitutional or legislative amendments.
- e. Pursuing test cases or other litigation, (such as contested validation proceedings) except as set forth above.
- f. Making an investigation or expressing any view as to the creditworthiness of the Issuer or the Bonds.
- g. Except for defending our Bond Opinion, representing the Issuer in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.
- h. After Closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excludable from gross income for federal income tax purposes (*e.g.*, our engagement does not include rebate calculations for the Bonds).
- i. Opining on a continuing disclosure undertaking pertaining to the Bonds or, after Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking.

- j. Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations. In our representation of the Issuer, we will not act as a "municipal advisor," as such term is defined in the Securities Exchange Act of 1934, as amended.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Form 8038-G, and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds.

FEES

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bonds; (ii) the duties we will undertake pursuant to this engagement letter; (iii) the time we anticipate devoting to the financing; and (iv) the responsibilities we will assume in connection therewith, our fee will be \$17,000.00. The fee quoted above will include all out-of-pocket expenses advanced for your benefit.

If, for any reason, the financing represented by the Bonds as described in the paragraph above is completed without the delivery of our Bond Opinion as bond counsel or our services are otherwise terminated, we will expect to be compensated at our normal rates for the time actually spent on your behalf plus client charges as described above unless we have failed to meet our responsibilities under this engagement, but in no event will the amount we are paid exceed \$17,000.00.

RECORDS

At your request, papers and property furnished by you will be returned promptly upon receipt of payment for outstanding fees and client charges. All goods, documents, records, and other work product and property produced during the performance of this contract are deemed to be Issuer's property. Our own files, including lawyer work product, pertaining to the transaction will be retained by us for a period of three (3) years and be subject to inspection by Issuer upon reasonable notice.

OTHER MATTERS

We have not retained any persons to solicit or secure this engagement from the Issuer upon an agreement or understanding for a contingent commission, percentage, or brokerage fee. We have not offered any employee of the Issuer a gratuity or an offer of employment in connection with this engagement and no employee has requested or agreed to accept a gratuity or offer of employment in connection with this engagement.

Any modification or amendment to this engagement letter must be in writing, executed by us and contain the signature of the Issuer. The validity, construction and effect of this engagement letter and any and all extensions and/or modifications thereof shall be governed by the laws of the State of Tennessee.

CONCLUSION

If the foregoing terms are not acceptable to you, please so indicate in writing by an authorized officer of the County. Otherwise, we look forward to working with you.

EXHIBIT B to the Resolution

Form of Refunding Escrow Agreement

(Attached)

LOUDON COUNTY, TENNESSEE

\$ _____ RURAL SCHOOL REFUNDING BONDS, SERIES 2021

REFUNDING ESCROW AGREEMENT

This Refunding Escrow Agreement is made and entered into as of _____, 2021, by and between Loudon County, Tennessee (the "Issuer") and _____ (the "Agent").

WITNESSETH:

WHEREAS, the Issuer has determined to provide for payment of the debt service requirements of certain of its outstanding debt obligations, as described herein (the "Outstanding Obligations") by depositing in escrow with the Agent funds sufficient to pay the principal of and interest on the Outstanding Obligations as set forth on Exhibit A hereto; and

WHEREAS, in order to obtain the funds needed to refund the Outstanding Obligations, the Issuer has authorized and issued its Rural School Refunding Bonds, Series 2021 (the "Refunding Bonds"); and

WHEREAS, a portion of the proceeds derived from the sale of the Refunding Bonds[, together with legally available funds of the Issuer,] will be deposited 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 Obligations 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 other funds of the Issuer and the application thereof, and to provide for the payment of the Outstanding Obligations, the parties hereto do hereby enter into this Agreement;

NOW, THEREFORE, the Issuer, in consideration of the foregoing and the mutual covenants herein set forth and in order to secure the payment of the Outstanding Obligations 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 Issuer in and to \$ _____, consisting of \$ _____ derived from the proceeds of the sale of the Refunding Bonds [and \$ _____ from other legally available funds of the Issuer].

DIVISION II

All right, title and interest of the Issuer in and to the Government Securities purchased with the funds described in Division I hereof and more particularly described in Exhibit B, attached hereto, and to all income, earnings and increment derived from or accruing to the Government Securities.

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 Issuer 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 Issuer 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 Obligations; but if the principal of and interest on the Outstanding Obligations 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.

ARTICLE I DEFINITIONS AND CONSTRUCTION

(a) 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:

"Agreement" means this Refunding Escrow Agreement;

"Code" means 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 2.1 hereof;

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

"Government Securities" means obligations and securities described in Section 9-21-914, Tennessee Code Annotated;

"Outstanding Obligations" means the Issuer's Rural School Bonds, Series 2014B, dated December 30, 2014, maturing _____; and

"Written Request" means a request in writing signed by the County Mayor of the Issuer or by any other officer or official of the Issuer duly authorized by the Issuer to act in the place of the County Mayor.

(b) 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.

ARTICLE II ESTABLISHMENT AND ADMINISTRATION OF FUNDS

(a) Creation of Escrow; Deposit of Funds. The Issuer hereby creates and establishes with the Agent a special and irrevocable escrow composed of the Escrowed 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.

(b) Investment of Funds. The monies described in Article II(a) hereof shall be held or invested as follows:

(1) the amount of _____ shall be used to purchase the Government Securities described on Exhibit B attached hereto; and

(2) the amount of \$_____ shall be held as cash in a non-interest-bearing account.

Except as provided in subsections (d) and (f) hereof, the investment income from the Government Securities 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 Securities held hereunder or to sell, transfer, or otherwise dispose of the Government Securities acquired hereunder except as provided herein.

(c) Disposition of Escrow Funds. The Agent shall without further authorization or direction from the Issuer collect the principal and interest on the Government Securities 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 paying agent or its successor, for the Outstanding Obligations of monies sufficient for the payment of the principal of and interest on the Outstanding Obligations 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 Obligations 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 Issuer 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 or the Outstanding Obligations shall be paid from the Escrow Fund, and the Issuer 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 Obligations to the paying agent as hereinabove provided, the Agent shall transfer any monies or Government Securities then held hereunder to the Issuer and this Agreement shall terminate.

(d) Excess Funds. Except as provided in subsection (f) hereof, amounts held by the Agent, representing interest on the Government Securities in excess of the amount necessary to make the

corresponding payment of principal and/or interest on the Outstanding Obligations, 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 Obligations. Upon retirement of all the Outstanding Obligations, the Agent shall pay any excess amounts remaining in the Escrow Fund to the Issuer.

(e) Reports. [The Agent shall deliver to the County Clerk of the Issuer, within 90 days of the close of the Issuer's fiscal year, a report current as of the end of such fiscal year, which shall summarize all transactions relating to the Escrow Fund effected during the immediately preceding fiscal year of the Issuer and which also shall set forth all assets in the Escrow Fund as of the end of such fiscal year and set forth opening and closing balances thereof for that fiscal year. The Agent shall also deliver to the County Clerk, within 90 days following the final disposition of funds herefrom, a report summarizing all transactions relating to the Escrow Fund effected during the term thereof.]

(f) 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 Securities, maturing no later than the next interest payment date of the Outstanding Obligations, or for such periods or at such interest rates as the Agent shall be directed by Written Request, provided, however, that the Issuer 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 Obligations 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 and Outstanding Obligations. Any interest income resulting from reinvestment of monies pursuant to this subsection (f) shall be applied first to the payment of principal of and interest on the Outstanding Obligations to the extent the Escrow is or will be insufficient to retire the Outstanding Obligations as set forth on Exhibit A and any excess shall be paid to the Issuer to be applied to the payment of the Refunding Bonds or the expenses of issuance thereof.

(g) Irrevocable Escrow Created. The deposit of monies, Government Securities, matured principal amounts thereof, and investment proceeds therefrom in the Escrow Fund shall constitute an irrevocable deposit of said monies and Government Securities for the benefit of the holders of the Outstanding Obligations, except as provided herein with respect to amendments permitted under Section IV(a) 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 Issuer and the Agent and used only for the purposes and in the manner provided in this Agreement.

ARTICLE III CONCERNING THE AGENT

(a) Appointment of Agent. The Issuer hereby appoints the Agent as escrow agent under this Agreement.

(b) 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.

(c) 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 Issuer or any paying agent of its

obligations, or to protect any of the Issuer's rights under any bond proceedings or any of the Issuer's other contracts with or franchises or privileges from any state, county, Issuer 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 Obligations or in the Refunding Bonds or in any proceedings taken in connection therewith, but they are made solely by the Issuer. 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 Securities and the earnings thereon to pay the Outstanding Obligations. So long as the Agent applies any monies, the Government Securities and the interest earnings therefrom to pay the Outstanding Obligations 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 Obligations 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 Securities or monies received by it, said Government Securities or monies shall be and remain the property of the Issuer in escrow for the benefit of the holders of the Outstanding Obligations, as herein provided, and if for any improper reason such Government Securities 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.

(d) Permitted Acts. The Agent and its affiliates may become the owner of or may deal in the Refunding Bonds or Outstanding Obligations as fully and with the same rights as if it were not the Agent.

(e) Exculpation of Funds of Agent. Except as set forth in subsection (c) hereof, 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.

(f) Payment of Deficiency by Issuer. The Issuer 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 Article II(a) to assure the payment when due of the principal of, premium, if any, and interest on the Outstanding Obligations.

(g) No Redemption or Acceleration of Maturity. The Agent will not pay any of the principal of or interest on the Outstanding Obligations, except as provided in Exhibit A attached hereto and will not redeem or accelerate the maturity of any of the Outstanding Obligations except as provided in Article II hereof.

(h) 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, 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.

(i) Resignation of Agent. The Agent may at any time resign by giving direct written notice to the Issuer and by giving the holders of the Outstanding Obligations notice by first-class mail of such resignation. Upon receiving such notice of resignation, the Issuer 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 Loudon County, Tennessee for the appointment of a successor, or any holder of the Outstanding Obligations 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 Article III(h). The Agent shall serve as escrow agent hereunder until its successor shall have been appointed and such successor shall have accepted the appointment.

(j) Removal of Agent. In case at any time the Agent shall cease to be eligible in accordance with the provisions of Article III hereof and shall fail to resign after written request therefor by the Issuer or by any holder of the Outstanding Obligations, 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 Issuer 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 Issuer 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 Article III(h). 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 Obligations 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 Issuer 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 Article III(k) hereof.

(k) Acceptance by Successor. Any successor escrow agent appointed as provided in this Agreement shall execute, acknowledge and deliver to the Issuer 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 Issuer 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 Issuer 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 Article III(h) 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 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 Article III(h) hereof.

(1) Payment to Agent. The Issuer agrees to pay the Agent, as reasonable and proper compensation under this Agreement, the sum of \$_____, payable on the date hereof. The Agent shall be entitled to reimbursement of 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 Issuer 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 Obligations; provided, however, that the Issuer agrees to indemnify the Agent and hold it harmless against any liability which it may incur while acting in good faith in its capacity as Agent under this Agreement, including, but not limited to, any court costs and attorneys' fees, and such indemnification shall be paid from available funds of the Issuer and shall not give rise to any claim against the Escrow Fund.

