

Be it remembered that the Quarterly County Court of Loudon County Tennessee met in regular session on Monday, July 10, 1978 at 7:00 p.m. with the Honorable William H. Russell, County Judge presiding, and Addie Ruth Clarke, Deputy Clerk of said Court was present. Whereupon, Chief Deputy Sheriff Luke Bright opened Court, led the Pledge of Allegiance to the Flag and called upon the Reverend Myers who gave the invocation.

The following Squires were present:

J. J. Blair	Roy Bledsoe
I. D. Conner	Boyd Duckworth
J. G. Hudson	Terry Vann
R. P. Hamilton	Jim Hartsook
Curtis Williams	

APPROVAL OF MINUTES

The minutes of the June 12, 1978 meeting of Court were approved as read upon motion of Squire Hudson and seconded by Squire Blair.

PUBLIC HEARING ON
TAX RATE

Judge Russell declared the Court open for public hearing on the proposed 1978-79 county budget. After a lengthy discussion concerning the need to reduce taxes and operate the county departments more efficiently, it was moved by Squire Conner and seconded by Squire Blair to hold a special session of the County Court before the August 3 election to set the 1978-79 tax rate. Upon voice vote the Court declared the vote failed because of lack of majority vote. Squire Conner asked that there be a roll call vote. The vote was as follows:

YES	NO
Blair	Vann
Hartsook	Hudson
Duckworth	Williams
Bledsoe	Hamilton
Conner	

The motion carried five to four to hold the special session of County Court on July 31, 1978 at 7:00 p.m.

COUNTY ROAD TO BE
COMPLETED

The Court recognized Rhonda Crattie who had a display of pictures of the road she lives on. She pointed out the road was now worse than before it was repaired by the county highway department. Lee Malone said he hoped to get back on the project and have it completed before he left office on September 1, 1978.

OVERLOOK MENTAL HEALTH
CENTER-DR. WILKINS

The Court recognized Dr. Wilkins of the Overlook Mental Health Center, who explained that there was a political move underway in Knoxville by the Helen Ross McNabb Center to get the territory

in that county from the overlook center. He asked Judge Russell and Court members for help in getting officials in Nashville to keep the makeup of the center territory in tact.

Dave Folz of the State Planning Office gave the general report of the June 15, 1978 meeting of the planning commission which is attached hereto as Exhibit H.

There was a request for rezoning Parcel 13, Map 18, second district from A-2, Rural Residential to R-1, Suburban Residential by Mr. Carl Lunce. Motion by Squire Hartsook and second by Squire Vann to accept the request. The vote was unanimous for approval. This being Resolution No. B, Exhibit 38-78

It was moved by Squire Duckworth and seconded by Squire Blair that the rezoning request for a 10 acre tract off Prospect Road, first and fourth district, be postponed until the next meeting. The vote was unanimous.

It was moved by Squire Vann and seconded by Squire Conner that the recommendation on the public acceptance of the Highland Hills Subdivision roads (Jones Drive, Avery Lane, North Avery Drive, South Avery Drive, and 172 feet of the east end of Leeper Parkway) made by Jim Hamilton be accepted if certain conditions are met and approved by Tom Davis, County Road Engineer. The vote was unanimous for approval.

The recommendation of the public acceptance of the TVA Sinking Creek Road project was postponed until next meeting.

The Court recognized Jack Henry, Building Commissioner who reported permits for 19 new homes and 2 mobile homes. Total money received was \$1,178.00 generating \$5,745.60 in new tax money. The new improved value is \$1,080,000.00

Squire Duckworth placed Charles Giles name in nomination for the position of school board member. Squire Blair placed Ted Randolph in nomination. The vote was as follows:

Giles) Randolph
Hudson	Blair
Williams	Hartsook
Hamilton	Vann
Conner	
Duckworth	

Charles Giles was elected to serve a seven year term starting July 1, 1978.

The purchasing committee report was presented and is attached hereto as Exhibit C.

Squire Hudson presented the name of E. R. Tarwater for bee inspector. It was moved by Squire Blair seconded by Squire Duckworth that he be elected. The vote was unanimous.

OR GRANT RESOLUTION

Squire Bledsoe made the motion that a resolution for a Bureau of Recreation grant for the Davis Ruritan Club be approved. Second was by Squire Duckworth. The vote was unanimous for approval and the resolution being attached hereto as Reslution No. 29-78, Exhibit D.

