

CALL TO ORDER – Sheriff Norman Lewis

PLEDGE OF ALLEGIANCE

INVOCATION – Chaplain Joe Creek

ROLL CALL

APPROVAL OF JUNE 11, 2007 MINUTES

VOTE ON ZONING RESOLUTIONS

None

VOTE ON OTHER RESOLUTIONS

07-7-1: Resolution of the Montgomery County Board of Commissioners in Memory of John Morris, Jr.

07-7-2: Resolution to Establish the Voting Procedure for Electing a County Commissioner in Magisterial District 9.

ELECTION OF DISTRICT 9 COMMISSIONER

SWEAR-IN DISTRICT 9 COMMISSIONER – By County Clerk

DISTRICT 9 COMMISSION TO TAKE SEAT

RESOLUTIONS CONTINUED:

07-7-3: Resolution Making Appropriations for the Various Funds, Departments, Institutions, Offices and Agencies of Montgomery County, Tennessee, for the Fiscal Year Beginning July 1, 2007 and ending June 30, 2008 (FY08) and Approving the Funding of Non-Profit Charitable Organizations in Accordance with T.C.A. §5-9-109.

07-7-3(a): Resolution to Levy a Tax Rate in Montgomery County, Tennessee, for the Fiscal Year Beginning July 1, 2007.

07-7-4: Resolution Authorizing the Issuance of General Obligation School and Public Improvement Bonds in the Aggregate Principal Amount of Not to Exceed Eighteen Million Dollars (\$18,000,000) of Montgomery County, Tennessee; 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.

- 07-7-5:** Initial Resolution Authorizing the Issuance of Not to Exceed Eighteen Million Dollars (\$18,000,000) General Obligation School and Public Improvement Bonds of Montgomery County, Tennessee.
- 07-7-6:** Amendment to Previously Adopted Resolution 07-6-8 Authorizing Pre-Payment of Taxes by Gateway Health System and Funding of Dunlop Lane Expansion.
- 07-7-7:** Resolution to Authorize the Partial Abandonment of Neil Ross Road.
- 07-7-8:** Resolution Amending Resolution No. 07-1-3 Authorizing the Issuance of General Obligation Refunding Bonds, in the Approximate Aggregate Principal Amount of Fifty-Seven Million Nine Hundred Ninety Thousand Dollars (\$57,990,000) of Montgomery County, Tennessee; 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.

UNFINISHED BUSINESS

REPORTS

1. County Clerk's Report – **(requires approval by Commission)**
2. Audit Report – Ginger Miles

REPORTS FILED

1. Health Department Update – Vianca Reed
2. Building & Codes: June 2007 Permit Revenue and Adequate Facilities Tax Reports
3. Trustee's Report
4. Highway Department's Quarterly Financial Report
5. Court Safety Program: Adult Driver Improvement Program, Juvenile Court and Alive at 25 Defensive Driving Course Revenue and Attendees for April – June 2007

OTHER ELECTIONS

1. Ruth Milliken – Chairman, Nominating Committee
2. Carolyn Bower – County Mayor Nominations and Appointments

ANNOUNCEMENTS

1. EMS Committee will meet tomorrow, July 10 at 4:30 p.m.
2. Purchasing Committee meeting is cancelled for tomorrow.

ADJOURN

**RESOLUTION OF THE MONTGOMERY COUNTY BOARD OF COMMISSIONERS
IN MEMORY OF JOHN OLIVER MORRIS, JR.**

WHEREAS, our member of the Montgomery County Board of Commissioners and longtime outstanding citizen, John Oliver Morris, Jr., passed away on May 29, 2007; and

WHEREAS, the Montgomery County Commission as well as the community at large will miss the quiet but steady influence and unquestionable integrity he possessed; and

WHEREAS, John Oliver Morris, Jr. served his country and was a retired Division Command Sergeant Major of the 101st Airborne and served during the Korean War and Vietnam War; and

WHEREAS, his service as a county commissioner since September 1, 1982 is unsurpassed, having served on as well as Chaired many committees such as the Agricultural Extension Committee, Airport Authority, Beer Board, Budget Committee, Building & Codes Committee, Emergency Medical Services Committee, Jail & Juvenile Committee, Nominating Committee, Personnel Committee, Purchasing Committee, School Liaison Committee, and Veteran’s Service Committee; and

WHEREAS, John Oliver Morris, Jr. will be remembered with deep respect and affection by all who knew him, especially his wife, Marjorie Edith Morris, his daughter, Judy, and son, John, along with his three grandchildren and five great-grandchildren.

NOW, THEREFORE, BE IT RESOLVED that the Montgomery County Board of Commissioners meeting in regular business session on this 9th day of July, 2007, adopt this memento of sympathy and regret in having lost our esteemed friend and benefactor of outstanding service to our community. His memory will live on in the hearts and minds of all who knew him.

BE IT FURTHER RESOLVED that a copy of this resolution be spread upon the minutes of this Board and a copy be furnished to his bereaved family with our sincerest and warmest regards.

Sponsor _____

Commissioner _____

Approved _____

County Mayor

Attested _____

County Clerk

RESOLUTION TO ESTABLISH THE VOTING PROCEDURE FOR ELECTING A COUNTY COMMISSIONER IN MAGISTERIAL DISTRICT 9

WHEREAS, the Montgomery County Board of Commissioners is charged with the responsibility of appointing certain county commissioners to serve that portion of the unexpired term of a commissioner, whose office has been vacated, until the next general election which will be August 7, 2008; and

WHEREAS, it is the desire of the Board of Commissioners to be completely fair to each individual seeking such an office.