ARTICLE IV MISCELLANEOUS

(a) Amendments to this Agreement. This Agreement is made for the benefit of the Issuer, the holders from time to time for the Outstanding Obligations, and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Agent and the Issuer; provided, however, that the Issuer 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:

- (1) to cure any ambiguity or formal defect or omission in this Agreement;
- (2) to grant to, or confer upon, the Agent for the benefit of the holders of the Outstanding Obligations, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Agent; and
- (3) 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 Obligations, 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 Securities 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 and interest on the Outstanding Obligations. The Issuer 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 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 Securities 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 and interest on the Outstanding Obligations 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, 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 Securities 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 Issuer.

(b) 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.

(c) Governing Law. This Agreement shall be governed and construed in accordance with the law of the State of Tennessee.

(d) 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 Issuer:

Loudon County, Tennessee
100 River Road #106
Loudon, Tennessee 37774
Attention: County Mayor

To the Agent:

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

(e) 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.

(f) 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.

(g) 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 Issuer and the Agent have caused this Agreement to be executed all as of the day and date first above written.

LOUDON COUNTY, TENNESSEE

By: _____
County Mayor

County Clerk

Escrow Agent

By: _____
Title: _____

EXHIBIT A

[Debt Service Schedule of Rural School Bonds, Series 2014B, dated December 30, 2014, maturing on and after June 1, 20__, With Name and Address of the Paying Agent and Date and Amount of Payment]

<u>Payment</u> <u>Date</u>	<u>Principal</u> <u>Payable</u>	<u>Interest</u> <u>Payable</u>	<u>Premium</u>	<u>Total Debt</u> <u>Service</u>
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Paying Agent: Regions Bank
 Nashville, Tennessee

EXHIBIT B

[Insert Description of Securities]

Total Cost of Securities: \$ _____
Initial Cash Deposit: \$ _____

30170243.1

Loudon County Commission

Refunding Letter



JASON E. MUMFORD
Comptroller

March 23, 2021

Honorable Rollen Bradshaw, Mayor
and Honorable Board of Commissioners
Loudon County
100 River Road
Loudon, TN 37774

Dear Mayor Bradshaw and Members of the Board:

Thank you for your recent correspondence. We acknowledge receipt on March 22, 2021, of a request from Loudon County (the "County") for a report on its plan of refunding (the "Plan") for the County's proposed issuance of an estimated \$7,520,000 Rural School Refunding Bonds, Series 2021.

Pursuant to the provisions of Tennessee Code Annotated Title 9 Chapter 21, enclosed is the Director's Report based upon our review of the County's Plan. The Plan, this letter, and the enclosed report should be made available on the County's website and must be presented to each member of the Council for review prior to the adoption of a refunding bond authorizing resolution.

If you should have questions or need assistance, please feel free to contact your financial analyst, William Wood, at 615.401.7893 or William.Wood@col.tn.gov.

Very truly yours,

A handwritten signature in black ink, appearing to read "Betsy Knotts".

Betsy Knotts
Director of the Division of Local Government Finance

cc: Mr. Bryan Burklin, Assistant Director, Division of Local Government Audit
Mr. Scott Gibson, Cumberland Securities.
Ms. Lillian Blackshear, Bass Berry & Sims

Enclosure: Report of the Director of the Division of Local Government Finance
BK:ww



JASON E. MUMPOWER
Comptroller

**Report of the Director of the Division of Local Government Finance
Concerning the Proposed Issuance of
Rural School Refunding Bonds, Series 2021
Loudon County, Tennessee**

This report is being issued pursuant to T.C.A. § 9-21-903 and is based upon information as presented in a plan of refunding (the "Plan") received by our office on March 22, 2021, from Loudon County (the "County"). Our report provides information to assist the governing body in its responsibility to understand the nature of the refunding transaction, including the costs, risks, and benefits, prior to approving the issuance of the refunding bonds and is designed to provide consistent and comparable information for all local governments in Tennessee.

This report does not constitute approval or disapproval of the Plan or a determination that a refunding is advantageous or necessary nor that the refunded obligations should be refinanced or remain outstanding until their respective dates of maturity. This report does not address compliance with federal tax regulations and is not to be relied upon for that purpose. The County should discuss these issues with bond counsel. This report and the County's Plan must be presented to the governing body prior to the adoption of a refunding bond resolution.

Refunding Analysis

At the request of the Mayor, our office has reviewed the County's Plan, as required by TCA § 9-21-903, and provides the following analysis based upon the assumptions outlined in the Plan.

The County intends to issue by competitive sale an estimated \$7,520,000 Rural School Refunding Bonds, Series 2021 (the "Series 2021 Refunding Bonds"), priced at par to current refund \$7,370,000 Rural School Bonds, Series 2014B (the "Series 2014B Bonds") dated December 30, 2014, and maturing June 1, 2022 through June 1, 2035.

- The County's stated objective for the refunding is to achieve savings. The anticipated net present value savings are \$863,285, or 11.71% of the refunded principal amount of \$7,370,000.
- The proposed structure of the Series 2021 Refunding Bonds is not balloon indebtedness as defined in T.C.A. § 9-21-133 because 75% of principal is payable within 10 years.
- Estimated costs of issuance are summarized below and are based upon the par amount of \$7,520,000 for the Series 2021 Refunding Bonds:

	Amount	Price per \$1,000 Bond
Estimated Underwriter's Discount	\$ 60,005	\$ 7.98
Municipal Advisor (Cumberland Securities)	37,800	5.03
Bond Counsel (Bass Berry & Sims)	20,000	2.66
Rating Agency	18,000	2.39
Miscellaneous Fees	14,195	1.89
Total Cost of Issuance	\$ 150,000	\$ 19.95

Changes to the Structure of the Repayment Schedule

If the structure is revised, the County should determine if the new structure complies with the requirements of T.C.A. § 9-21-133 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 Division of Local Government Finance for approval prior to the County adopting the resolution authorizing the issuance of the debt.

Financial Professionals

The Plan was prepared with the assistance of the County’s financial advisors, Cumberland Securities Company. Financial 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 Municipal Securities Rulemaking Board (MSRB) establishes rules and notices that municipal advisors and underwriters must follow when engaging in municipal securities transactions and advising investors and local governments. To learn more about the obligations of the County’s underwriter and municipal advisor, please read the information posted on the MSRB website: www.msrb.org.

Plan Assumptions

The assumptions of the Plan are the assertions of the County. An evaluation of the preparation, support and underlying assumptions of the Plan has not been performed by our office. This report provides non assurances of the reasonableness of the underlying assumptions. The assumptions included in the County’s Plan may not reflect either current market conditions or market conditions at the time of sale. The Series 2021 Refunding Bonds may be issued with a structure different from that of the Plan.

Debt Management Policy

The County has adopted a debt management policy and has indicated in its Plan that the proposed refunding transaction complies with the County’s policy.

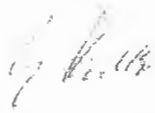
Requirements After the Refunding Bonds Have Been Issued

We have included a listing of certain compliance requirements your local government will be responsible for once the bonds are issued. The listing is not all inclusive and you should work with

your municipal advisor and bond counsel to ensure compliance with legal and regulatory requirements related to the proposed refunding.

Effective Date for this Report

This report is effective for a period of ninety (90) days from the date of the report. If the refunding transaction has not been priced during this ninety (90) day period, a new plan of refunding, with new analysis and estimates based on market conditions at that time, must be submitted to our office. We will then issue a report on the new plan for the County's governing body to review prior to adopting a new refunding bond authorizing resolution.



Betsy Knotts
Director of the Division of Local Government Finance
Date: March 23, 2021

Enclosure: Requirements After Debt is Issued



JASON E. MUMPOWER
Comptroller

Requirements After Debt is Issued

- **Annual Budget Approval**

Your local government will be subject to an annual budget approval process for the life of the outstanding debt as required by TCA § 9-21-403. Please refer to our online guidance at: tncot.cc/budget.

- **Debt Not Refunded**

If all the bonds are not refunded as a part of the proposed refunding transaction and the County wishes to refund them in a subsequent bond issue, then a new plan must be submitted to our office for review.

- **Debt Management Policy**

Your local government should regularly review and, if necessary, amend its debt management policy. Please submit any amended policy to our office immediately upon adoption. Guidance concerning debt management policies is available at: tncot.cc/debt-policy.

- **Required Notification**

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. However, if it is determined prior to the issuance of the debt, that the actual results will differ significantly from the information provided in the submitted Plan and the County decides to proceed with the issue, the County's governing body and our office should be notified after the sale by the local government's Chief Executive Officer or the Chief Financial Officer regarding these differences. The Chief Executive Officer must state that they were aware of the differences and determined to proceed with the issuance of the debt. Notification will be necessary only if there is a change of ten percent (10%) or more in any of the following:

- (1) An increase in the principal amount of the debt issued;
- (2) An increase in costs of issuance; or
- (3) A decrease in the cumulative savings or increase in the loss.

The notification must include an explanation for any significant differences and the justification for a change of ten percent (10%) or more from the amounts in the plan. This notification should be presented to the County's governing body and our office with the required filing of the Report on Debt Obligation, Form CT-0253.

- **Debt Report**

Pursuant to T.C.A. § 9-21-134, a Debt Report (the "Report") shall be completed and filed with the governing body of the local government no later than forty-five (45) days after the issuance of the

debt, with a copy (including attachments, if any) filed with the Division of Local Government Finance. The Report and instructions may be accessed at: tncol.ca.gov/debt-report.

- **Rule 15c2-12 of the Securities Exchange Act**

Local governments that have issued municipal securities on or after February 27, 2019, are required to report certain information related to the issuance of financial obligations. Information on the reporting requirements is available on the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access EMMA® website: emma.msrb.org.

Plan of Refunding – Rural Debt Service Fund - Loudon County, Tennessee

A) Identification of Key Professionals (including financial advisors, bond counsel, underwriters, or lenders) who have provided advice or proposals on which the Entity relied to prepare the Plan):

1. Financial Advisor: Cumberland Securities Company, Inc.
2. Bond Counsel: Bass, Berry & Sims, PLC
3. Underwriter: Competitive Public Sale

B) Purpose(s) of Refunding, including parameters:

1. Cost Savings: include a projection of the savings and amortization schedules for both refunding and refunded debt:
 - a. Loudon County, TN (the "County") anticipates a gross savings of approximately \$1,142,392.50 and a net present savings of approximately \$863,285.27 or % of the refunded principal.
2. Restructuring: provide a comparison of existing and proposed structures, describing why debt is being restructured: N/A
3. Covenant change: Clearly describe covenant to be eliminated or revised and any change in the structure:
 - a. N/A
4. Reduction or elimination of risk: describe risk to be reduced or eliminated:
 - a. N/A

C) Statement that the proposed refunding complies with the Entity's adopted debt management policy and a description of how the transaction is consistent with the policy, including any savings threshold. If there is no adopted policy or the transaction is not consistent, the Entity shall provide a detailed explanation.

1. The County has adopted the debt management policy. The proposed structure is a fixed rate bond issuance designed to provide a maturity to maturity refunding for savings.