CORE DRILLING DELAYED

Squire Duckworth asked that the decision for one-third of the cost of core drilling on a landfill site be delayed until the next meeting.

ADDITIONAL LAND FOR
RESQUE SQUAD

The Court recognized Dan Ellis of the Loudon County Resque Squad who asked that an additional piece of land directly behind the Resque Suad Building, approximately one-half acre be given to the Squad. Squire Blair moved that the land be given to the Squad and seconded by Squire Hartsook the vote was unanimous for approval. Judge Russell was given authority to sign necessary deed.

HEALTH, EDUCATION,
FACILITIES BOARD
REAFFIRMED

The Court recognized Bland Winfey who asked the Court to reaffirm the election of the Health and Education Facilities Board of Loudon County It was moved by Squire Hamilton and seconded by Squire Hudson that the board be reaffirmed. The vote was unanimous.

WILBURN APPOINTED
TO HEALTH COUNCIL

It was moved by Squire Vann and seconded by Squire Williams that Jim Wilburn, III be reappointed to the Health Council. The vote was unanimous for approval.

HOSPITAL BOARD MEMBER
APPOINTED

It was moved by Squire Hudson and seconded by Squire Williams that Betty Carroll be appointed to the Hospital Board to fill the vacancy of Nola Elam's unexpired term. The vote was unanimous for approval.

LIBRARY BOARD
APPOINTED

Squire Bledsoe moved that the following persons be elected to the Library Board. Second was by Squire Hudson. Mabel Hodge, Betty Morton, Mrs. Johu Everett. The vote was unanimous for approval.

RESOLUTION AUTHORIZING
SALE OF BONDS

Squire Hamilton moved that a resolution for the sale of rural school bonds in the amount of \$900,000.00 be approved. Second was by Squire Hudson. There was a roll-call vote.

YES
Bledsoe
Duckworth
Vann
Williams
Hudson
Hamilton

NO
Blair
Conner
Hartsook

It is attached hereto as Resolution No. 40-78, Exhibit E.

Squire Hudson moved that a bond anticipation note be approved and was seconded by Squire Vann. There was a roll-call vote.

BOND ANTICIPATION
NOTE APPROVED

YES
Bledsoe
Duckworth
Vann
Williams
Hudson
Hamilton

NO
Blair
Conner
Hartsook

It is attached hereto as Resolution
No. 41-78, Exhibit 7.

ELECTION OF NOTARY
PUBLICS

Squire Hudson moved that the following Notary Publics be elected. Second was by Squire Hartsook.

Lagonda N. Norwood, Desmond T. Lomas,
John E. Parris, and Ronald H. Johnson.

ADJOURNMENT

There being no further business come before the Court, Court adjourned.

William H. Russell
COUNTY JUDGE

Edward Alexander
COUNTY COURT CLERK

M E M O R A N D U M

TO: Judge William H. Russell and Members of the Loudon
County Quarterly Court

FROM: David H. Folz, Staff Planner

DATE: July 10, 1978

SUBJECT: GENERAL REPORT - LOUDON COUNTY REGIONAL PLANNING
COMMISSION

The Loudon County Regional Planning Commission met in a regular session June 15, 1978, and considered the following:

1. Recommended to County Court that the F-1, Floodway District be amended in order to bring the county's Zoning Resolution into conformance with Section 1910.3 (d) of the Rules and Regulations of the National Flood Insurance Program. This amendment will qualify the county for participation in the regular phase of the National Flood Insurance Program. A public hearing on the amendment has been called for the August meeting of the Court.
2. Recommended that the TVA Sinking Creek Road project be publicly accepted.
3. Recommended that the roads in Highland Hills Subdivision be publicly accepted subject to the final inspection and approval by Mr. Tom Davis, County Road Engineer.
4. Heard Building Commissioner's Report, Road Engineer's Report, and Staff Report.

DHF/dkr

Exhibit A

RESOLUTION NO. 38-78

A RESOLUTION AMENDING THE ZONING MAP OF LOUDON COUNTY, TENNESSEE, PURSUANT TO CHAPTER FOUR, SECTION 13-405 OF THE TENNESSEE CODE ANNOTATED, TO REZONE PARCEL 13, MAP 18, FROM A-2, RURAL RESIDENTIAL TO R-1, SUBURBAN RESIDENTIAL.