NOW, THEREFORE, BE IT RESOLVED by the Montgomery County Board of Commissioners assembled in regular business session on this 9th day of July, 2007, that the following proceedings be adopted for the purpose of filling the vacancy in District 9:

- (1) No nominations will be made by the Board of Commissioners.
- (2) Any individual seeking this office shall present himself/herself to the Board at the informal session held on July 2, 2007, and will be allowed a maximum of five (5) minutes each to make a statement concerning his/her candidacy.
- (3) Voting by the Board of Commissioners at the formal session on July 9, 2007, will be made by a voice roll call vote with each member answering with the name of the individual for whom they wish to vote. Commissioners may change votes after the roll call is completed, but before results are announced.
- (4) At the conclusion of the roll call on each ballot, any candidate will be given an opportunity to withdraw.

Duly passed and approved this 9th day of July, 2007.

Sponsor _____

Commissioner _____

Approved _____

County Mayor

Attested _____

County Clerk

A RESOLUTION MAKING APPROPRIATIONS FOR THE VARIOUS FUNDS, DEPARTMENTS, INSTITUTIONS, OFFICES, AND AGENCIES OF MONTGOMERY COUNTY, TENNESSEE, FOR THE FISCAL YEAR BEGINNING JULY 1, 2007 AND ENDING JUNE 30, 2008 (FY08) AND APPROVING THE FUNDING OF NON-PROFIT CHARITABLE ORGANIZATIONS IN ACCORDANCE WITH TCA §5-9-109

SECTION 1. BE IT RESOLVED by the Board of County Commissioners of Montgomery County, Tennessee, assembled in business session on the 9th day of July 2007 that the amounts hereafter set out are hereby appropriated for the purpose of meeting the expenses of the various funds, departments, institutions, offices, and agencies of Montgomery County, Tennessee, for capital outlay, and for meeting the payment of principal and interest on the County's debt maturing during the fiscal year beginning July 1, 2007 and ending June 30, 2008 according to **Schedule 1** of this resolution. The budget approved by the Clarksville-Montgomery County Board of Education for Federal Projects will be the approved Federal Project Fund Budget for budgetary purposes.

SECTION 2. BE IT FURTHER RESOLVED, that the appropriations herein made and expenditures authorized are predicated upon estimated fund balances as of July 1, 2007 and revenues expected to be realized during the fiscal year 2007-2008, schedules of which accompany this resolution and are made a part hereof by reference. If at any time during the fiscal year, it should appear that the availability of any fund will be less than the original estimate, it shall be the duty of the County Mayor, Director of Accounts and Budgets, and the Budget Committee to impound appropriations as required by Section 5-12-110(c) of Tennessee Code Annotated.

SECTION 3. BE IT FURTHER RESOLVED, that expenditures shall not be made from appropriations made by this resolution which cover capital outlays to be funded from the proceeds of borrowed money until this Board of County Commissioners has duly adopted and appropriated resolution authorizing the issuance of appropriate bonds or notes pursuant to applicable provisions of Tennessee Code Annotated.

SECTION 4. BE IT FURTHER RESOLVED, that there are also hereby appropriated certain commissions and fees for collecting taxes and licenses and for administering other funds

which the County Trustee, County Clerk, Sheriff, Register of Deeds, Circuit Court Clerk, and the Clerk and Master and their officially authorized deputies and assistants may severally be entitled to receive under state laws heretofore or hereinafter enacted. Expenditures out of commissions and/or fees collected by the County Trustee, County Clerk, Circuit Clerk, Clerk and Master, Sheriff, and the Register of Deeds may be made only as now expressly authorized by existing law or by valid order of any court having power to make such authorizations. Any such commissions and/or fees collected shall be paid over to the County Trustee for credit to the County General Fund as provided by law.

SECTION 5. BE IT FURTHER RESOLVED, that if the need shall arise,

1. The Transfer of expenditures levels within a categorical appropriation, as hereinabove reflected for the General Purpose School Fund, may be made by majority vote of the Board of Education meeting in regular or called sessions, but transfers between said categorical appropriations may be authorized only by the County Board of County Commissioners. In all cases, the aforesaid authorizations shall be reduced to writing.

2. The Budget Committee may, with the consent of any officials, head of any department or division which may be affected, transfer any amount from any item of appropriation to any other item of appropriation within such department, division, or major functional activity. Be it further provided that such transfer shall be authorized in writing and signed by the County Mayor, the Budget Committee and the departmental or divisional head concerned. In all cases, the aforesaid authorizations shall be reduced to writing and one copy of any such authorization shall be filed with the County Clerk, one copy with the Chairman of the Budget Committee, one copy with the Director of Accounts and Budgets, and one with each departmental or divisional head concerned. Said authorizations shall clearly state the reasons for the transfers.

SECTION 6. BE IT FURTHER RESOLVED, that any appropriation made by this resolution which covers the same purpose for which a specific appropriation is made by statute is made in lieu of, but not in addition to, said statutory appropriation. The salary, wages, or remuneration of each officer, employee or agent of the County, shall not be in excess of the amounts authorized by existing law or as set forth in the estimate of expenditures which accompanies this resolution. But provisions for such salaries, wages, or other remuneration hereby authorized, shall in no case be constructed to permitting expenditures for any department, agency, or division of the County in excess of that appropriation herein made for such

department, division, or agency, and such appropriation shall constitute the limit for the expenditures and encumbrances of any department, division and agency during the fiscal year ending on June 30, 2008. The aggregate encumbrances and expenditures with respect to any item of appropriation shall in no instance be more than the amount herein appropriated for such item.

SECTION 7. BE IT FURTHER RESOLVED, that any resolution which may hereafter be presented to the Board of County Commissioners providing for appropriations in addition to those made by this Budget Appropriation Resolution shall specifically provide sufficient revenue or other funds, actually to be provided during the fiscal year in which the expenditure is to be made, to meet such additional appropriation. Said appropriating resolution shall be submitted to and approved by the State Director of Local Finance after its adoption as provided by Section 9-11-101 to 9-11-119, inclusive, of the Tennessee Code Annotated.