D) Other Information

1. Amortization schedules for both (proposed) refunding and (outstanding) debt to be refunded,
 - a. Proposed refunding debt schedule: See attached Preliminary Refunding Analysis page 3.

- b. Outstanding debt schedule(s): See attached Preliminary Refunding Analysis page 4 and page 5.

As well as the following:

2. Refunding Debt:

- a. **Maximum size to be authorized by the governing body, identifying all outstanding debt that could be included in the refunding:**
 - i. Maximum size authorized by governing body = \$7,550,000. To refund the Rural School Bonds, Series 2014B, dated December 30, 2014, maturing June 1, 2022 through June 1, 2035 in the outstanding principal amount of \$7,370,000 (the "Outstanding Bonds").
- b. **Anticipated Size = \$7,520,000**
- c. **Anticipated final maturity and weighted average maturity. If the final maturity is extended beyond the fiscal year of final maturity of debt to be refunded or the weighted average maturity is increased, list the projects as required below for refunded debt:**
 - i. **Final Maturity = 6/1/2030**
 - ii. **Weighted Average Maturity = 5.03 Years**
- d. **Breakdown of Costs of Issuance**
See attached Preliminary Refunding Analysis page 7.
- e. **Sources and Uses of Funds**
See attached Preliminary Refunding Analysis page 6.

3. Refunded Debt: Information must be provided with respect to *each debt issue to be refunded*; (if all currently outstanding debt will not be refunded, identify maturities that are candidates for refunding).

- a. **Name of issue, type of debt, original terms, including whether the debt is federally tax-exempt or taxable.**
 - i. Rural School Bonds, Series 2014B, dated December 30, 2014, maturing June 1, 2022 through June 1, 2035 in the outstanding principal amount of \$7,370,000 (the "Outstanding 2014 Bonds").
 - ii. The Outstanding 2014 Bonds are tax-exempt, fixed-rate obligations, with a final maturity of June 1, 2035.
- b. **Date of issue and copy of CT-0253 filed.**
 - i. Date of Issue: 12/30/2014

- ii. The CT-0253 was filed with the Division of Local Government Finance in connection with the issue of the Outstanding 2014 Bonds and is attached.
- c. **Date of authorization by the governing body.**
 - i. December 15, 2014
- d. **Whether bank-qualified or under other small issuer exception.**
 - i. Yes
- e. **Projects funded with proceeds of issue and remaining average life of projects (if final maturity or weighted average maturity of debt is extended).**
 - i. The Outstanding 2014 Bonds were issued to provide funds to (i) acquisition of land for, design and constructing, improving, renovating and equipping of schools and school facilities; (ii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any or all of the foregoing; and (iii) the payment of costs incident to the issuance of the Bonds.
- f. **Derivative product, if any, and copy of Report of Compliance:**
 - i. N/A

LOUDON COUNTY, TENNESSEE

Preliminary
Refunding Analysis
2014B Bonds

March 18, 2021

Prepared By:

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CUMBERLAND SECURITIES

SINCE 1931

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Risk Disclosures:

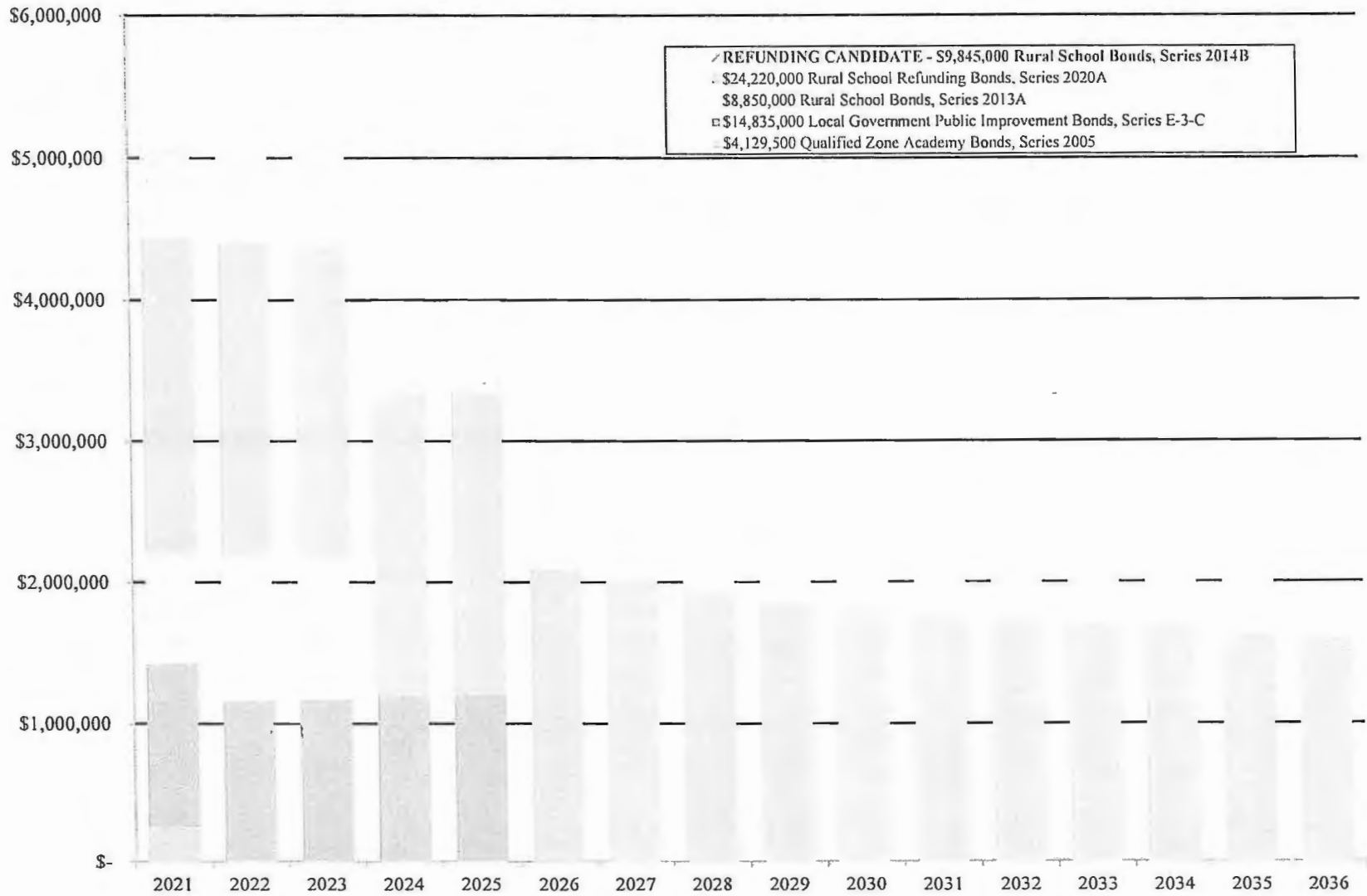
Fixed Rate Bonds		
Material Risk Consideration	Description of Risk	Potential Consequences
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents	<ul style="list-style-type: none"> Range of available remedies may be brought against Issuer (e.g. forcing issuer to raise taxes or rates) Credit ratings negatively impacted Access to capital markets impaired Possibility of receivership or bankruptcy for certain issuers
Redemption Risk	The ability to redeem the bonds prior to maturity may be limited	<ul style="list-style-type: none"> Inability to refinance at lower interest rates
Refinancing Risk	Possibility that the bonds cannot be refinanced	<ul style="list-style-type: none"> Inability to refinance at lower interest rates
Reinvestment Risk	Possibility that the Issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds	<ul style="list-style-type: none"> Negative arbitrage resulting in a higher cost of funds
Tax Compliance Risk	For tax-exempt bonds, possibility that failure to comply with tax-related covenants results in the bonds becoming taxable obligations	<ul style="list-style-type: none"> Increase in debt service costs retroactively to date of issuance Possible mandatory redemption of bonds affected Risk of IRS Audit Difficulty in refinancing the bonds Access to tax-exempt market impacted Difficulty in issuing future tax-exempt debt

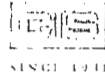
Variable Rate Demand Bonds ("VRDB") / Floating Rate Notes ("FRN") / Bank Index Loan ("Index") / "Put Loan" (e.g. Fixed Rate for Five (5) Years, then Rate Resets to New Rate)		
Material Risk Consideration	Description of Risk (Type of Debt Risk Applicable to)	Potential Consequences
Interest Rate Risk	Possibility that the interest rate may increase on an interest reset date (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Increase in debt service cost (up to maximum rate) Lower debt service coverage Lower cash reserves
Index Risk	Possibility that the method of determining the index (LIBOR or SIFMA) could change Indices may be affected by factors unrelated to FRN's/Index Loan or the tax-exempt market (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Increase in debt service costs Lower debt service coverage Lower cash reserves Provision should be made for alternate mechanism to determine rate
Issuer Default Risk	Possibility that the Issuer defaults under the authorizing documents (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Range of available remedies may be brought against Issuer (e.g., forcing Issuer to raise taxes or revenues) Credit ratings negatively impacted Default could impact remarketing which could cause increase in debt service costs Access to capital markets impaired
Issuer Ratings Downgrade Risk	Possibility that a downgrade of the issuer's rating(s) may result in optional tenders or an increase in fees payable to the bank providing the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Ratings change could impact remarketing which could cause an increase in debt service cost Higher liquidity facility fees resulting in higher cost of funds
Liquidity Risk	Possibility that VRDB's cannot be successfully remarketed, resulting in Bank Bonds (VRDB)	<ul style="list-style-type: none"> Increase in debt service costs due to higher bank bond rate and accelerated principle repayment May be required to refinance or term out the VRDB's Inability to refinance or possibly higher interest rates
Liquidity Provider Default Risk	Possibility that the bank providing the liquidity facility supporting the VRDB's defaults in its obligations under the liquidity facility (VRDB)	<ul style="list-style-type: none"> Issuer required to repay principal and accrued interest if Issuer is not able to refinance Increase in debt service costs
Liquidity Provider Ratings Downgrade	Possibility that a downgrade of the liquidity provider's rating(s) may result in optional tenders (VRDB)	<ul style="list-style-type: none"> Ratings change could impact remarketing which could cause an increase in debt service cost
Refinancing Risk	Possibility that the FRN, Index or Put Loan cannot be remarketed or refinanced (FRN, Index, Put Loans)	<ul style="list-style-type: none"> Hard Put: must repay principal and accrued interest or Event of Default Soft Put: higher interest rate on debt and higher debt service costs up to maximum rate Increase in debt service costs upon any refinancing Inability to refinance or possibly higher interest rates
Regulatory Risk	Possibility that prospective regulatory requirements increase cost of obtaining and maintaining the liquidity facility (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Increase in debt service costs Higher liquidity facility fees resulting in higher cost of funds
Reinvestment Risk	Possibility that the issuer may be unable to invest unspent proceeds at or near the interest rate on the bonds (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Negative arbitrage resulting in higher cost of funds
Remarketing Risk	Possibility that the remarketing agent does not perform its duties in a satisfactory manner or may resign or cease its remarketing efforts (VRDB)	<ul style="list-style-type: none"> Higher interest rates Difficulty remarketing the VRDB's May require appointment of a successor remarketing agent
Renewal Risk	Possibility that the facility or loan will not be extended for a successive commitment period or not be replaced at a reasonable cost (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Issuer required to repay principal and accrued interest on tender date if issuer is not able to refinance Increase in debt service costs
Tax Compliance Risk	For tax exempt bonds, possibility that failure to comply with tax related covenants result in the bonds becoming taxable obligations (VRDB, FRN, Index, Put Loans)	<ul style="list-style-type: none"> Increase in debt service costs retroactively to date of issuance Possible mandatory redemption of bonds affected Risk of IRS audit Difficulty in refinancing the bonds Access to tax exempt market impacted Difficulty in issuing future tax-exempt debt