WHEREAS, the Loudon County Quarterly Court, in accordance with Chapter Four, Section 13-405 of the Tennessee Code Annotated, may from time to time, amend the number, shape, boundary, area, or any regulation of or within any zoning resolution; and

WHEREAS, the Loudon County Regional Planning Commission has forwarded its recommendations regarding the amendment of the Zoning Map of Loudon County, Tennessee, and the necessary public hearing called for and held;

NOW THEREFORE, BE IT RESOLVED by the Loudon County Quarterly Court that the Zoning Map of Loudon County, Tennessee, be amended as follows:

1. That Parcel 13, Map 18, being a tract of land approximately 91 acres in area located in the 2nd Civil District, be rezoned from A-2, Rural Residential to R-1, Suburban Residential.

BE IT FINALLY RESOLVED, that this resolution shall take effect immediately, the public welfare requiring it.

DATE: _____

LOUDON COUNTY JUDGE

ATTEST: _____

E. L. B.

MINUTES--LOUDON COUNTY PURCHASING COMMITTEE

The Loudon County Purchasing Committee met June 6, June 13, and June 27, 1978, to open and award the following bids:

Bids on equipment for Loudon High and Greenback High Schools
Ag shops and office occupations class: Bid awarded as follows:

Beal Office Supply	\$576.00
Tennessee Mill & Mine	1094.00
Browning Belting and Supply	371.00
Holston Gases, Inc.	185.50
Tennessee Mill & Mine	1779.00
Automotive Electrical Corporation	56.13
Midwest Shop Supplies	389.50
Browning Belting & Supply	396.39
Tennessee Welding Supply	107.00
Paxton Patterson	616.75
Beal Office Machines	1016.00
IBM Business Products	745.00
A. B. Dick Products Co.	1948.18
Radio Shack	599.00
3M Product Sales	485.10

Bids on Gas, oil for the county: Bid awarded to Loudon Oil Company. No bids received from Hall Oil Company, Calloway Oil Co. and Trimble Oil Co.

Coal for the 1978-79 school year: Bid awarded to Loudon Feed, Grain and Coal at \$46.00 per ton. No bids received from Thompson Equipment Co., Brooks Coal Co., Tennessee Land & Resources, John Farmer Coal Sales and Thurman Coal & Feed Store.

Plexiglas for the board of education. Bid awarded to Advance Plastics.

Advance Plastics 1/4"	\$39.00	1/8"	24.00
Piedmont Plastics 1/4"	39.68	1/8"	24.96
Snap Vent, Inc. 1/4"	39.55	1/8"	25.14
Commercial Plastic 1/4"	40.00	1/8"	25.60
Plastic Industries 1/4"	92.80	1/8"	62.40

Printing for the county for 1978-79. Bid awarded to Casteel Printers of Loudon.

Casteel Printers	\$3,524.05
Quality Printers	3,847.50
Volunteer Printers	3,564.15

Exhibit C

Resolution 39-78

RESOLUTION TO APPLY FOR A GRANT FROM THE
HERITAGE CONSERVATION AND RECREATION SERVICE,
AND TO PROVIDE MATCHING FUNDS REQUIRED FOR
SUCH A GRANT, FOR THE PURPOSE OF DEVELOPING
A COUNTY PARK IN LOUDON COUNTY, TENNESSEE

Whereas, the Davis Community of the County of Loudon is
in need of a recreation park, and

Whereas, it is possible that the Heritage Conservation
and Recreation Service will provide grant funds under
the Land and Water Conservation Fund for the development
of a county park, and


Whereas, the financial condition of the County of Loudon,
Tennessee will permit a committment of matching funds for
said grant:

Now Therefore Be It Resolved by the Quarterly County
Court that the County of Loudon, Tennessee apply to the
Heritage Conservation and Recreation Service for a
grant in the Amount of Twenty Thousand Dollars (\$20,000),
which is 50% of the total project cost, and

Be It Further Resolved that the County of Loudon provide
the necessary matching funds or in-kind services,
amounting to 50% of the total project cost.

Resolution adopted July 10, 1978 by the vote of
the Quarterly County Court meeting in regular session.

Attest



County Judge



County Court Clerk

Exhibit D

STATE OF TENNESSEE)
COUNTY OF LOUDON)

Resolution 40 - 78

BE IT REMEMBERED that the Quarterly County Court of Loudon County, Tennessee, met in regular open session at the Courthouse in Loudon, Tennessee, at 7:00 o'clock P.M. on the 10th day of July, 1978.