SECTION 8. BE IT FURTHER RESOLVED, that if the need shall arise, the County Mayor and Director of Accounts & Budgets are hereby authorized to borrow money on tax anticipation and/or revenue anticipation notes, provided such notes are first approved by the State Director of Local Finance, to pay for the expenses herein authorized until the taxes and other revenues for the fiscal year 2007-2008 have been collected, not exceeding 60% of the appropriations of each individual fund. The proceeds of loans for each individual fund shall be used only to pay the expenses and other requirements of the fund for which the loan is made and the loan shall be paid out of revenue of the fund for which money is borrowed. The notes evidencing the loans authorized under this section shall be issued under the authority of Title 9-Chapter 21, Tennessee Code Annotated. Said notes shall be signed by the County Mayor and countersigned by the County Clerk and shall mature and be paid in full without renewal no later than June 30, 2008.

SECTION 9. BE IT FURTHER RESOLVED, that the delinquent County property taxes for the year 2005 and prior years and interest and penalty thereon collected during the year ending June 30, 2008 shall be apportioned to the various County funds according to the subdivision of the tax levy for the year 2006. The Clerk & Master of Chancery Court and the County Trustee are hereby authorized and directed to make such apportionment accordingly.

SECTION 10. BE IT FURTHER RESOLVED, that all unencumbered balances of appropriations remaining on June 30, 2008 shall lapse, and be of no further force and effect. However, the unencumbered and unexpended balances of previously-appropriated capital projects funds will remain in force and effect without re-appropriation until closed.

SECTION 11. BE IT FURTHER RESOLVED, that the County Budget Committee is hereby authorized and instructed to provide for the investment of any idle funds in the County General Fund, General Road Fund, General Purpose School Fund, Debt Service Fund, Capital Projects Funds, Bi-County Landfill, 19th Judicial District Drug Task Force and Unemployment Compensation Tax Fund, the specific type of investment to be made with a view to safety of principal, demand for liquidity, and the best return on such investment, and otherwise in the best judgment by the County Trustee to the County General Fund, the Unemployment Compensation Tax Fund, Bi-County Landfill, 19th Judicial District Drug Task Force, or Capital Projects Fund as may be appropriate, all pursuant to authority vested by law, including but not limited to Sections 5-8-301 to 5-8-302, Tennessee Code Annotated.

SECTION 12. BE IT FURTHER RESOLVED, that any resolution or part of a resolution, which has heretofore been passed by the Board of County Commissioners is in conflict with any provision in this resolution be and the same is hereby repealed.

SECTION 13. BE IT FURTHER RESOLVED, that the following special provisions apply to this budget:

1. That the property taxes levied in support of the Capital Projects Funds shall be used only to provide funding for projects and expenditures specifically approved by the County Commission, either in this resolution, the corresponding budget book, or by future resolution of the County Commission; and that any property tax levied that is not spent for such purposes will revert to the fund balance of that capital projects fund.
2. In the event that revenues are not collected to support the General Fund expenditures for the 2007-08 budget, any amount up to \$2,000,000.00 may be transferred from the debt service fund.

SECTION 14. BE IT FURTHER RESOLVED, that if the fiscal year 2007-2008 budget of Montgomery County, Tennessee is not approved during the July 2007 term of the Board of County Commissioners:

1. Amounts set out in the FY 2006-2007 Appropriation Resolution are continued, and its provisions will be in force, until a new FY 2007-08 Appropriation Resolution is adopted.

2. The property tax rate as adopted for fiscal year 2006-2007 shall remain in effect for FY 2007-08 until a new property tax rate is adopted.

3. The County Executive and County Clerk are hereby authorized to borrow money on tax anticipation notes, not exceeding 60% of the appropriations of each individual fund of the continuing budget, to pay for the expenses herein authorized until the taxes and other revenues for fiscal year 2007-2008 have been collected. Such notes shall first be approved by the State Director of Local Finance. The notes evidencing the loans authorized under this section shall be issued under the authority of Title 9, Chapter 21, *Tennessee Code Annotated*. All of said notes shall mature and be paid in full without renewal not later than June 30, 2008.

SECTION 15. BE IT FURTHER RESOLVED, that the County Government complies with Titles VI, VII, and IX of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1975, the Americans with Disabilities Act, and the Age Discrimination Act of 1975. No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the execution of this budget or in the employment practices of the County on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law.

SECTION 16. BE IT FURTHER RESOLVED, that the Board of County Commissioners, recognizing that the various non-profit charitable organizations located in Montgomery County have great need of funds to carry on their non-profit charitable work, hereby makes appropriations to non-profit charitable organizations as listed in **Schedule 2** of this resolution, in accordance with Section 5-9-109, inclusive, Tennessee Code Annotated, and that all appropriations enumerated in Schedule 2 are made subject to the following conditions:

1. That the non-profit charitable organizations to which funds are appropriated shall file with the County Clerk and the disbursing officials a copy of an annual report of its business affairs and transactions and the proposed use of the County's funds in accordance with rules promulgated by the Comptroller of the Treasury, Chapter 0380-2-7. Such annual report shall be

prepared and certified by the chief financial officer of such nonprofit organization in accordance with Section 5-9-109(c), Tennessee Code Annotated.

2. That said funds must only be used by the named non-profit charitable organization in furtherance of their non-profit charitable purpose benefiting the general welfare of the residents of the County.

3. That it is the expressed interest of the Board of County Commissioners in providing these funds to the above named non-profit charitable organizations to be fully in compliance with Chapter 0380-2-7 of the Rules of the Comptroller of the Treasury, and Section 5-9-109, inclusive, Tennessee Code Annotated and any and all other laws which may apply to county appropriations to non-profit organizations, and so this appropriation is made subject to compliance with any and all of these laws and regulations.

SECTION 17. BE IT FURTHER RESOLVED, that this resolution shall take effect from and after its passage and its provisions shall be in force from and after July 1, 2007. This resolution shall be spread upon the minutes of the Montgomery County Board of County Commissioners.

Duly passed and approved the 9th day of July 2007.