Loudon County, Tennessee
Preliminary Refunding Analysis
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Estimated Sources & Uses of Funds.....	6
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Loudon County, Tennessee Total Outstanding Debt Service - Rural Schools





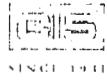
ESTIMATED SAVINGS ANALYSIS

Loudon County, Tennessee
 Rural School Refunding Bonds, Series 2021
 Refunding of Series 2014B Bonds

Date	Principal	Estimated Interest Rate	Interest	Total P+I	Refunded D/S	Savings	Present Value to 06/01/2021 at 1.066323%
06/30/2022	500,000.00	0.750%	74,595.00	574,595.00	647,400.00	72,805.00	72,558.74
06/30/2023	500,000.00	0.775%	70,845.00	570,845.00	648,400.00	77,555.00	76,229.62
06/30/2024	1,000,000.00	0.800%	66,970.00	1,066,970.00	649,200.00	(417,770.00)	(404,361.77)
06/30/2025	800,000.00	0.850%	58,970.00	858,970.00	644,800.00	(214,170.00)	(204,967.21)
06/30/2026	1,500,000.00	0.950%	52,170.00	1,552,170.00	649,112.50	(903,057.50)	(856,021.92)
06/30/2027	1,250,000.00	1.050%	37,920.00	1,287,920.00	648,087.50	(639,832.50)	(600,004.95)
06/30/2028	1,000,000.00	1.200%	24,795.00	1,024,795.00	645,587.50	(379,207.50)	(351,728.68)
06/30/2029	600,000.00	1.300%	12,795.00	612,795.00	646,817.50	34,022.50	31,514.54
06/30/2030	370,000.00	1.350%	4,995.00	374,995.00	647,642.50	272,647.50	248,009.93
06/30/2031					648,062.50	648,062.50	582,903.05
06/30/2032					646,412.50	646,412.50	575,229.45
06/30/2033					649,312.50	649,312.50	571,656.78
06/30/2034					645,137.50	645,137.50	561,929.05
06/30/2035					650,475.00	650,475.00	560,538.63
	7,520,000.00		404,055.00	7,924,055.00	9,066,447.50	1,142,392.50	863,285.27

Savings Summary

Net PV Savings	863,285.27
Net PV Benefit/ Refunded Principal	11.7135%
Dated	06/01/2021
First Coupon Date	12/01/2021
Weighted Average Maturity	5.03
Average Coupon	1.0681%
Bond Yield for Arbitrage Purpose	1.0663226%
True Interest Cost (TIC)	1.2315529%



CUMBERLAND SECURITIES

ESTIMATED DEBT SERVICE

Loudon County, Tennessee
Rural School Refunding Bonds, Series 2021
Refunding of Series 2014B Bonds

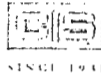
Date	Principal	Estimated Coupon	Interest	Total P+I	Fiscal Total
12/01/2021			37,297.50	37,297.50	
06/01/2022	500,000.00	0.750%	37,297.50	537,297.50	
06/30/2022					574,595.00
12/01/2022			35,422.50	35,422.50	
06/01/2023	500,000.00	0.775%	35,422.50	535,422.50	
06/30/2023					570,845.00
12/01/2023			33,485.00	33,485.00	
06/01/2024	1,000,000.00	0.800%	33,485.00	1,033,485.00	
06/30/2024					1,066,970.00
12/01/2024			29,485.00	29,485.00	
06/01/2025	800,000.00	0.850%	29,485.00	829,485.00	
06/30/2025					858,970.00
12/01/2025			26,085.00	26,085.00	
06/01/2026	1,500,000.00	0.950%	26,085.00	1,526,085.00	
06/30/2026					1,552,170.00
12/01/2026			18,960.00	18,960.00	
06/01/2027	1,250,000.00	1.050%	18,960.00	1,268,960.00	
06/30/2027					1,287,920.00
12/01/2027			12,397.50	12,397.50	
06/01/2028	1,000,000.00	1.200%	12,397.50	1,012,397.50	
06/30/2028					1,024,795.00
12/01/2028			6,397.50	6,397.50	
06/01/2029	600,000.00	1.300%	6,397.50	606,397.50	
06/30/2029					612,795.00
12/01/2029			2,497.50	2,497.50	
06/01/2030	370,000.00	1.350%	2,497.50	372,497.50	
06/30/2030					374,995.00
	7,520,000.00		404,055.00	7,924,055.00	

Date Structure

Date 06/01/2021
First Coupon Date 12/01/2021

Yield Statistics

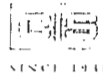
Average Coupon 1.0680809%
Weighted Average Maturity 5.031
True Interest Cost (TIC) 1.2315529%



SUMMARY OF BONDS REFUNDED

Loudon County, Tennessee
Rural School Refunding Bonds, Series 2021
Refunding of Series 2014B Bonds

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
\$9,845,000 Rural School Bonds, Series 2014B:					
BOND	06/01/2022	2.000%	450,000.00	06/01/2021	100.000
	06/01/2023	2.000%	460,000.00	06/01/2021	100.000
	06/01/2024	2.000%	470,000.00	06/01/2021	100.000
	06/01/2025	2.250%	475,000.00	06/01/2021	100.000
	06/01/2026	2.250%	490,000.00	06/01/2021	100.000
	06/01/2027	2.500%	500,000.00	06/01/2021	100.000
	06/01/2028	2.700%	510,000.00	06/01/2021	100.000
	06/01/2029	2.700%	525,000.00	06/01/2021	100.000
	06/01/2030	2.700%	540,000.00	06/01/2021	100.000
	06/01/2031	3.000%	555,000.00	06/01/2021	100.000
	06/01/2032	3.000%	570,000.00	06/01/2021	100.000
	06/01/2033	3.250%	590,000.00	06/01/2021	100.000
	06/01/2034	3.250%	605,000.00	06/01/2021	100.000
	06/01/2035	3.250%	630,000.00	06/01/2021	100.000
			7,370,000.00		



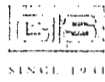
CUMBERLAND SECURITIES

PRIOR BOND DEBT SERVICE

Loudon County, Tennessee
Rural School Refunding Bonds, Series 2021
Refunding of Series 2014B Bonds

\$9,845,000 Rural School Bonds, Series 2014B

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
06/01/2021						7,370,000	7,370,000
12/01/2021			98,700.00	98,700.00		7,370,000	7,370,000
06/01/2022	450,000	2.000%	98,700.00	548,700.00	647,400.00	6,920,000	6,920,000
12/01/2022			94,200.00	94,200.00		6,920,000	6,920,000
06/01/2023	460,000	2.000%	94,200.00	554,200.00	648,400.00	6,460,000	6,460,000
12/01/2023			89,600.00	89,600.00		6,460,000	6,460,000
06/01/2024	470,000	2.000%	89,600.00	559,600.00	649,200.00	5,990,000	5,990,000
12/01/2024			84,900.00	84,900.00		5,990,000	5,990,000
06/01/2025	475,000	2.250%	84,900.00	559,900.00	644,800.00	5,515,000	5,515,000
12/01/2025			79,556.25	79,556.25		5,515,000	5,515,000
06/01/2026	490,000	2.250%	79,556.25	569,556.25	649,112.50	5,025,000	5,025,000
12/01/2026			74,043.75	74,043.75		5,025,000	5,025,000
06/01/2027	500,000	2.500%	74,043.75	574,043.75	648,087.50	4,525,000	4,525,000
12/01/2027			67,793.75	67,793.75		4,525,000	4,525,000
06/01/2028	510,000	2.700%	67,793.75	577,793.75	645,587.50	4,015,000	4,015,000
12/01/2028			60,908.75	60,908.75		4,015,000	4,015,000
06/01/2029	525,000	2.700%	60,908.75	585,908.75	646,817.50	3,490,000	3,490,000
12/01/2029			53,821.25	53,821.25		3,490,000	3,490,000
06/01/2030	540,000	2.700%	53,821.25	593,821.25	647,642.50	2,950,000	2,950,000
12/01/2030			46,531.25	46,531.25		2,950,000	2,950,000
06/01/2031	555,000	3.000%	46,531.25	601,531.25	648,062.50	2,395,000	2,395,000
12/01/2031			38,206.25	38,206.25		2,395,000	2,395,000
06/01/2032	570,000	3.000%	38,206.25	608,206.25	646,412.50	1,825,000	1,825,000
12/01/2032			29,656.25	29,656.25		1,825,000	1,825,000
06/01/2033	590,000	3.250%	29,656.25	619,656.25	649,312.50	1,235,000	1,235,000
12/01/2033			20,068.75	20,068.75		1,235,000	1,235,000
06/01/2034	605,000	3.250%	20,068.75	625,068.75	645,137.50	630,000	630,000
12/01/2034			10,237.50	10,237.50		630,000	630,000
06/01/2035	630,000	3.250%	10,237.50	640,237.50	650,475.00		
	7,370,000		1,696,447.50	9,066,447.50	9,066,447.50		



SOURCES AND USES OF FUNDS

Loudon County, Tennessee
Rural School Refunding Bonds, Series 2021
Refunding of Series 2014B Bonds

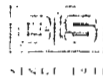
Dated Date 06/01/2021
Delivery Date 06/01/2021

Sources:

Bond Proceeds:	
Par Amount	7,520,000.00
	<hr/>
	7,520,000.00

Uses:

Refunding Escrow Deposits:	
Cash Deposit	7,370,000.00
Delivery Date Expenses:	
Cost of Issuance	89,995.00
Underwriter's Discount:	
Underwriter's Discount (Awarded to Lowest Bidder)	60,005.00
	<hr/>
	7,520,000.00



