

RESOLUTION NO. 2008-57

RESOLUTION TO APPROVE THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND CERTAIN OUTSTANDING OBLIGATIONS HERETOFORE ISSUED BY WEAKLEY COUNTY, TENNESSEE

WHEREAS, the Board of Commissioners (the "Board") of Weakley County, Tennessee (the "County"), pursuant to resolutions adopted by the Board of the County, has heretofore issued those certain \$7,010,000 General Obligation School Refunding Bonds, Series 1998 (the "Series 1998 Bonds"), dated June 1, 1998, the proceeds of the Series 1998 Bonds having been used by the County to refund the certain outstanding indebtedness of the County;

WHEREAS, the Series 1998 Bonds are presently outstanding in the aggregate principal amount of \$5,825,000;

WHEREAS, the Series 1998 Bonds are currently subject to redemption prior to maturity at the price of par, all as set forth in the resolutions authorizing the issuance of the Series 1998 Bonds;

WHEREAS, it is anticipated that the refunding of the Series 1998 Bonds will cause a reduction of debt service payable by the County over the term of such Series 1998 Bonds, thereby effecting a cost savings and improving the management of the finances of the County;

WHEREAS, the plan of refunding of the Series 1998 Bonds, a computation of projected cost savings, and a request that the County enter into a loan agreement with a public building authority, have been submitted to the State Director of Local Finance for review as required by Sections 9-21-903, 9-21-910, 12-10-116, respectively, Tennessee Code Annotated, as amended;

WHEREAS, the Board of the County has determined that it is in the best interests of the County to refund the Series 1998 Bonds, the proceeds thereof having been used to refinance a "project", as defined in Title 9, Chapter 21, Tennessee Code Annotated, as from time to time amended and supplemented, and as set forth in an Indenture of Trust (the "Indenture"), between The Public Building Authority of the City of Clarksville, Tennessee or The Public Building Authority of the County of Montgomery, Tennessee (the "Issuer") and The Bank of New York Trust Company, N.A., Atlanta, Georgia, as trustee (the "Trustee"), as permitted under Title 12, Chapter 10, Tennessee Code Annotated, as from time to time amended and supplemented, and as described in the form of a Loan Agreement (the "Loan Agreement"), between the County, as borrower, and the Issuer, such loan to be in the amount of not to exceed \$5,870,000; and,

WHEREAS, the Board of the County has determined that the loan in the amount of not to exceed \$5,870,000 is necessary for the purposes of refunding the Series 1998 Bonds and paying costs of issuance in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WEAKLEY COUNTY, TENNESSEE:

Section 1. Approval of the Loan Agreement. The terms of the Loan Agreement, presented at this meeting are in the best interest of the County and are hereby approved and the Board hereby authorizes the County Mayor and the County Clerk of the County to execute and

deliver the Loan Agreement, such Loan Agreement to be in substantially the form presented to this meeting, the execution of such Loan Agreement by the County Mayor and County Clerk to evidence their approval of any and all changes to such Loan Agreement, and any related documents necessary to the consummation of the transactions contemplated by the Loan Agreement.

Section 2. Fulfillment of Obligations. The Board of the County is authorized and directed to fulfill all obligations under the terms of the Loan Agreement.

Section 3. Tax Levy. There shall be levied and collected in the same manner as other ad valorem taxes of the County on all taxable property within the corporate limits of the County without limitation as to time, rate, or amount, to the extent necessary in the event funds of the County legally available to pay the indebtedness evidenced by the Loan Agreement are insufficient, a tax sufficient to pay when due the amounts payable under the Loan Agreement, as and when they become due, and to pay any expenses of maintaining and operating the Project and the facilities refinanced with the proceeds of the Series 1998 Bonds required to be paid by the County under the terms and provisions of the Loan Agreement. For the prompt payment of the Loan Agreement, both principal and interest, as the same shall become due, the full faith and credit of the County are irrevocably pledged.

Section 4. Consent to Assignment. The County hereby acknowledges that the provisions of the Indenture assign to the Trustee, among other things, all of the interest of the Issuer in and to the Loan Agreement (other than the rights of the Issuer under Section 7.03 and Section 7.04 of the Loan Agreement, which are reserved to the Issuer) and the County agrees to pay directly to the Trustee any amounts required to be paid by the County to the Issuer pursuant to the Loan Agreement.

Section 5. Redemption of Series 1998 Bonds. Upon the execution and delivery of the Loan Agreement, the Series 1998 Bonds maturing on and after April 1, 2009, are hereby called for redemption by not later than October 1, 2008; provided, however, that in the event the Loan Agreement is not executed and delivered, such call for redemption shall be of no further force and effect. Notice of call for redemption shall be given in the manner required as set forth in the respective resolutions authorizing the issuance of the Series 1998 Bonds.