Sponsor: _____

Commissioner: _____

Approved: _____

County Mayor

Attested: _____

County Clerk

**BUDGET RESOLUTION FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007 AND ENDING JUNE 30, 2008 (FY08)
Schedule 1 - Appropriations**

<u>Account</u>	<u>Major Category Description</u>	<u>Appropriation</u>
<u>General Fund</u>		
General Administration		
101-51100	County Commission	\$ 169,681.07
101-51210	Board Of Equalization	\$ 3,608.76
101-51220	Beer Board	\$ 1,686.40
101-51240	Other Boards & Committees	\$ 1,897.20
101-51300	County Mayor (Executive)	\$ 306,879.97
101-51310	Human Resources	\$ 152,097.45
101-51400	County Attorney	\$ 24,000.00
101-51500	Election Commission	\$ 330,376.14
101-51600	Register Of Deeds	\$ 299,673.60
101-51720	Planning	\$ 320,659.86
101-51750	Codes Compliance	\$ 391,007.98
101-51760	Geographical Info Sys	\$ 80,000.00
101-51800	County Buildings	\$ 729,580.04
101-51811	County Buildings - Public Safety Complex	\$ 324,495.28
101-51812	County Buildings - TN Rehabilitation Ctr	\$ 3,480.00
101-51810	Courts Complex	\$ 992,326.67
101-51901	Other General Admin - Litigation	\$ 25,000.00
101-51902	Other General Admin - County Historian	\$ 1,500.00
101-51903	Other General Admin - E-911 Communication Dist	\$ 373,256.57
101-51904	Public Information	\$ 37,363.09
101-51910	Preservation Of Records	<u>\$ 93,675.41</u>
	Total General Administration	\$ 4,662,245.49
Finance		
101-52100	Accounts & Budgets	\$ 358,054.07
101-52200	Purchasing	\$ 190,252.04
101-52300	Property Assessor's Ofc	\$ 610,684.93
101-52310	Reappraisal Program	\$ 113,167.32
101-52400	County Trustee's Office	\$ 342,320.14
101-52500	County Clerk's Office	\$ 1,096,131.17
101-52600	Information Systems	\$ 1,157,806.84
101-52902	Other Finance - Back Tax Attorney	\$ 39,300.00
	Total Finance	\$ 3,907,716.51
Administration of Justice		
101-53100	Circuit Court	\$ 1,172,393.46
101-53101	Circuit Court Judge	\$ 8,100.00
101-53102	Circuit Court Jury	\$ 101,320.80
101-53300	General Sessions Court	\$ 1,465,204.90
101-53400	Chancery Court	\$ 327,957.04
101-53600	District Attorney Gen'l	\$ 30,150.00
101-53601	District Attorney Gen'l - Bad Debt Fees	\$ 41,500.00
101-53700	Judicial Commissioners	\$ 149,719.73
101-53901	Other Admin Of Justice - Court Safety Program	\$ 68,917.26
101-53902	Other Admin Of Justice - Day Treatment Grant	\$ 562,776.00
101-53910	Adult Probation Services	<u>\$ 614,822.73</u>
	Total Administration of Justice	\$ 4,542,861.92

**BUDGET RESOLUTION FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007 AND ENDING JUNE 30, 2008 (FY08)
Schedule 1 - Appropriations**

<u>Account</u>	<u>Major Category Description</u>	<u>Appropriation</u>
Public Safety		
101-54110	Sheriff's Department	\$ 4,740,541.49
101-54110-05019	Sheriff's Department - Mobile Data Grant	\$ 34,737.00
101-54110-05028	Sheriff's Department - Salary Supplement	\$ 43,003.20
101-54110-05018	Sheriff's Department - Click it or Ticket II	\$ 201,755.36
101-54110-06010	Sheriff's Department - GHSO High Visibility	\$ 4,999.99
101-54111	Sheriff's Department - Impound Lot	\$ 12,070.00
101-54120-05016	Special Patrols - Stop Violence Against Women	\$ 430,329.21
101-54120-05040	Special Patrols - Violence Against Women Grant	\$ 9,203.39
101-54120-05050	Special Patrols - Juvenile Delinquency Prevention	\$ 74,205.64
101-54120-00076	Special Patrols - SRO	\$ 916,247.82
101-54120-05153	Special Patrols - Litter Enforcement	\$ 52,589.22
101-54130	Traffic Control	\$ 5,000.00
101-54160	Sexual Offender Registry	\$ 8,524.13
101-54210	Jail	\$ 8,750,548.77
101-54210-07030	Jail - Inmates	\$ 64,000.00
101-54220	Workhouse	\$ 1,173,592.22
101-54220-07030	Workhouse - Inmates	\$ 13,000.00
101-54230-05156	Community Corrections	\$ 447,616.57
101-54240-05234	Juvenile Services - At-Risk Grant	\$ 94,986.30
101-54240-05253	Juvenile Services - Child Advocacy Center	\$ 142,482.12
101-54310	Fire Prevention & Control	\$ 168,079.00
101-54410	Civil Defense - EMA	\$ 297,824.81
101-54490	EMA Homeland Security Grants	\$ 748,315.25
101-54610	Coroner / Med Examiner	\$ 135,000.00
	Total Public Safety	\$ 18,568,651.49
Public Health and Welfare		
101-55110	Local Health Center	\$ 260,253.64
101-55120	Rabies & Animal Control	\$ 263,456.75
101-55130	Ambulance Service	\$ 5,048,358.33
101-55190-05225	Other Local Health Services - WIC Program	\$ 1,634,662.43
101-55310	Regional Mental Health Ctr	\$ 10,000.00
101-55390-035	Appropriation To State - Health Department	\$ 33,912.00
101-55390-046	Appropriation To State - TN Rehabilitation Ctr	\$ 118,940.00
101-55590-031	Other Local Welfare Svcs - Child Welfare Services	\$ 10,000.00
101-55590-033	Other Local Welfare Svcs - Pauper Burials	\$ 9,825.00
101-55590-197	Other Local Welfare Svcs - Community Action Agcy	\$ 65,000.00
101-55900-044	Other Public Hlth & Welfare - Progressive Direction	\$ 23,750.00
	Total Public Health and Welfare	\$ 7,478,158.15
Social, Cultural, & Recreational Services		
101-56500	Libraries	\$ 1,527,251.00
101-56700	Parks & Fair Boards	\$ 54,070.16
101-56901	Other Socl, Cultural & Rec - Veterans Commission	\$ 7,920.80
	Total Social, Cultural, & Recreational Services	\$ 1,589,241.96
Agriculture & Natural Resources		
101-57100	Agricultural Extension	\$ 312,551.99
101-57300	Forest Service	\$ 2,000.00
101-57500	Soil Conservation	\$ 36,548.77
	Total Agriculture & Natural Resources	\$ 351,100.76
Other General Government		
101-58111	Tourism - City of Clarksville	\$ 233,000.00
101-58112	Tourism - Tourist Commission	\$ 697,000.00
101-58120	Industrial Development	\$ 467,700.00
101-58220	Airport	\$ 55,448.00
101-58300	Veterans Services	\$ 308,937.45
101-58400	Other Charges	\$ 893,610.00
101-58400-128	Other Charges - Trustees Commission	\$ 500,000.00
101-58500	Contribs To Other Agencies	\$ 125,358.48
101-58600	Employee Benefits	\$ 8,886,570.02
101-58900	Miscellaneous - Contingency Reserve	\$ 18,700.00
101-64000	Litter & Trash Collection	\$ 141,155.27
	Total Other General Government	\$ 12,327,479.22
	Fund Total	\$ 53,427,455.50