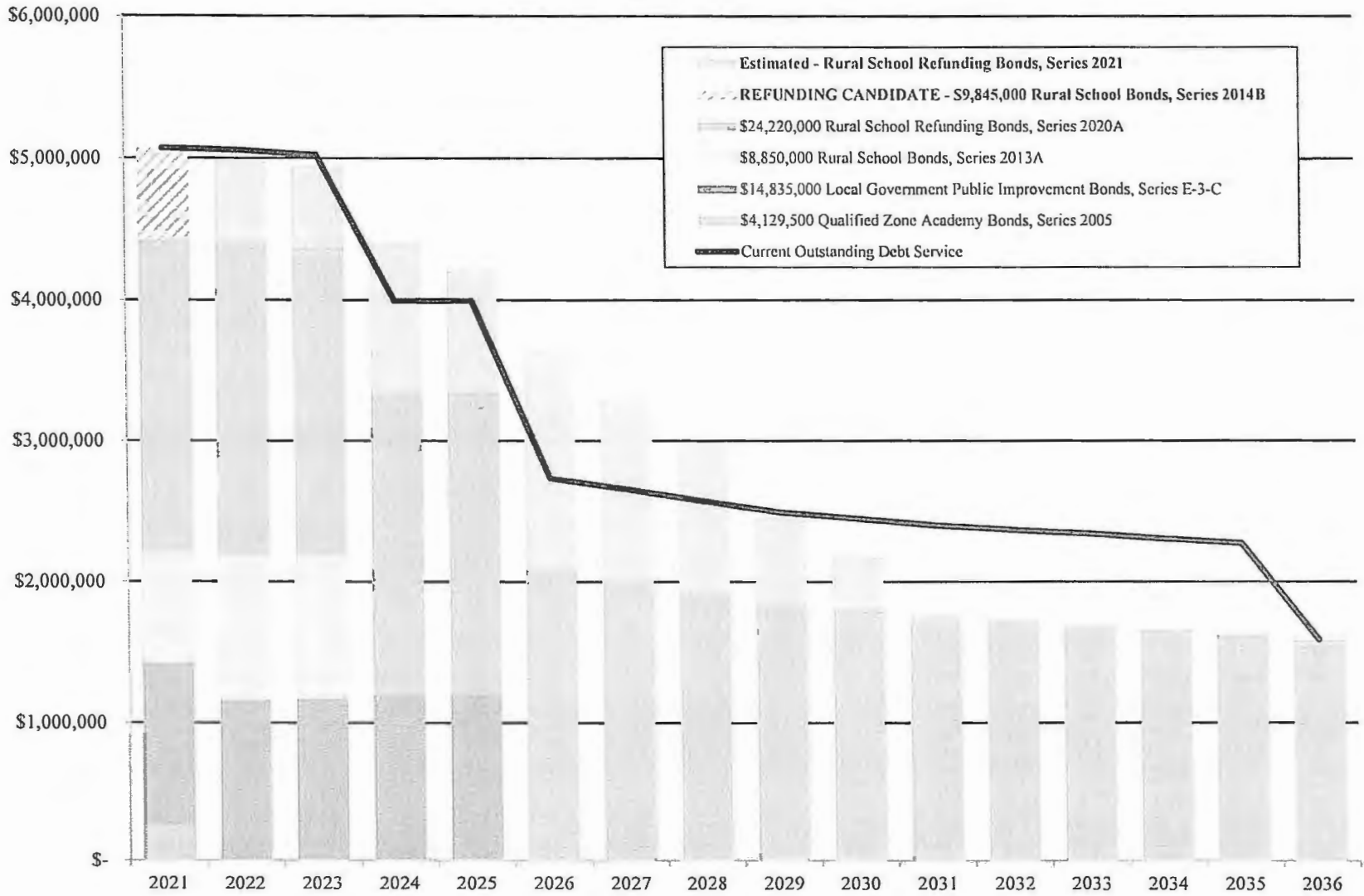
COST OF ISSUANCE

Loudon County, Tennessee
Rural School Refunding Bonds, Series 2021
Refunding of Series 2014B Bonds

Cost of Issuance	\$/1000	Amount
Municipal Advisor	5.02659	37,800.00
Bond Counsel	2.65957	20,000.00
Rating Agency	2.39362	18,000.00
Paying Agent	0.09309	700.00
POS/Official Statement	0.99734	7,500.00
Advertising	0.13298	1,000.00
Miscellaneous	0.66423	4,995.00
	11.96742	89,995.00

Loudon County, Tennessee

Total Outstanding Debt Service - Rural Schools - Est. Post 2021 Refunding



Loudon County Commission

Budget Amendments
County General Fund 101

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			General Fund 101					
2			3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Account Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
936								
937		52600	Data Processing					
938		120	Computer Programmer	52,938	1,324	54,262		54,262
939		121	Data Processing Personel	44,138	1,123	45,261		45,261
940		187	Overtime Pay			0		0
941		201	Social Security	6,019	151	6,170		6,170
942		204	State Retirement	6,514	164	6,678		6,678
943		206	Life Insurance	337		337		337
944		207	Medical Insurance	17,350		17,350		17,350
945		208	Dental Insurance	274		274		274
946		212	Employer Medicare	1,408	35	1,443		1,443
947		307	Communication	8,000		8,000		8,000
948		307 WIRE	Communication	2,200		2,200		2,200
949		320	Dues and Memberships			0		0
950		348	Postage	100				
951		355	Travel	1,000		1,000		1,000
952		399	Other Contracted Services	33,500		33,500		33,500
953		435	Office Supplies	250		250		250
954		471	Software	3,500		3,500		3,500
955		513	Workers' Comp Insurance	1,825	(593)	1,232		1,232
956		524	Inservice/Staff Development	3,000		3,000		3,000
957		709	Data Processing Equipment		10,000	10,000	(317)	9,683
958		711	Furniture & Fixtures			0		0
959		719	Office Equipment		1,400	1,400	317	1,717
960						0		0
961			Total Data Processing	182,353	13,604	195,957	0	195,957
962								
963								
964								
965	Total Finance			2,643,789	50,620	2,694,409	0	2,694,409
966								

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1	General Fund 101							
2	Account Number	3/15/2021 12:54		2020-2021	2020-2021	Approved	Proposed	Proposed
3				Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1069								
1070	53400		Chancery Court					
1071	101		County Official/Administrative Officer	83,545		83,545		83,545
1072	162		Clerical Personnel	70,533	1,789	72,322		72,322
1073	169		Part Time Personnel	26,800	670	27,470		27,470
1074	201		Social Security	11,214	153	11,367		11,367
1075	204		State Retirement	10,339	120	10,459		10,459
1076	206		Life Insurance	538		538		538
1077	206-RET-LIF		Life Insurance	308		308		308
1078	207		Medical Insurance	36,696		36,696		36,696
1079	207-RET-MED		Medical Insurance			0		0
1080	207-SRHT11		Medical Insurance	10,266		10,266		10,266
1081	208		Dental Insurance	2,338		2,338		2,338
1082	208-RET-DEN		Dental Insurance-Retirees	2,224		2,224		2,224
1083	212		Employer Medicare	2,623	35	2,658		2,658
1084	307		Communication	1,500	2,000	3,500		3,500
1085	320		Dues and Memberships	900		900		900
1086	330		Operating Lease Payments (Copier)	3,800		3,800		3,800
1087	331		Legal Services			0		0
1088	334		Maintenance Agreements	9,200	(9,200)	0		0
1089	337		Maintenance & Repair - Office Equipment	0		0	1,614	1,614
1090	348		Postal Charges	8,000		8,000		8,000
1091	349		Printing, Stationery, and Forms	1,500		1,500		1,500
1092	355		Travel	3,700		3,700		3,700
1093	399		Other Contracted Services	11,200	7,200	18,400	(1,614)	16,786
1094	414		Duplicating Supplies	700		700		700
1095	435		Office Supplies	1,500		1,500		1,500
1096	508		Premium on Corporate Surety Bonds	500		500		500
1097	513		Workers' Comp Insurance	1,825	639	2,464		2,464
1098	524		In Service/Staff Development	1,700		1,700		1,700
1099	719		Office Equipment		3,000	3,000		3,000
1100						0		0
1101			Total Chancery Court	303,449	6,406	309,855	0	309,855

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1	General Fund 101							
2	3/15/2021 12:54			2020-2021	2020-2021	Approved	Proposed	Proposed
3	Account Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1305								
1306	54210		Jail Department					
1307	109		Captain(s)	56,545	1,413	57,958		57,958
1308	115		Corrections Sergeants	130,728	3,268	133,996		133,996
1309	160		Guards (Xtra = \$28,200)	1,823,936	59,952	1,883,888	(191,000)	1,692,888
1310	160-CRSEC		Guards (Xtra = \$5,000)	120,427	2,705	123,132		123,132
1311	169		Part-time Personnel			0		0
1312	187		Overtime Wages	82,500		82,500	191,000	273,500
1313	187-CRSEC		Overtime Wages	3,500		3,500		3,500
1314	201		Social Security	129,810	4,007	133,817		133,817
1315	201-CRSEC		Social Security	7,683	168	7,851		7,851
1316	204		State Retirement	140,488	4,337	144,825		144,825
1317	204-CRSEC		State Retirement	8,316	181	8,497		8,497
1318	206		Life Insurance	8,609		8,609		8,609
1319	206-CRSEC		Life Insurance	357		357		357
1320	206-RET-LIF		Life Insurance-Retirees	375		375		375
1321	207		Medical Insurance	668,785		668,785		668,785
1322	207-CRSEC		Medical Insurance	17,566		17,566		17,566
1323	207-RET-MED		Medical Insurance - Retirees	14,104		14,104		14,104
1324	207-SRITH		Medical Insured - Sr. Health	3,895		3,895		3,895
1325	208		Dental Insurance	33,840		33,840		33,840
1326	208-CRSEC		Dental Insurance	1,089		1,089		1,089
1327	208-RET		Dental Insurance - Retirees	1,274		1,274		1,274
1328	212		Employer Medicare	30,359	937	31,296		31,296
1329	212-CRSEC		Employer Medicare	1,797	39	1,836		1,836
1330	330		Operating Lease Payments (Copier)	2,500		2,500		2,500
1331	331		Legal Services	5,000		5,000		5,000
1332	334		Maintenance Agreements	10,000		10,000		10,000
1333	336		Maintenance and Repair Services- Equipm	5,000		5,000		5,000
1334	340		Medical and Dental Services	300,000		300,000		300,000
1335	348		Postal Charges	200		200		200
1336	349		Printing, Stationery & Forms	500		500		500
1337	355		Travel	1,000		1,000		1,000
1338	355-EXTRA		Travel - Extradition	3,000		3,000		3,000
1339	399		Other Contracted Services	7,000		7,000		7,000

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			General Fund 101					
2			3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Account Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1340	410		Custodial Supplies	30,000		30,000		30,000
1341	413		Drugs and Medical Supplies (Inmates)	210,000		210,000		210,000
1342	414		Duplicating Supplies	500		500		500
1343	421		Food Preparation Supplies	3,000		3,000		3,000
1344	422		Food Supplies (Inmates)	250,000		250,000		250,000
1345	431		Law Enforcement Supplies	2,000		2,000		2,000
1346	435		Office Supplies	8,000		8,000		8,000
1347	451		Uniforms	24,000		24,000		24,000
1348	468		Chemicals			0		0
1349	499		Other Supplies & Materials (Inmate Supplies)	50,000		50,000		50,000
1350	513		Workers' Comp Insurance	27,016	5,017	32,033		32,033
1351	524		In-Service/Staff Development	3,000		3,000		3,000
1352	599		Other Charges	100		100		100
1353	708		Communication Equipment		2,000	2,000		2,000
1354	710		Food Service Equipment		3,000	3,000		3,000
1355	711		Furniture and Fixtures	5,000		5,000		5,000
1356	716		Law Enforcement Equipment	0	4,000	4,000		4,000
1357	719		Office Equipment	0	1,000	1,000		1,000
1358						0		0
1359			Total Jail Department	4,232,799	92,024	4,324,823	0	4,324,823
1360								