There were present and presiding the Honorable WILLIAM H. RUSSELL, County Judge, also present EDWARD ALEXANDER, County Court Clerk, and the following Justices of the Peace, to-wit:

J.J. Blair	Curtis A. Williams
Terry G. Vann	I.D. Conner
J.G. Hudson	James Hartsook
Roy Bledsoe	Boyd Duckworth
R.P. Hamilton	

Absent: None

* * *

(Other Business)

The following "Rural School Bond Resolution" was introduced and read in full:

RESOLUTION authorizing the issuance and providing for the details of \$900,000 Rural School Bonds, Series 1978, of Loudon County, Tennessee, authorizing and directing the sale thereof, and levying taxes to pay principal and interest at maturity.

WHEREAS, by Sections 49-701 to 49-721, inclusive, of the Tennessee Code Annotated, as amended, counties of said state are authorized through their respective Quarterly County Courts to issue and sell bonds of said counties for school purposes; and

E. L. E.

WHEREAS, it appears that the educational requirements of Loudon County require the repair, furnishing and equipping of school buildings in and for said county; and

WHEREAS, since Loudon County has no funds available in its treasury for said purposes, but authority exists under the provisions of Sections 49-701 to 49-721, inclusive, of the Tennessee Code Annotated, as amended, for the issuance and sale of bonds of said county to provide the necessary funds therefor;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE QUARTERLY COUNTY COURT OF LOUDON COUNTY, TENNESSEE, AS FOLLOWS:

Section 1. That, for the purpose of providing funds in the amount of \$900,000 to repair, furnish, and equip school buildings in and for Loudon County, Tennessee, and pursuant to authority granted by Sections 49-701 to 49-721, inclusive, of the Tennessee Code Annotated, as amended, there are hereby authorized to be issued the negotiable Rural School Bonds of Loudon County, Tennessee, in the principal amount of \$900,000. Said bonds shall be designated "Rural School Bonds, Series 1978", shall be dated September 1, 1978, shall be in the denomination of \$5,000 each, and shall be numbered consecutively from 1 to 180, inclusive. Said bonds shall bear interest from the date thereof until paid at a rate not exceeding seven and one-half per cent (7-1/2%) per annum, to be determined at the time of sale thereof, payable on March 1, 1979, and semi-annually thereafter on September 1 and March 1 in each year, with interest falling due on and prior to the maturity of the bonds to be represented by appropriate interest coupons to be attached to said bonds. Both principal and interest on said bonds shall be payable in lawful money of the United States of America, without deduction for exchange or collection charges, at a bank in any of the four major cities in

Tennessee (Nashville, Memphis, Knoxville or Chattanooga) as designated by the purchaser(s) of the bonds and agreed upon by the County Judge. Said bonds shall mature on the first day of March in each year as follows:

<u>AMOUNT</u>	<u>MATURITY</u>	<u>BOND NUMBERS</u>
\$50,000	1980	1-10
50,000	1981	11-20
50,000	1982	21-30
50,000	1983	31-40
50,000	1984	41-50
50,000	1985	51-60
50,000	1986	61-70
50,000	1987	71-80
50,000	1988	81-90
50,000	1989	91-100
50,000	1990	101-110
50,000	1991	111-120
50,000	1992	121-130
50,000	1993	131-140
50,000	1994	141-150
75,000	1995	151-165
75,000	1996	166-180

Bonds maturing on and after March 1, 1989, shall be subject to redemption prior to maturity at the option of the county as a whole, or in part in inverse order of maturity and within any maturity by lot, on September 1, 1988, or on any interest payment date thereafter at the principal amount thereof, accrued interest to the date of redemption and a premium for each bond so redeemed in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
September 1, 1988 - March 1, 1990	\$150
September 1, 1990 - March 1, 1992	100
September 1, 1992 - March 1, 1994	50
September 1, 1994 and thereafter	None

Notice of intended redemption shall be given by publication of an appropriate notice one time in a financial newspaper or journal published in New York, New York, or Chicago, Illinois, and by registered mail to the bank or banks at which the bonds are payable, all such redemption notices shall be given not less than 30 days nor more than 180 days prior to the date fixed for redemption.

The bonds herein authorized shall be signed by the County Judge, with his facsimile signature, countersigned by the County Court Clerk, under the seal or a facsimile of the seal of his office, and the interest coupons to be attached shall be executed by said officials; provided, however, that said County Judge and said County Court Clerk may sign said coupons by their respective facsimile signatures.