**BUDGET RESOLUTION FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007 AND ENDING JUNE 30, 2008 (FY08)
Schedule 1 - Appropriations**

<u>Account</u>	<u>Major Category Description</u>	<u>Appropriation</u>
<u>Drug Control Fund</u>		
122-54110	Sheriff's Department	\$ 8,770.00
	Fund Total	<u>\$ 8,770.00</u>
<u>General Roads Fund</u>		
131-61000	Administration	\$ 252,331.63
131-62000	Highway & Bridge Maint	\$ 3,482,708.45
131-63100	Equipment Op & Maint	\$ 916,619.38
131-63600	Traffic Control	\$ 355,535.08
131-65000	Other Charges	\$ 576,120.00
131-66000	Employee Benefits	\$ 996,087.65
131-68000	Capital Outlay	\$ 611,639.56
131-81200	Hwy & Street Debt Service	\$ -
131-82220	Highways & Streets	\$ -
	Fund Total	<u>\$ 7,191,041.75</u>
<u>Debt Service Fund</u>		
151-81100-000	General Govt Debt Service	\$ -
151-81300-000	Education Debt Service	\$ -
151-82110-000	Principal-Genl Govt	\$ 5,157,808.67
151-82130-000	Principal-Education	\$ 8,395,911.00
151-82210-000	Interest-General Govt	\$ 4,260,007.54
151-82230-000	Interest-Education	\$ 9,001,287.43
151-82310-000	Other Debt Serv.-County Govt	\$ 168,000.00
151-82330-000	Other Debt Serv.-Education	\$ 377,000.00
	Fund Total	<u>\$ 27,360,014.64</u>
<u>Capital Projects Fund</u>		
171-51750	Building Codes	\$ 60,000.00
171-52100	Accounts and Budgets	\$ 10,000.00
171-52500	County Clerk	\$ 25,000.00
171-52600	Information System	\$ 405,000.00
171-54110	Sheriff's Office	\$ 419,638.00
171-54220	Workhouse	\$ 20,414.00
171-54310	Fire	\$ 50,000.00
171-54410	Civil Defense / EMA	\$ 25,000.00
171-55130	Ambulance . EMS	\$ 757,114.00
171-56700	Parks and Fair Boards	\$ 141,750.00
	Fund Total	<u>\$ 1,913,916.00</u>
<u>E-911 Communications District</u>		
204-51900-178	Other General Admin	\$ 2,049,657.56
	Fund Total	<u>\$ 2,049,657.56</u>
<u>Risk Management (OJI) Fund</u>		
266-51920-000	Risk Management	\$ 850,000.00
	Fund Total	<u>\$ 850,000.00</u>
<u>Judicial Drug District Fund</u>		
363-54150-000	Drug Enforcement	\$ 158,937.69
	Fund Total	<u>\$ 158,937.69</u>

**BUDGET RESOLUTION FOR THE FISCAL YEAR BEGINNING
JULY 1, 2007 AND ENDING JUNE 30, 2008 (FY08)
Schedule 1 - Appropriations**