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1	General Fund 101							
2			3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Account Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1507								
1508	55120		Animal Control					
1509	103		Assistant Director	0		0		0
1510	105		Supervisor/Director	50,877	1,272	52,149		52,149
1511	169		Part-time Personnel	29,120	720	29,840		29,840
1512	187		Overtime Pay	10,000		10,000		10,000
1513	189		Staff Wages	146,101	2,911	149,012		149,012
1514	201		Social Security	14,694	248	14,942		14,942
1515	204		State Retirement	13,948	221	14,169		14,169
1516	206		Life Insurance	967		967		967
1517	207		Medical Insurance	36,733		36,733		36,733
1518	208		Dental Insurance	1,758		1,758		1,758
1519	212		Employer Medicare	3,436	59	3,495		3,495
1520	307		Communication	2,100		2,100		2,100
1521	307-WIRE		Communication	2,066	534	2,600		2,600
1522	320		Dues and Memberships	50		50		50
1523	330		Operating Lease Payments	800		800		800
1524	333		Licenses	220		220		220
1525	338		Maintenance and Repair - Vehicles	1,500	1,600	3,100	4,000	7,100
1526	340		Medical & Dental Services (Vaccinations for employe	1,000	300	1,300		1,300
1527	348		Postal Charges	200		200		200
1528	349		Printing, Stationery & Forms	1,327		1,327		1,327
1529	349 PETS		Printing, Stationery & Forms	1,000		1,000		1,000
1530	355		Travel	2,000		2,000		2,000
1531	355-PETS		Travel - PetsMart	1,000	5,000	6,000		6,000
1532	357		Veterinary Services	29,754		29,754		29,754
1533	357-ASHLTR		Veterinary Services	500		500		500
1534	359		Disposal Fees	100	210	310		310
1535	399		Other Contracted Services	1,000		1,000		1,000

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

1	A	B	C	D	E	F	G	H
2	General Fund 101							
3	Account Number		3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
4				Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
1536	401		Animal Food & Supplies	28,000	(800)	27,200	1,000	28,200
1537	401 ASHLT		Animal Food & Supplies	15,000	(1,500)	13,500	(5,000)	8,500
1538	401 BQUST		Animal Food & Supplies	22,600		22,600		22,600
1539	401-LADDS		Animal Food & Supplies	3,000	500	3,500		3,500
1540	401-PETSM		Animal Food & Supplies	5,000		5,000		5,000
1541	401-TEST		Animal Food & Supplies	6,500		6,500		6,500
1542	410		Custodial Supplies	5,000		5,000		5,000
1543	414		Duplicating Supplies	269		269		269
1544	425		Gasoline	8,000		8,000		8,000
1545	435		Office Supplies	1,500		1,500		1,500
1546	450		Tires	2,000		2,000		2,000
1547	451		Uniforms	1,500		1,500		1,500
1548	452		Utilities	9,000		9,000		9,000
1549	499		Other Supplies & Materials	1,500		1,500		1,500
1550	509		Refunds	80		80		80
1551	513		Workers' Comp Insurance	4,561	(865)	3,696		3,696
1552	524		In Service/Staff Development	1,000		1,000		1,000
1553	718		Vehicles			0		0
1554	719		Office Equipment		754	754		754
1555	791 CATRM				2,900	2,900		2,900
1556	790 ANIMA		Other Equipment	500		500		500
1557								
1558			Total Animal Control	467,261	14,064	481,325	0	481,325

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			General Fund 101					
2			3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Account Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1612								
1613	56300		Senior Citizens Assistance					
1614	105		Supervisor/Director	42,824	1,070	43,894		43,894
1615	161		Office on Aging Director	25,501	645	26,146		26,146
1616	189		Other Salaries and Wages	61,610	1,581	63,191		63,191
1617	201		Social Security	8,056	204	8,260		8,260
1618	204		Retirement	8,719	221	8,940		8,940
1619	206		Life Insurance	680		680		680
1620	206-RET-LIF		Life Insurance - Retirees	392		392		392
1621	207		Medical Insurance	38,311		38,311		38,311
1622	207-RET-MED		Medical Insurance - Retirees	6,682		6,682		6,682
1623	207-SRHTH		Medical Insurance - Sr. Health	6,422		6,422		6,422
1624	208		Dental Insurance	2,406		2,406		2,406
1625	208-RET-DEN		Dental Insurance-Retirees	648		648		648
1626	212		Employer Medicare	1,884	48	1,932		1,932
1627	307		Communication	4,833		4,833		4,833
1628	316-FDBOX		Contributions - Food Box Program	0	4,013	4,013		4,013
1629	330		Operating Lease Payments (Copier)	2,200		2,200		2,200
1630	333		Licenses	2,000		2,000		2,000
1631	336		Maintenance and Repair Services-Equipment	1,637		1,637		1,637
1632	338		Vehicle Maintenance	3,000		3,000		3,000
1633	348		Postal Charges	900		900		900
1634	349		Printing, Stationery, and Forms	2,500		2,500		2,500
1635	355		Travel	900		900		900
1636	399		Other Contracted Services	5,500		5,500		5,500
1637	410		Custodial Supplies	900		900		900
1638	414		Duplicating Supplies	200		200		200
1639	422 LUNCH		Food Supplies	8,000		8,000		8,000
1640	425		Gasoline	4,500		4,500		4,500
1641	435		Office Supplies	1,350		1,350	(20)	1,330
1642	450		Tires & Tubes	1,000		1,000		1,000
1643	452		Utilities	15,000		15,000		15,000
1644	499		Other Supplies and Materials	600		600		600
1645	513		Workers' Comp Insurance	3,649	(1,185)	2,464		2,464
1646	599		Other Charges	1,500		1,500		1,500
1647	599-SRCTZ		Other Charges			0		0
1648	735		Health Equipment	0		0	20	20
1649	719		Office Equipment	0		0		0
1650						0		0
1651			Total Senior Citizens Assistance	264,304	6,597	270,901	0	270,901
1652								
1653	56700		Parks and Fair Boards	0				
1654	316		Contributions	0				
1655				0				
1656								
1657	Total Social, Cultural, and Recreational Services			264,304	6,597	270,901	0	270,901

Loudon County
County General Fund 101
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1	General Fund 101							
2	Account Number		3/15/2021 12:54	2020-2021	2020-2021	Approved	Proposed	Proposed
3				Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
1830								
1831	Estimated June 30, 2020 FB			8,494,401				
1832	Less Restricted, Committed & Assigned Items			1,107,430				
1833	Estimated Available Fund Balance July 1, 2019			7,386,971		7,386,971		7,386,971
1834								
1835								
1836								
1837								
1838								
1839	Total Revenue			19,689,385	756,356	20,445,741	0	20,445,741
1840	Transfers In			0	3,885	3,885	0	3,885
1841								
1842	Total Revenue and Transfers In			19,689,385	760,241	20,449,626	0	20,449,626
1843								
1844								
1845								
1846	Total Available Funds			27,076,356	760,241	27,836,597	0	27,836,597
1847								
1848	Expenditure Budget			21,260,100	602,401	21,862,501	0	21,862,501
1849	Transfers Out			0	0	0	0	0
1850								
1851	Budget Effect (Revenue - Expense)			(1,570,715)		(1,412,875)		(1,412,875)
1852								
1853	Total Expenditures and Transfer Out			21,260,100	602,401	21,862,501	0	21,862,501
1854								
1855	Ending Fund Balance			5,816,256	157,840	5,974,096	0	5,974,096
1856								
1857								
1858								

Loudon County Commission

Budget Amendments
Public Libraries Fund 115

Loudon County
Public Library Fund 115
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			Public Library Fund 115					
2			3/24/21 9:02 PM	2020-2021	2020-2021	Approved		Proposed
3				Adopted	Approved	Amended	Proposed	Amended
4				Budget	Amendments	Budget	Amendments	Budget
94			Subfund LEN - Lenoir City Library					
95			REVENUES					
96	43000		Charges for Current Services					
97	43350		Copy Fees	1,000		1,000		1,000
98	43360		Library Fees	500		500		500
99	44130		Sale of Materials & Supplies			0		0
100	44570		Contributions & Gifts	150		150		150
101						0		0
102			Total Charges for Current Services	1,650	0	1,650	0	1,650
103								
104	48000		Other Governments and Citizens Groups					
105	48130		Contr from Gov'ts (Library Board)	10,000		10,000		10,000
106	47301-CARES		COVID-19 Grant	0	1,700	1,700		1,700
107	48610-PETTW		Donations from Citizens Groups	3,000	(3,000)	0		0
108			Total Other Governments and Citizens Groups	13,000	(1,300)	11,700	0	11,700
109								
110			Total Revenues	14,650	(1,300)	13,350	0	13,350
111								
112			EXPENDITURES					
113	56000		Social, Cultural, and Recreational Services					
114	56500		Libraries					
115	307		Communications (\$100 per month)	2,000		2,000		2,000
116	307		Communications (Balance of CARES Grant)	0	1,815	1,815		1,815
117	307-CARES		Communications - CARES Grant	0	1,700	1,700		1,700
118	330		Operating Lease Payments	1,250	500	1,750		1,750
119	348		Postal Charges	200		200		200
120	349		Printing - Library Cards & Applications	200		200		200
121	399		Other Contracted Services	50		50		50
122	414		Duplicating Supplies	0	200	200		200
123	423		Story Time (Food Supplies)	200		200		200
124	432		Library Books	5,500	8,750	14,250	300	14,550
125	432-PETTW		Library Books/Media - Pettway Grant	3,000	(3,000)	0		0
126	432-AUDIO		Audios and Videos			0		0
127	435		Office Supplies	1,000		1,000		1,000
128	437		Periodicals	600		600		600
129	499		Other Supplies & Materials	150	500	650		650
130	719		Office Equipment	500		500		500
131			Total Libraries	14,650	10,465	25,115	300	25,415
132								
133			Total Expenditures	14,650	10,465	25,115	300	25,415
134								
135			Est Beginning Fund Balance July 1, 2020- Includes Cash on Hand	72,074		72,074		72,074
136			Less Cash on Hand	(50)				
137			Less PY Encumbrance	(177)				
138			Total Revenue	14,650	(1,300)	13,350	0	13,350
139			Total Expenditures	14,650	10,465	25,115	300	25,415
140								
141			Effect on Fund Balance	0	(11,765)	(11,765)	(300)	(12,065)
142								
143			ESTIMATED ENDING FUND BALANCE SUBFUND LEN	71,847	(11,765)	60,309	(300)	60,009