Section 2. That said bonds and coupons shall be in substantially the following form:

(FORM OF BOND)

UNITED STATES OF AMERICA

STATE OF TENNESSEE

COUNTY OF LOUDON

RURAL SCHOOL BOND

SERIES 1978

No. _____

\$5,000

KNOW ALL MEN BY THESE PRESENTS: That the County of Loudon, in the State of Tennessee, hereby acknowledges itself to owe and for value received promises to pay to bearer the sum of FIVE THOUSAND DOLLARS (\$5,000) lawful money of the United States of America on the first day of March, 19__, with interest thereon at the rate of _____ per cent (_____%) per annum, payable March 1, 1979, and semi-annually thereafter on the first days of September and March of each year on presentation and surrender of the annexed interest coupons as they severally become due. Both principal hereof and interest hereon are hereby made payable without deduction for exchange or collection charges at _____, _____, Tennessee.

Bonds of the issue of which this bond is one maturing on and after March 1, 1989, shall be subject to redemption prior to maturity at the option of the county as a whole, or in part in inverse order or maturity and within any maturity by lot, on September 1, 1988, or on any interest payment date thereafter at the principal amount thereof, accrued interest to the date of redemption and a premium for each bond so redeemed in accordance with the following schedule:

<u>Date of Redemption</u>	<u>Amount of Premium</u>
September 1, 1988 - March 1, 1990	\$150
September 1, 1990 - March 1, 1992	100
September 1, 1992 - March 1, 1994	50
September 1, 1994 and thereafter	None

Notice of intended redemption shall be given by publication of an appropriate notice one time in a financial newspaper or journal published in New York, New York, or Chicago, Illinois, and by registered mail to the bank or banks at which the bonds are payable, all such redemption notices shall be given not less than 30 days nor more than 180 days prior to the date fixed for redemption.

This bond is one of a series of bonds of like date, numbered from 1 to 180, inclusive, aggregating the principal sum of \$900,000, issued by said county to repair, furnish, and equip school buildings in and for Loudon County, Tennessee. This bond is issued under and in pursuance of the Constitution and Statutes of the State of Tennessee, including Sections 49-701 to 49-721, inclusive, of the Tennessee Code Annotated, as amended, and in pursuance of due and proper proceedings had and taken by the Quarterly County Court of said county in regular session assembled on July 10, 1978.

AND IT IS HEREBY CERTIFIED AND RECITED, that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this bond, did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of said county, including this bond, does not exceed any constitutional or statutory limitations; and that provision has been made for the annual levy and collection of a direct tax on all taxable property within said county lying outside the corporate limits of the City of Lenoir City, Tennessee, for the purpose of paying interest hereon and creating a sinking fund for the payment of the principal hereof when the same shall fall due. Neither the principal of this bond nor the interest earned thereon shall be taxed by the State of Tennessee or by any county or municipality therein.

IN TESTIMONY WHEREOF, Loudon County, Tennessee, by its Quarterly County Court, has caused this bond to be signed by its County Judge, with his facsimile signature, countersigned by the Clerk of the County Court, under the facsimile seal of his office, and the coupons hereto attached to be signed by said County Judge and Clerk by their respective facsimile signatures, and said officials by the execution hereof, do adopt as and for their official signatures their respective facsimile signatures appearing on said bonds and coupons, all this first day of September, 1978.

(Facsimile Signature)
County Judge

Countersigned:

County Court Clerk

(FORM OF COUPON)

No. _____

\$ _____

ON THE FIRST DAY OF _____, 19__, the County of Loudon in the State of Tennessee will pay to bearer \$ _____ without deduction for exchange or collection charges at _____, Tennessee, for semi-annual interest due that day on its Rural School Bond, Series 1978, dated September 1, 1978, Numbered _____.

/S/ William H. Russell
County Judge

Countersigned:

/S/ Edward Alexander
County Court Clerk

Section 3. That for the purpose of paying interest on said bonds as the same become due, and to create a sinking fund with which to pay off said bonds at their maturity, there be and there is hereby levied in addition to all other taxes on all taxable property in said county lying outside the corporate limits of the City of Lenoir City, Tennessee, a direct annual tax in an amount sufficient for that purpose. That principal and interest due at any time when there be insufficient funds from the foregoing tax levy on hand shall be paid promptly from the current funds of said county, and reimbursement therefor shall be made out of the levy herein provided when the same shall have been collected.