<u>Account</u>	<u>Major Category Description</u>	<u>Appropriation</u>
<u>CMCSS General Purpose Schools Fund</u>		
141-71100-000	Regular Instruction	\$ 87,106,590.00
141-71150-000	Alternative School	\$ 704,276.00
141-71200-000	Special Education	\$ 1,440,394.00
141-71300-000	Vocational Education	\$ 3,707,129.00
141-71600-000	Adult Education	\$ -
141-72110-000	Attendance	\$ 545,425.00
141-72120-000	Health Services	\$ 917,798.00
141-72130-000	Other Student Support	\$ 7,779,267.00
141-72210-000	Regular Instruction	\$ 6,321,869.00
141-72215-000	Alternative School Support	\$ 28,287.00
141-72220-000	Special Education	\$ 1,089,749.00
141-72230-000	Vocational Education	\$ 113,127.00
141-72260-000	Adult Programs	\$ 67,941.00
141-72310-000	Board Of Education	\$ 214,605.00
141-72320-000	Director of Schools	\$ 909,669.00
141-72410-000	Ofc Of The Principal	\$ 11,470,412.00
141-72510-000	Fiscal Services	\$ 3,057,087.00
141-72520-000	Human Resources	\$ 6,460,694.00
141-72610-000	Operation Of Plant	\$ 13,030,966.00
141-72620-000	Maintenance Of Plant	\$ 4,965,369.00
141-72710-000	Transportation	\$ -
141-72810-000	Central And Other (Information Technology)	\$ 1,714,260.00
141-73400-000	Early Childhood Education	\$ 1,703,592.00
141-81300-000	Education Debt Service	\$ -
141-99100-000	Operating Transfers	\$ 408,358.00
	Fund Total	<u>\$ 174,994,017</u>
 <u>CMCSS Federal Projects Fund</u>		
	See Provisions of Section 1 of the Resolution	
 <u>CMCSS Child Nutrition Fund</u>		
143-72510	Fiscal Services	\$ 2,810.00
143-73100-000	Food Service	\$ 10,750,417.00
	Fund Total	<u>\$ 10,753,227.00</u>
 <u>CMCSS Transportation Fund</u>		
177-72510	Trustee's Commission	\$ 67,612.00
177-72710	Student Transportation	\$ 11,420,153.00
	Fund Total	<u>\$ 11,487,765.00</u>
 <u>CMCSS Extended Schools Program Fund</u>		
146-71100-000	Regular Instruction	\$ 213,831.00
146-72410-000	Ofc Of The Principal	\$ 44,948.00
146-72510-000	Fiscal Services	\$ 2,000.00
146-72610-000	Operation Of Plant	\$ 5,123.00
	Fund Total	<u>\$ 265,902.00</u>
 <u>CMCSS Captial Projects</u>		
177-91300-000	Various Capital Projects	\$ 1,865,500.00
	Fund Total	<u>\$ 1,865,500.00</u>

- end of Schedule 1 -

RESOLUTION TO LEVY A TAX RATE IN MONTGOMERY COUNTY, TENNESSEE, FOR THE FISCAL YEAR BEGINNING JULY 1, 2007

SECTION 1. BE IT RESOLVED by the Board of County Commissioner of Montgomery County, Tennessee, assembled in regular session on this the 9th day of July, 2007, that the combined property tax for Montgomery County, Tennessee, for the fiscal year beginning July 1, 2007 shall be at \$3.14 for each \$100 of taxable property within the County, which is to provide revenue for each of the following funds and otherwise conform to the following levies:

<u>FUND</u>	<u>Actual</u> <u>2004-05</u> <u>RATE</u>	<u>Actual</u> <u>2005-06</u> <u>RATE</u>	<u>Actual</u> <u>2006-07</u> <u>RATE</u>	<u>Proposed</u> <u>2007-08</u> <u>RATE</u>
County General Fund	\$ 1.02	\$ 1.11	\$ 0.970	\$ 0.970
General Road Fund	.14	.15	.130	.130
General Purpose School Fund	1.12	1.16	1.020	1.020
Debt Service Fund	.82	.82	.897	.897
General Purpose Capital Projects Fund	-0-	-0-	0.055	0.055
Schools Capital Projects Fund	-0-	-0-	0.068	0.068
TOTAL TAX RATE	<u>\$ 3.10</u>	<u>\$ 3.24</u>	<u>\$ 3.140</u>	<u>\$ 3.140</u>

Section 2. Total taxes due shall be rounded to the nearest \$1.00 for each tax bill. Amounts from \$0.50 to \$0.99 will be rounded up, pursuant to TCA 67-5-102.

Section 3. All resolutions of the Board of County Commissioners of Montgomery County, Tennessee, which are in conflict with this resolution, are hereby repealed.

Section 4. This resolution shall take effect from and after its passage, the public welfare requiring it. This resolution shall be spread upon the minutes of the Board of County Commissioners.

Duly passed and approved the 9th day of July 2007.

Sponsor: _____

Commissioner: _____

Approved: _____

County Mayor

Attested: _____

County Clerk

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION SCHOOL AND PUBLIC IMPROVEMENT BONDS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED EIGHTEEN MILLION DOLLARS (\$18,000,000) OF MONTGOMERY COUNTY, TENNESSEE; 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, pursuant to Sections 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, counties in Tennessee are authorized through their respective governing bodies to issue and sell bonds of said counties to finance school and public works projects; and

WHEREAS, the Board of County Commissioners of Montgomery County, Tennessee (the "County") hereby determines that it is necessary and advisable to issue not to exceed \$18,000,000 in aggregate principal amount of general obligation school and public improvement bonds, to be issued in one or more emissions, for the purpose of providing funds for (i) acquisition of land and site development for a County Emergency Management System; (ii) the constructing, repairing, renovating and equipping of a County Emergency Management System; (iii) acquisition of land and site development for school purposes; (iv) constructing, improving, repairing, renovating and equipping of school buildings and facilities; (v) acquisition of land and site development for County government buildings; (vi) constructing, improving, repairing, renovating and equipping of County government buildings; (v) constructing, improving and repairing the roof to the Veterans Plaza; (vi) acquisition of land and site development for parks; (vii) acquisition and installation of lighting for parks; (viii) constructing, improving, repairing, renovating and equipping of Spur Trail; (ix) constructing, improving, repairing, renovating and equipping County government properties for compliance under the American Disabilities Act; (x) acquisition of vehicles for Planning & Zoning; (xi) acquisition and installation of equipment for the County's fire department, highway department, offices of the County Clerk and offices of the Circuit Court Clerk; (xii) acquisition and installation of data processing equipment; (xiii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any of the foregoing; (xiv) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (xv) payment of costs incident to the bonds authorized herein; and

WHEREAS, on the date hereof, the Board of County Commissioners of the County adopted an Initial Resolution proposing the issuance of not to exceed \$18,000,000 in the aggregate principal amount of general obligation school and public improvement bonds, the proceeds of which shall be used for the purposes hereinabove set forth; and

WHEREAS, the Initial Resolution, together with the notice required by Section 9-21-206, Tennessee Code Annotated, as amended, will be published as required by law; and

WHEREAS, it is the intention of the Board of County Commissioners to adopt this resolution for the purpose of authorizing not to exceed \$18,000,000 in aggregate principal

amount of said bonds, 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 under certain conditions for the payment of principal thereof, premium, if any, and interest thereon.