Loudon County
Public Library Fund 115
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			Public Library Fund 115					
2			3/24/21 9:02 PM	2020-2021	2020-2021	Approved		Proposed
3				Adopted	Approved	Amended	Proposed	Amended
4				Budget	Amendments	Budget	Amendments	Budget
144			Subfund LOU - Loudon Public Library					
145			REVENUES					
146		43000	Charges for Current Services					
147		43350	Copy Fees	2,500		2,500		2,500
148		43360	Library Fees	2,600		2,600		2,600
149			Total Charges for Current Services	5,100	0	5,100	0	5,100
150								
151		44000	Other Local Revenues					
152		44130	Sale of Materials & Supplies	250		250		250
153		44570	Contributions & Gifts	225		225		225
154			Total Other Local Revenues	475	0	475	0	475
155								
156		47100	Federal through State					
157	47301-CARES		COVID-19 Grant	0		0	255	255
158	47590-TECH		Other Federal through State Revenues	500		500	640	1,140
159			Total State of Tennessee	500	0	500	895	1,395
160								
161		48000	Other Governments and Citizens Groups					
162		48130	Contributions from Governments (From Library Board)	9,550		9,550		9,550
163	48610-PETTW		Contributions from Citizens Groups (Pettway Grant)	2,500	(2,500)	0		0
164		48610	Donations from Citizens Groups (Rotary Club)	200		200		200
165			Total Other Governments and Citizens Groups	12,250	(2,500)	9,750	0	9,750
166								
167			Total Revenues	18,325	(2,500)	15,825	895	16,720
168								

Loudon County
Public Library Fund 115
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			Public Library Fund 115					
2			3/24/21 9:02 PM	2020-2021	2020-2021	Approved		Proposed
3				Adopted	Approved	Amended	Proposed	Amended
4				Budget	Amendments	Budget	Amendments	Budget
169	EXPENDITURES							
170	56000		Social, Cultural, and Recreational Services					
171	56500		Libraries					
172	307		Communications	850		850	0	850
173	330		Operating Lease Payments	0	1,200	1,200		1,200
174	333		Licenses (Software)	725		725		725
175	334		Maintenance Agreement	1,200		1,200		1,200
176	348		Postal Charges	50		50		50
177	349		Printing	350		350		350
178	399		Other Contracted Services	400		400		400
179	399 CARES		Other Contracted Services - CARES Grant	0		0	255	255
180	410		Custodial Supplies	300		300		300
181	414		Duplicating Supplies	0	200	200		200
182	432		Library Books	6,300		6,300		6,300
183	432 AUDIO		Library Books	3,500	(1,536)	1,964	(1,130)	834
184	432-DIGIT		Library Books	750	(750)	0		0
185	432-PETT		Library Books - Pettway Grant	2,500	(2,500)	0		0
186	435		Office Supplies	1,250	750	2,000		2,000
187	437		Periodicals	200		200		200
188	499		Other Supplies & Materials	1,200		1,200		1,200
189	499-FY20		Other Supplies & Materials	0	36	36		36
190	599		Other Charges	0	100	100		100
191	711		Furniture and Fixtures	750		750		750
192	719-TECH		Office Equipment	0		0	1,140	1,140
193	719		Office Equipment	500		500	1,130	1,630
194			Total Libraries	20,825	(2,500)	18,325	1,395	19,720
195								
196			Total Expenditures	20,825	(2,500)	18,325	1,395	19,720
197								
198			Est Beginning Fund Balance July 1, 2020- Includes Cash on Hand	17,815		17,815		17,815
199			Less PY Encumbrance					
200			Less Cash on Hand	(50)				
201			Total Revenue	18,325	(2,500)	15,825	895	16,720
202			Total Expenditures	20,825	(2,500)	18,325	1,395	19,720
203			Effect on Fund Balance	(2,500)	0	(2,500)	(500)	(3,000)
204								
205			ESTIMATED ENDING FUND BALANCE SUBFUND LOU	15,265	0	15,265	(500)	14,765

Loudon County
Public Library Fund 115
Fiscal Year Ending June 30, 2021

	A	C	D	E	F	G	H
1		Public Library Fund 115					
2		3/24/21 9:02 PM	2020-2021	2020-2021	Approved		Proposed
3			Adopted	Approved	Amended	Proposed	Amended
4			Budget	Amendments	Budget	Amendments	Budget
400							
401							
402		TOTAL REVENUE & TRANSFERS IN	379,399	(5,505)	373,894	895	374,789
403							
404		TOTAL EXPENDITURES	356,206	7,965	364,171	1,695	365,866
405							
406		EFFECT ON FUND BALANCE	23,193				8,923
407							
408		EST BEGINNING FUND BALANCE 7/1/20	357,737		357,560		357,560
409		Less Cash on Hand and PY Encumbrances	(177)				
410							
411		Available Fund Balance 7/1/2018	357,560				
412							
413		ESTIMATED ENDING FUND BALANCE	380,753		367,283		366,483
414							
415							
416							
417							
418							
419							
420							
421							
422							

Loudon County Commission

Budget Amendments
Highway Department Fund 131

Loudon County
Highway Fund 131
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			Highway Dept 131					
2	Account		3/15/2021 12:59	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
96								
97								
98								
99								
100								
101								
102	48000		Other Governments & Citizens Groups					
103	48140-PHIL		Contracted Services	0		0		0
104								
105								
106			Total Other Governments & Citizens G	0	0	0	0	0
107								
108								
109								
110	49000		Other Sources					
111	49700		Insurance Recovery	0		0		0
112	49600-TRADE		Proceeds from Sale of Capital Assets			0	92,000	92,000
113	49600-TRADE		Proceeds from Sale of Capital Assets			0	190,000	190,000
114								
115			Total Other Sources	0	0	0	282,000	282,000
116								
117	Total Revenues			4,787,225	(2,400)	4,784,825	282,000	5,066,825
118								

**Loudon County
Highway Fund 131
Fiscal Year Ending June 30, 2021**

	A	B	C	D	E	F	G	H
1			Highway Dept 131					
2	Account		3/15/2021 12:59	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
235	68000		Capital Outlay					
236	321-BMILK		Engineering Services			0		0
237	321-STBGP		Engineering Services	162,400	(138,400)	24,000		24,000
238	332-BMILK		Evaluation and Testing	350		350		350
239	339		Matching Share- Add'l for STBGP	6,578		6,578		6,578
240	339-BRIDG		Matching Share	3,515		3,515		3,515
241	339-STBGP		Matching Share	5,232	(692)	4,540		4,540
242	339-STAID		Matching Share	6,135		6,135		6,135
243	404-BMILK		Asphalt - Hot Mix			0		0
244	404-STBGP		Asphalt - Hot Mix	777,218		777,218		777,218
245	409		Crushed Stone	3,000		3,000		3,000
246	705		Bridge Construction	410,000		410,000		410,000
247	706		Building Construction					
248	790		Other Equipment (Plotter)			0		0
249	711		Furniture & Fixtures			0		0
250	714		Highway Equipment	100,000		100,000		100,000
251	717		Maintenance Equipment			0		0
252	718		Motor Vehicles	107,117		107,117	(107,117)	0
253	718-TRADE		Motor Vehicles			0	104,412	104,412
254	718-TRADE		Motor Vehicles			0	194,391	194,391
255	726		State Aid Projects - Add'l for STBGP	328,927		328,927		328,927
256	726-STAID		State Aid Projects	266,658		266,658		266,658
257	726-STBGP		State Aid Projects	229,673	(33,908)	195,765		195,765
258								
259			Total Capital Outlay	2,406,803	(173,000)	2,233,803	191,686	2,425,489
260								
261	TOTAL HIGHWAYS			4,936,359	(162,389)	4,773,970	191,686	4,965,656
262								
263								
264								
265								

Loudon County
Highway Fund 131
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H
1			Highway Dept 131					
2	Account		3/15/2021 12:59	2020-2021	2020-2021	Approved	Proposed	Proposed
3	Number			Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
4								
297	Estimated Total FB June 30, 2020			1,090,380				
298	Less Encumbrances			517,671				
299	Estimated Available Restricted Fund Balance July 1, 2020			572,709		572,709		572,709
300								
301								
302								
303								
304	Total Revenue			4,787,225	(2,400)	4,784,825	282,000	5,066,825
305								
306								
307	Total Available Funds			5,359,934	(2,400)	5,357,534	282,000	5,639,534
308								
309	Expenditure Budget			4,936,359	(162,389)	4,773,970	191,686	4,965,656
310								
311	Total Expenditures and Transfer Out			4,936,359	(162,389)	4,773,970	191,686	4,965,656
312								
313	Estimated Ending Fund Balance			423,575	159,989	583,564	90,314	673,878
314								
315								

Loudon County Commission

Budget Amendments
General Capital Projects Fund 171

LOUDON COUNTY
General Capital Projects Fund 171
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1											
2					03/15/21						
3					3/15/21 6:09 PM						
4							2020-2021	2020-2021	Approved	Proposed	Proposed
5							Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
6					<u>SUBFUND 021</u>						
7					REVENUE						
8					4000 Local Taxes				0		0
9					40110 Current Property Taxes				0		0
10					40120 Trustee's Pr Yr		2,200		2,200		2,200
11					40125 Trustee's Collections-Bankruptcy		100		100		100
12					40130 Clerk and Master's Pr Yr		4,600		4,600		4,600
13					40140 Interest and Penalty		500		500		500
14					40210 Local Option Sales Tax		178,640		178,640		178,640
15					40320 Bank Excise Tax		221		221		221
16					Total Local Revenue		186,261	0	186,261	0	186,261
17											
18											
19											
20					CASH TRANSFERS IN FROM OTHER SUBFUNDS						
21					Transfer in from Subfund 019		0		0		0
22					Transfer in from Subfund BAL				0		0
23											
24					Total Transfers		0	0	0	0	0
25											
26											
27					49000 Other Sources (Non-Revenue)						
28					49100 Bonds Issued				0		0
29					Total Other Non-Revenue Sources		0	0	0	0	0
30											
31											
32											
33					TOTAL SUBFUND 021 REVENUE		186,261	0	186,261	0	186,261
34											

LOUDON COUNTY
General Capital Projects Fund 171
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1											
2					03/15/21						
3					3/15/21 6:09 PM						
4							2020-2021	2020-2021	Approved	Proposed	Proposed
5							Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
35	EXPENDITURES										
36		58900	Miscellaneous								
37			510	Trustee's Commission							
38				Total Miscellaneous Expenditures							
39						0	0				0
40		91110	General Administration Projects								
41			510	Trustee's Commission							
42			335	MAINT Building Maintenance (Gutters for Sr. Center)							
43			399	Other Contracted Services (Survey at GB Recycling Cntr)							
44			718	Vehicles - Trade In Program							
45			718	Vehicles - Purchase							
46			719	Office Equipment (Laptop & TV @ Annex)							
47			719	IT Office Equipment							
48			732	LUTTR Building Purchases (Metal Building - Luttrell)							
49			791	COBLDG Other Construction							
50				Total General Adm Projects							
51						56,324	42,360	98,684	8,000		106,684
52		91130	Public Safety Projects								
53			708	SHERF Communication Equipment							
54			718	EMA Vehicles							
55			718	SHERF Vehicles							
56											
57				Total Public Safety Projects							
58						0	30,724	30,724	0		30,724
59		91140	Public Health and Welfare								
60			711	SRCNTR Ot Furniture & Fixtures							
61											
62											
63				Total Health and Welfare Projects							
64						0	0	0	0		0
65		91150	Social, Cultural & Recreation Projects								
66			708	SRCTR Communication Equipment (Security cameras at Sr Cntr)							
67						4,000		4,000			4,000
68				Total Agriculture & Natural Resources Projects							
69						4,000		4,000			4,000
70		91120	Administration of Justice Projects								
71			711	SESSN Furniture							
72				Total Adm of Justice Projects							
						0	0	0	0		0