Section 4. That said bonds shall be sold by the County Judge of Loudon County in whole or in part, at such time as he deems to be in the public interest, at not less than par and accrued interest, and at a public sale advertised thereof, in the manner required by law. Said bonds shall bear interest at the rate or rates specified in the bid or bids accepted therefor, but

at no greater interest rate than seven and one-half per cent (7-1/2%) per annum, and there shall be recorded in the minutes of this Court a certificate by the County Judge evidencing the bids received and the award of bonds.

Such action by the County Judge in the sale of said bonds and in fixing the interest rate or rates in accordance with the best bid or bids received and accepted at such sale or sales shall be conclusive and no further action shall be necessary on the part of this Court.

Section 5. That, following the sale of said bonds, the County Judge and County Court Clerk are hereby authorized and directed to execute and deliver said bonds to the purchaser(s) thereof upon payment therefor, and the proceeds from said bonds shall be turned over to the County Trustee and shall be kept separate and apart from all other funds and used only for the purpose for which said bonds are issued, provided, however, the necessary expenses in the issuance and sale of said bonds shall be paid out of the proceeds thereof.

Section 6. That the county hereby represents, certifies and covenants to and with the purchaser(s) of the bonds, and with the holders of the bonds from time to time, that on the basis of facts, estimates, and circumstances in existence on the date of the adoption hereof, and expected to be in existence on the date of the delivery of the bonds, it is not expected that the proceeds of the bonds will be used in any manner that would cause any of the bonds to be an "arbitrage bond" within the meaning of Section 103(c)(2) of the Internal Revenue Code of 1954, as amended, and the regulations promulgated under said Section; and that on or before the date of the delivery of the bonds the County Trustee of the county will issue a certification

to establish the reasonable expectations regarding the use of the proceeds of the bonds in the manner required by Section 1.103-13(a)(2) of the proposed regulations promulgated with respect to Section 103(c)(2) of the Internal Revenue Code of 1954, as amended.

Section 7. That all orders and resolutions heretofore adopted in conflict herewith are hereby repealed and set aside, and this resolution shall take effect from and after its passage.

Adopted and approved this 10th day of July, 1978.

/S/ William H. Russell
County Judge

Attest:

/S/ Edward Alexander
County Court Clerk

WHEREUPON it was moved by Justice R.P. Hamilton, and seconded by Justice J.G. Hudson, that the foregoing Rural School Bond Resolution be adopted. A roll call vote was taken and the following justices voted in favor of the adoption of said resolution:

Terry G. Vann
J.G. Hudson
Roy Bledsoe
R.P. Hamilton

Curtis A. Williams
Boyd Duckworth

Those opposed:

J.J. Blair
I.D. Conner
James Hartsook

IT WAS THEREUPON DECREED BY THE COUNTY JUDGE that said resolution has been duly adopted, and said County Court Clerk was ordered to spread same of record on the Minutes of the Court.

Upon motion duly made, seconded and unanimously carried,
the Court adjourned.

/S/ William H. Russell
County Judge

Countersigned:

/S/ Edward Alexander
County Court Clerk

STATE OF TENNESSEE)
) SS
COUNTY OF LOUDON)

I, EDWARD ALEXANDER, hereby certify that I am the duly qualified and acting County Court Clerk of Loudon County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of the regular meeting of the Quarterly County Court of Loudon County, Tennessee, held on July 10, 1978; 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 \$900,000 Rural School Bonds, Series 1978, of said county to be dated September 1, 1978.

Witness my official signature under the seal of Loudon County this 13 day of July, 1978.

Edward Alexander
County Court Clerk

(SEAL)

JCM/jo
06/29/78

STATE OF TENNESSEE)
COUNTY OF LOUDON)

Resolution 41-78

BE IT REMEMBERED that the Quarterly County Court of Loudon County, Tennessee, met in regular public session at the Courthouse in Loudon, Tennessee, at 7:00 o'clock P.M. on July 10, 1978.

There were present the Honorable WILLIAM H. RUSSELL, County Judge, also present EDWARD ALEXANDER, County Court Clerk, and the following Justices of the Peace, to-wit:

J.J. Blair
Terry G. Vann
J.G. Hudson
Roy Bledsoe
R.P. Hamilton

Curtis A. Williams
I.D. Conner
James Hartsook
Boyd Duckworth

Absent:

None

* * *

(Other Business)

The following resolution was thereupon introduced and read in full:

RESOLUTION authorizing the issuance and sale of not exceeding \$900,000 Rural School Bond Anticipation Notes and providing for the payment thereof.