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

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

Section 2. Definitions. 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 not to exceed \$18,000,000 General Obligation School and Public Improvement Bonds of the County, to be dated the date of issuance, or having such other dated date and such series designation as shall be determined by the County Mayor pursuant to Section 7 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" means Montgomery County, Tennessee;

(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) "Projects" means (i) acquisition of land and site development for a County Emergency Management System; (ii) the constructing, repairing, renovating and equipping of a

County Emergency Management System; (iii) acquisition of land and site development for school purposes; (iv) constructing, improving, repairing, renovating and equipping of school buildings and facilities; (v) acquisition of land and site development for County government buildings; (vi) constructing, improving, repairing, renovating and equipping of County government buildings; (v) constructing, improving and repairing the roof to the Veterans Plaza; (vi) acquisition of land and site development for parks; (vii) acquisition and installation of lighting for parks; (viii) constructing, improving, repairing, renovating and equipping of Spur Trail; (ix) constructing, improving, repairing, renovating and equipping County government properties for compliance under the American Disabilities Act; (x) acquisition of vehicles for Planning & Zoning; (xi) acquisition and installation of equipment for the County's fire department, highway department, offices of the County Clerk and offices of the Circuit Court Clerk; (xii) acquisition and installation of data processing equipment; and (xiii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any of the foregoing; and

(l) "Registration Agent" means the registration and paying agent appointed by the County Mayor pursuant to Section 3 hereof, or any successor designated by the Governing Body.

Section 3. Authorization and Terms of the Bonds. (a) For the purpose of providing funds to (i) finance the cost of the Projects; (ii) reimburse the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (iii) pay costs incident to the issuance and sale of the Bonds, there is hereby authorized to be issued bonds of the County in the aggregate principal amount of not to exceed \$18,000,000. The Bonds shall be issued in one or more emissions, in fully registered, book-entry form, without coupons, and subject to the adjustments permitted under Section 7, shall be known as "General Obligation School and Public Improvement Bonds", shall be dated the date of issuance, or having such other dated date and such series designation as shall be determined by the County Mayor pursuant to Section 7 hereof. Subject to the changes permitted in Section 7 hereof, the Bonds shall bear interest at a rate or rates not to exceed five and three-quarters percent (5.75%) per annum, payable (subject to the adjustments permitted under Section 7) semi-annually on May 1 and November 1 in each year, commencing November 1, 2007. The Bonds shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof and subject to the adjustments permitted under Section 7 hereof, shall mature, subject to prior optional redemption as hereafter provided, either serially or through mandatory redemption, commencing May 1, 2009 and continuing on the first day of May of each year thereafter through and including May 1, 2028, the final maturity (subject to the adjustments permitted under Section 7 hereof), in such amounts as shall be established in the certificate of the County Mayor awarding the sale of the Bonds, or any emission thereof.

(b) Subject to the adjustments permitted under Section 7 hereof, Bonds maturing May 1, 2009 through May 1, 2017, inclusive, shall mature without option of prior redemption and Bonds maturing May 1, 2018 and thereafter, shall be subject to redemption prior to maturity at the option of the County on May 1, 2017 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 Section 7 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 Section 7 hereof for each redemption date, as such maturity amounts may be adjusted pursuant to Section 7 hereof, at a price of par plus accrued interest thereon to the date of redemption. The Term Bonds to be redeemed within a single maturity shall be selected in the manner described 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 canceled 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.

(d) Notice of call for redemption, whether optional or mandatory, shall be given by the Registration Agent on behalf of the County not less than thirty (30) 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. 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.

(e) The Governing Body hereby authorizes and directs the County Mayor to appoint the Registration Agent for the Bonds and hereby authorizes and directs 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 canceled 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.

(f) 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 except that principal

payments made for mandatory sinking fund installments shall be made to the owner of the Bonds without presentation and surrender thereof, except for final payment. The rate 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.

(g) 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.

(h) 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.

(i) 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 manual or facsimile signature of the County Mayor and with the official seal, or a facsimile thereof, of the County impressed or imprinted thereon and attested by the manual or facsimile signature of the County Clerk.

(j) 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. 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, the County shall 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. In the event the purchaser certifies that it intends to hold the Bonds, or any emission thereof, for its own account and has no present intent to reoffer the Bonds to the public, then the County may issue the Bonds as fully registered Bonds without utilizing the DTC book-entry system.

THE COUNTY AND THE REGISTRATION AGENT SHALL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO ANY DTC 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.

(k) 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.

(l) 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.

(m) 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 about 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 indemnity 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 4. Security and Source of Payment. The Bonds shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For the prompt payment of principal of, premium, if any, and interest on the Bonds, the full faith and credit of the County are hereby irrevocably pledged.

Section 5. 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 Face of Bond)

REGISTERED Number _____	UNITED STATES OF AMERICA STATE OF TENNESSEE COUNTY OF MONTGOMERY	REGISTERED \$ _____	
GENERAL OBLIGATION SCHOOL AND PUBLIC IMPROVEMENT BOND, SERIES _____			
Interest Rate:	Maturity Date:	Date of Bond:	CUSIP No.:
Registered Owner:			
Principal Amount:			

FOR VALUE RECEIVED, Montgomery 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 of interest hereinabove set forth from the date hereof until said maturity date or

redemption date, said interest being payable on [November 1, 2007], and semi-annually thereafter on the first day of May and November 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 agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Bond on each interest payment date directly to the registered owner hereof shown on the Bond registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Bond registration records, without, except for final payment, the presentation or surrender of this Bond, and all such payments shall discharge the obligations of the County to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Bonds of the issue of which this Bond is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Bond shall be made when due upon presentation and surrender of this Bond to the Registration Agent, other than any principal payments being made for mandatory sinking fund installments as set forth herein, in which case, payment of such installments shall be made to the owner of this Bond without presentation thereof, except for final payment.