Section 6. Miscellaneous Acts. The County Mayor, the County Clerk, and all other appropriate officials of the County are hereby authorized, empowered, and directed to do any and all such acts and things, and to execute, acknowledge, and deliver all such documents, instruments, and certifications, in connection with the execution of the Loan Agreement, in addition to those acts, things, documents, instruments, and certifications hereinbefore authorized and approved, as may in their discretion, be necessary or desirable to implement or comply with the intent of this Resolution; or any of the documents herein authorized and approved.

Section 7. Captions. The captions or headings in this Resolution are for convenience only and shall in no way define, limit, or describe the scope or intent of any provision hereof.

Section 8. Severability. Should any provision or provisions of this Resolution be declared invalid or unenforceable in any respect by final decree of any court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, ordinance, or provisions shall not affect the remaining provisions of such Resolution.

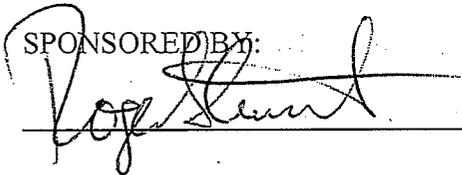
Section 9. Repeal of Conflicting Resolutions. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 10. Effective Date. This Resolution shall take effect upon its adoption, the welfare of the County requiring it.

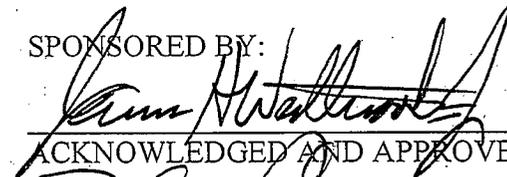
BE IT FURTHER RESOLVED, that this Resolution shall take effect upon adoption, the public welfare requiring it.

Pursuant To The Rules Of The Commission, This Resolution Is Sponsored By The Following Members Of The Weakley County Board Of County Commissioners:

SPONSORED BY:



SPONSORED BY:


ACKNOWLEDGED AND APPROVED:


Chairman, Finance, Ways & Means Committee

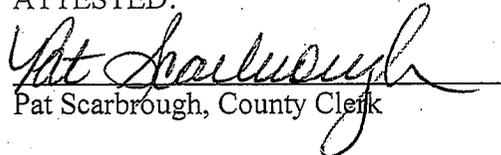
Motion made by Commissioner Westbrook that the foregoing resolution be adopted:

Motion seconded by Commissioner Rich

Upon being put to a roll call vote, Motion carried by a vote of 17 Yeas, 0 Nays,

0 Passed and 1 Absent.

ATTESTED:

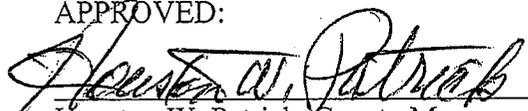

Pat Scarbrough, County Clerk

APPROVED:


Richard Phebus, Chairman

THIS THE 26th DAY OF JUNE, 2008.

APPROVED:


Houston W. Patrick, County Mayor

VETOED:

Houston W. Patrick, County Mayor

DATE:

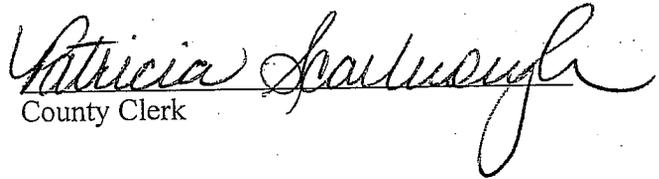
06/27/08

DATE: _____

STATE OF TENNESSEE)
COUNTY OF WEAKLEY)

I, Patricia Scarbrough, hereby certify that I am the duly qualified and acting County Clerk of Weakley County, Tennessee (the "County"), and, as such official, I further certify as follows: (1) that attached hereto is a copy of a resolution excerpted from the minutes of the meeting of the Board of Commissioners (the "Board") of said County held on June 26, 2008; (2) that I have compared said copy with the original minute record of said meeting in my official custody; (3) that said copy is a true, correct, and complete transcript from said original record insofar as said original record relates, to, among other matters, the incurring of indebtedness in the amount of not to exceed \$5,870,000 by said County; (4) that the actions by said Board including the aforementioned, at said meeting were promptly and duly recorded by me in a book kept for such purpose; and, (5) that a quorum of the members of said Board was present and acting throughout said meeting.

WITNESS my official signature and the seal of said County this 26th day of June, 2008.


County Clerk

(SEAL)