WHEREAS this Quarterly County Court has authorized, pursuant to Sections 49-701 to 49-721, inclusive, of Tennessee Code Annotated, the issuance of \$900,000 Rural School Bonds, Series 1978 of Loudon County for school purposes as set forth in its Rural School Bond Resolution adopted July 10, 1978; and

Exhibit 7

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WHEREAS this Quarterly County Court anticipates the issuance of said school bonds during the next 12 months; and

WHEREAS it is now necessary to borrow money temporarily to meet current costs of school repair, furnishing and equipping and related school purposes; and

WHEREAS this county is authorized by Section 5-1032 of Tennessee Code Annotated to issue and sell interest bearing bond anticipation notes for all purposes for which general obligation bonds can be legally authorized and issued:

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED BY THE QUARTERLY COUNTY COURT OF LOUDON COUNTY, TENNESSEE, AS FOLLOWS:

Section 1. Authority. The notes herein authorized shall be issued pursuant to Section 5-1032 of Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Authorization and Terms of Notes. For the purpose of providing funds in anticipation of the issuance of general obligation bonds for school purposes by the County of Loudon there shall be issued the bond anticipation notes of said county in the principal amount of not exceeding \$900,000. Said notes shall be designated "Rural School Bond Anticipation Notes, Series 1978". Each note shall be dated as of the date of its issuance and delivery, shall be of such denomination as may be agreed upon by the County Judge and the purchaser of such note, and shall mature not later than two years after date. Said notes shall be numbered serially, beginning with the number one.

The principal of each note shall be subject to prepayment prior to maturity at the option of said county as a whole or in part on any date at the principal amount thereof and accrued interest to the date of prepayment. Not less than 15 days' notice of intended redemption of any note shall be given by registered mail to the original purchaser of such note.

Each note shall bear interest payable at maturity and semiannually thereafter on March 1 and September 1 of each year, at a rate to be agreed upon by the County Judge and the purchaser(s) of said notes, but not exceeding six per cent (6%) per annum. The notes shall be payable, both principal and interest, in lawful money of the United States of America at the office of the County Trustee, Loudon, Tennessee. The notes shall be signed by the County Judge, countersigned by the County Court Clerk and sealed with the corporate seal of Loudon County.

Section 3. Negotiability. The notes shall be fully negotiable and shall not be registrable.

Section 4. Source of Payment. The notes shall be payable from taxes to be levied on all taxable property in said county lying outside the corporate limits of the City of Lenoir City, Tennessee, without limitation as to rate or amount.

Section 5. Form of Note. The notes shall be issued in typed, mimeographed or printed form, substantially as follows, the blanks to be appropriately completed when the notes are issued:

(Form of Note)

UNITED STATES OF AMERICA

STATE OF TENNESSEE

COUNTY OF LOUDON

Rural School Bond Anticipation Note, Series 1978

No. _____ \$ _____

KNOW ALL MEN BY THESE PRESENTS: That the County of Loudon, in the State of Tennessee (hereinafter referred to as "the County"), for value received hereby promises to pay to bearer the principal sum of _____ Dollars (\$ _____) on _____, 19____, with interest at the rate of _____ per cent (____%) per annum from the date hereof until the principal amount shall have been fully paid, such interest being payable at maturity and semiannually thereafter on March 1 and September 1 of each year. Both principal hereof and interest hereon are payable in lawful money of the United States of America at the office of the County Trustee, Loudon, Tennessee.

The principal of this note is subject to prepayment prior to maturity at the option of the County as a whole or in part on any date at the principal amount thereof and accrued interest to the date of prepayment. Any partial prepayment shall be applied first to accrued interest on the note to the date of prepayment, and then to unpaid principal. The County may require presentation of this note in the event of prepayment, for endorsement if prepayment shall be in part, and for surrender if prepayment shall be in whole.

Not less than 15 days' notice of intended redemption shall be given by registered mail to the original purchaser of this note.

This note is one of a total authorized issue aggregating not exceeding \$900,000, issued for the purpose of providing funds in anticipation of the issuance of general obligation school bonds by the County, under authority of and in full compliance with the Constitution and statutes of Tennessee, including Section 5-1032 of Tennessee Code Annotated, as amended, and under and pursuant to a resolution duly adopted by the Quarterly County Court of the County on the 10th day of July, 1978.