Survey at Greenback
Recycling Center
[15Mar_05Apr2021]

Purchase of
vehicle for
Maintenance
Dept

LOUDON COUNTY
General Capital Projects Fund 171
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1											
2					03/15/21						
3					3/15/21 6:09 PM		2020-2021	2020-2021	Approved	Proposed	Proposed
4							Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
73											
74											
75		91190			Other General Government Projects						
76		316	HROAD		Contributions				0		0
77					Total Other General Government Projects		0	0	0	0	0
78											
79											
80											
81		91200			Highway & Street Capital Projects						
82		399			Other Contracted Services				0		0
83		404			Hot Mix				0		0
84		718			Motor Vehicles				0		0
85		790			Other Equipment				0		0
86					Total Highway and Street Capital Projects		0	0	0	0	0
87											
88											
89											
90					TOTAL SUBFUND 021 EXPENDITURES		60,324	73,084	133,408	8,000	141,408
91											
92					TOTAL SUBFUND 021 EXPENDITURES		60,324	73,084	133,408	8,000	141,408
93											
94											
95											
96		SUBFUND 021 SUMMARY:									
97					Beginning Balance July 1, 2020		0				
98											
99					Plus FY 20-21 Revenue PLUS Cash from Other SFs		186,261	0	186,261	0	186,261
100											
101					Less FY 20-21 Expenditures		60,324	73,084	133,408	8,000	141,408
102											
103					Revenue/Expense Effect		125,937	(73,084)	52,853	(8,000)	44,853
104											
105											
106					FY 20-21 Cash transfer In from Subfund 019				0	0	0
107					FY 20-21 Cash transfer In from Subfund BAL				0		0
108											
109					Estimated June 30 2021 Subfund 021 Balance		125,937	(73,084)	52,853	(8,000)	44,853
110											

LOUDON COUNTY
General Capital Projects Fund 171
Fiscal Year Ending June 30, 2021

	A	B	C	D	E	F	G	H	I	J	K
1											
2					03/15/21						
3					3/15/21 6:09 PM		2020-2021	2020-2021	Approved	Proposed	Proposed
4							Org Bgt	Amds	Amded Bgt	Amds	Amded Budget
640											
641					TOTAL REVENUE		1,100,184	355,473	1,455,657	0	1,455,657
642											
643											
644					TOTAL EXPENDITURE/TRFS		1,061,567	1,728,007	2,789,574	8,000	2,797,574
645					TOTAL TRANSFERS OUT		0		0		0
646											
647					Effect on Fund Balance		38,617	(1,372,534)		(8,000)	
648											
649											
650											
651					BEGINNING FUND BALANCE		4,755,089				
652					Less PY Encumbrances		(878,273)				
653					Available Beg Fund Balance July 1, 2020		3,876,816				
654											
655											
656					ENDING FUND BALANCE		3,915,433	(1,372,534)	2,542,899	(8,000)	2,534,899
657											
658											
659											
660					Formula - Beginning Balances (matches total FB per YE)		4,755,087				
661											
662											
663					Formula - Ending Balances		3,915,432				

Loudon County Commission

**Statutory Bond -
Tracy Blair**



SURETY'S BOND NO. 69871793 STATE OF TENNESSEE
 COUNTY OF Loudon
 OFFICIAL STATUTORY BOND
 FOR
 COUNTY PUBLIC OFFICIALS
 OFFICE OF Budget Director

KNOW ALL MEN BY THESE PRESENTS:

That Tracy Blair
 of Loudon (City or Town), County of Loudon
 Tennessee, as Principal, and WESTERN SURETY COMPANY

as Surety, are held and firmly bound unto THE STATE OF TENNESSEE in the full amount of
One Hundred Thousand and 00/100 Dollars (\$ 100,000.00)
 lawful money of the United States of America for the full and prompt payment whereof we bind ourselves, our representatives,
 successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

WHEREAS, The said Principal was duly _____ elected appointed to the office of Budget Director
 of and for Loudon County for the 1 year term beginning on the 9th day of
March, 2021 and ending on the 9th day of March, 2022.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH:

That if the said Tracy Blair, Principal, shall:

1. Faithfully perform the duties of the office of Budget Director of Loudon County during such person's term of office or his continuance therein; and,
2. Pay over to the persons authorized by law to receive them, all moneys, properties, or things of value that may come into such Principal's hands during such Principal's term of office or continuance therein without fraud or delay, and shall faithfully and safely keep all records required in such Principal's official capacity, and at the expiration of the term, or in case of resignation or removal from office, shall turn over to the successor all records and property which have come into such Principal's hands, then this obligation shall be null and void; otherwise to remain in full force and effect.

WITNESS our hands and seals this 10th day of December, 2020.

WITNESS — ATTEST

 COUNTERSIGNED BY:
NOT NEEDED
 Tennessee Resident Agent

PRINCIPAL:
Tracy Blair
 SURETY: WESTERN SURETY COMPANY
 by: Paul T. Bruflat
Paul T. Bruflat, Vice President
 (Attach evidence of authority to execute bond)

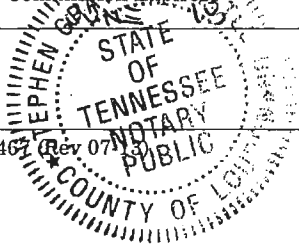
ACKNOWLEDGEMENT OF PRINCIPAL

STATE OF TENNESSEE
 COUNTY OF Loudon

Before me, a Notary Public, of the State and County aforesaid, personally appeared TRACY BLAIR,
 to me known (or proved to me on the basis of satisfactory evidence) to be the individual described in the foregoing bond as
 Principal, and who, upon oath acknowledged that such individual executed the foregoing bond as such individual's free act and
 deed.

WITNESS my hand and seal this 17 day of FEBRUARY, 2021
 My Commission Expires 2023

 Notary Public



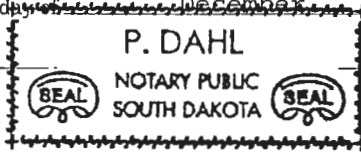
(over)

ACKNOWLEDGEMENT OF SURETY

STATE OF South Dakota
COUNTY OF Minnehaha

Before me, a Notary Public, of the State and County aforesaid, personally appeared Paul T. Bruflat with whom I am personally acquainted and, who, upon oath, acknowledged himself/herself to be the individual who executed the foregoing bond on behalf of WESTERN SURETY COMPANY, the within named Surety, a corporation duly licensed to do business in the State of Tennessee, and that he/she as such individual being authorized so to do, executed the foregoing bond on behalf of the Surety, by signing the name of the corporation by himself/herself as such individual.

WITNESS my hand and seal this 10th day of December, 2020
My Commission Expires: June 18, 2025



P. Dahl
Notary Public

APPROVAL AND CERTIFICATION

SECTION I. (Applicable to all County Officials except Clerks of all Courts)

Bond and Sureties approved by Buddy Bradshaw County Executive/Mayor
of LOUDON County, on this 17 day of FEBRUARY, 2021

Signed:

Buddy Bradshaw
County Executive/Mayor

CERTIFICATION:

I, _____, County Clerk of _____ County, hereby certify that the foregoing bond was approved by the Legislative Body of said county, in open session on the _____ day of _____, _____, and entered upon the minutes thereof.

Signed:

County Clerk

SECTION II. (Applicable to all Clerks of all Courts)

CERTIFICATION:

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof and that the same has been entered upon the minutes of said court.

Signed:

Judge of the _____ Court of and for said County on this _____ day of _____, _____.

SECTION III. (Applicable to all County Officials' Bonds)
FOR USE BY REGISTER OF DEEDS

SECTION IV. (Applicable to all County Officials Bonds)

ENDORSEMENT:

Filed with the Office of the County Clerk, County of _____, this _____ day of _____, _____

Signed:

County Clerk

Form Prescribed by the Comptroller of the Treasury, State of Tennessee
Form Approved by the Attorney General, State of Tennessee

WESTERN SURETY COMPANY
101 S. Reid St., Ste. 300
Sioux Falls, SD 57103-7046
800-331-6053

Western Surety Company

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That WESTERN SURETY COMPANY, a corporation organized and existing under the laws of the State of South Dakota, and authorized and licensed to do business in the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the United States of America, does hereby make, constitute and appoint

Paul T. Bruflat of Sioux Falls,
State of South Dakota, its regularly elected Vice President,
as Attorney-in-Fact, with full power and authority hereby conferred upon him to sign, execute, acknowledge and deliver for and on its behalf as Surety and as its act and deed, the following bond:

One Budget Director County of Loudon

bond with bond number 69871793

for Tracy Blair

as Principal in the penalty amount not to exceed: \$100,000.00.

Western Surety Company further certifies that the following is a true and exact copy of Section 7 of the by-laws of Western Surety Company duly adopted and now in force, to-wit:

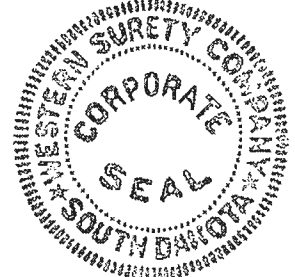
Section 7. All bonds, policies, undertakings, Powers of Attorney, or other obligations of the corporation shall be executed in the corporate name of the Company by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys-in-Fact or agents who shall have authority to issue bonds, policies, or undertakings in the name of the Company. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the corporation. The signature of any such officer and the corporate seal may be printed by facsimile.

In Witness Whereof, the said WESTERN SURETY COMPANY has caused these presents to be executed by its Vice President with the corporate seal affixed this 10th day of December, 2020.

ATTEST

A. Viator
A. Viator, Assistant Secretary

WESTERN SURETY COMPANY
By Paul T. Bruflat
Paul T. Bruflat, Vice President



STATE OF SOUTH DAKOTA }
COUNTY OF MINNEHAHA } ss

On this 10th day of December, 2020, before me, a Notary Public, personally appeared Paul T. Bruflat and A. Viator

who, being by me duly sworn, acknowledged that they signed the above Power of Attorney as Vice President and Assistant Secretary, respectively, of the said WESTERN SURETY COMPANY, and acknowledged said instrument to be the voluntary act and deed of said Corporation.



P. Dahl
Notary Public
My Commission Expires June 18, 2025



Loudon County Commission

Bonds and Notaries

Loudon County Clerk

Carrie McKelvey

101 Mulberry Street Ste 200

Loudon, Tennessee 37774

Notaries to be elected April 05, 2021

Darlene Alexander

Cinda G. Bivens

Cassie Boring

Karen J. Churchwell

Cindy Cornelius

Melanie Crowder

Janet Jones

Dana L. Kelley

Debbie Kirpec

Dawn Mackey- Wilson

Michael W. McBroon

Allison H. McConkey

Clarence W. Minor

Tina Parris

Joel E. Pearman

Adam Strachn

Ashley N. Vandyke

Rebecca Wallace