For the prompt payment of this note, both principal and interest as the same shall become due, and for the levying of taxes sufficient therefor, the full faith, credit and resources of the County are hereby irrevocably pledged.

It is hereby certified, recited and declared that all acts and conditions required to be done and to exist precedent to and in the issuance of this note in order to make this note a legal, valid and binding obligation of the County, have been done, and did exist in due time and form and as required by the Constitution and statutes of the State of Tennessee; that this note and the issue of which it is a part, together with all other indebtedness of the County, does not exceed any limitation prescribed by the Constitution or statutes of the State of Tennessee; and that the County will levy a direct annual tax sufficient to pay the interest hereon when it falls due and also to pay and discharge the principal hereof at maturity.

Section 5-1039 of Tennessee Code Annotated provides that neither the principal nor the interest of this note shall be taxed by the State of Tennessee, or by any county, or by any municipality in the State of Tennessee.

IN WITNESS WHEREOF, the County, by its Quarterly County Court, has caused this note to be signed by its County Judge, countersigned by its County Court Clerk, and its corporate seal to be impressed hereon, all as of this ____ day of _____, 19__.

County Judge

Countersigned:

County Court Clerk

Section 6. Levy of Taxes. For the purpose of providing for the payment of the principal of and interest on said notes there shall be levied in each year in which the notes shall be outstanding a direct tax on all taxable property in the Loudon County lying outside the corporate limits of the City of Lenoir City, Tennessee, fully sufficient to pay such principal and interest falling due prior to the time of collection of the next succeeding tax levy. Said tax shall be assessed, collected and paid at the time and in the manner as the other taxes of said county, shall be in addition to all other taxes and shall be without limitation as to rate or amount. Principal or interest falling due at any time when there shall be insufficient funds on hand from such tax levy for the payment thereof shall be paid from current funds of said county, but reimbursement therefore may be made out of the taxes herein provided for when the same shall have been collected.

Section 7. Application of Rural School Bond Proceeds. The proceeds of any rural school bonds hereafter issued by said county shall be applied to the extent necessary to retire at the earliest possible date the notes herein authorized.

Section 8. Approval by State Director of Local Finance. None of the notes authorized hereunder shall be issued and sold unless they shall first have been approved by the State Director of Local Finance.

Section 9. Sale of Notes. The County Judge is authorized to negotiate the sale of said notes at not less than par and at an interest rate not exceeding 6% per annum, and no further action with respect to such sale shall be required of the Quarterly County Court.

Section 10. Application of Note Proceeds. The proceeds from the sale of the notes shall be applied to school repair,

furnishing and equipping, and may include fiscal, legal, advertising and similar expenses, if any, incurred as part of the cost of authorizing and issuing the notes.

Section 11. Severability. 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 effect any of the remaining provisions of this resolution.

Section 12. Repeal of Conflicting Resolution and Effective Date. All 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.

Adopted and approved this 10th day of July, 1978.

/S/ William H. Russell
County Judge

Attest:

/S/ Edward Alexander
County Court Clerk

It was thereupon moved by J.G. Hudson
and seconded by Terry G. Vann that said resolution
be adopted. Upon roll being called the following voted:

Aye: Terry G. Vann
J.G. Hudson
Roy Bledsoe
R.P. Hamilton
Curtis A. Williams
Boyd Duckworth

Nay: J.J. Blair
I.D. Conner
James Hartsook

* * *

(Other Business)

Upon motion duly seconded and voted, the Quarterly County Court adjourned.

/S/ William H. Russell
County Judge

/ Attest:

/S/ Edward Alexander
County Court Clerk

STATE OF TENNESSEE)
)
COUNTY OF LOUDON)

I, EDWARD ALEXANDER, hereby certify that I am the duly qualified and acting County Court Clerk of Loudon County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of the meeting of the Quarterly County Court of said county held on July 10, 1978, that I have compared said copy with the original minute record of said meeting; and that said copy is a true, correct and complete transcript from said original minute record insofar as said original record relates to not exceeding \$900,000 Rural School Bond Anticipation Notes, Series 1978.

WITNESS my official signature and the seal of said County this 13 day of July, 1978.

Edward Alexander
COUNTY COURT CLERK

(SEAL)

JCM/jo
06/30/78