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. 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 any DTC 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 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 maturing May 1, 2009 through May 1, 2017, inclusive, shall mature without option of prior redemption and Bonds maturing May 1, 2018 and thereafter, shall be subject to redemption prior to maturity at the option of the County on May 1, 2017 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 canceled 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 call for redemption[, whether optional or mandatory,] shall be given by the Registration Agent not less than thirty (30) 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. 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 if notice has been duly provided as set forth in the Resolution, as hereafter defined.

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 for the purpose of providing funds for (i) acquisition of land and site development for a County Emergency Management System; (ii) the constructing, repairing, renovating and equipping of a County Emergency Management System; (iii) acquisition of land and site development for school purposes; (iv) constructing, improving, repairing, renovating and equipping of school buildings and facilities; (v) acquisition of land and site development for County government buildings; (vi) constructing, improving, repairing, renovating and equipping of County government buildings; (v) constructing, improving and repairing the roof to the Veterans Plaza; (vi) acquisition of land and site development for parks; (vii) acquisition and installation of lighting for parks; (viii) constructing, improving, repairing, renovating and equipping of Spur Trail; (ix) constructing, improving, repairing, renovating and equipping County government properties for compliance under the American Disabilities Act; (x) acquisition of vehicles for Planning & Zoning; (xi) acquisition and installation of equipment for the County's fire department, highway department, offices of the County Clerk and offices of the Circuit Court Clerk; (xii) acquisition and installation of data processing equipment; (xiii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any of the foregoing; (xiv) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (xv) payment of costs incurred in connection with the issuance and sale of the Bonds of which this Bond is one, pursuant to Sections 9-21-101 *et seq.*, Tennessee Code Annotated, as amended, and pursuant to a resolution duly adopted by the Board of County Commissioners of the County on the ninth day of July, 2007 (the "Resolution").

This Bond is payable from unlimited ad valorem taxes to be levied on all taxable property within the County. For a more complete statement of the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Resolution.

This Bond and the income therefrom are exempt from all present state, county and municipal taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) 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 (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Bond in the 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 with her manual or facsimile signature and attested by its County Clerk with her manual or [facsimile] signature under an [impression or] [facsimile] of the corporate seal of the County, all as of the date hereinabove set forth.

MONTGOMERY COUNTY

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 Montgomery 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 6. Levy of Tax. The County, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the County, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Bonds when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Bonds in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the County and reimbursement therefor shall be made out of the taxes hereby provided to be levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any appropriations from other funds, taxes and revenues of the County to the payment of debt service on the Bonds.

Section 7. Sale of Bonds. (a) The Bonds shall be offered for public sale, as required by law, in one or more emissions, at a price of not less than ninety-nine percent (99.00%) of par,

plus accrued interest, as a whole or in part from time to time as shall be determined by the County Mayor, in consultation with Stephens Inc., Nashville, Tennessee, the County's financial advisor (the "Financial Advisor"). The Bonds, or any emission thereof, shall be sold at public sale by physical delivery of bids or by electronic bidding means of an Internet bidding service as shall be determined by the County Mayor, in consultation with the Financial Advisor.

(b) If the Bonds are sold in more than one emission, the County Mayor is authorized to cause to be sold in each emission an aggregate principal amount of Bonds less than that shown in Section 3 hereof for each emission, and to make corresponding adjustments to the maturity schedule of each emission designated in Section 3 hereof, so long as the total aggregate principal amount of all emissions issued does not exceed the total aggregate of Bonds authorized to be issued herein.

(c) The County Mayor is further authorized:

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

(2) to change the designation of the Bonds, or any emission thereof, to a designation other than "General Obligation School and Public Improvement Bonds" and to determine the series designation of the Bonds, or any emission thereof;

(3) to change the first interest payment date on the Bonds or any emission thereof to a date other than November 1, 2007, provided that such date is not later than twelve months from the dated date of the Bonds;

(4) to adjust the principal and interest payment dates and establish the maturity amounts of the Bonds or any emission thereof, provided that (A) the total principal amount of all emissions of the Bonds does not exceed the total amount of Bonds authorized herein, (B) the first maturity date of the Bonds or any emission thereof is a date not earlier than the County's 2009 fiscal year, and (C) the final maturity date of each emission shall not exceed twenty-one (21) years from the dated date of its emission;

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

(6) to sell the Bonds, or any emission 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 she shall deem most advantageous to the County; and

(7) to cause all or a portion of the Bonds to be insured by a bond insurance policy issued by a nationally recognized bond insurance company to achieve the purposes set forth herein and to serve the best interests of the County and to enter into agreements

with such insurance company with respect to any emission of Bonds to the extent not inconsistent with this Resolution.

(d) The County Mayor is authorized to sell the Bonds, or any emission 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 emission 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 emissions or series as he 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 "General Obligation School and Public Improvement 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 emission thereof, 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 five and three-quarters percent (5.75%) per annum. 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. The form of the Bond set forth in Section 5 hereof, shall be conformed to reflect any changes made pursuant to this Section 7 hereof.

(f) The County Mayor and County Clerk, or either of them, are authorized to cause the Bonds, in book-entry form, or otherwise, as permitted in Section 3 hereto, 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 and County Clerk are hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Bonds.

(g) No Bonds, nor any emission thereof, shall be issued hereunder until the publication of the Initial Resolution adopted on the date hereof, together with the statutory notice required by Section 9-21-206, Tennessee Code Annotated, and twenty (20) days have elapsed following such publication during which no legally sufficient petition protesting the issuance of the Bonds has been filed with the County Clerk.

Section 8. Disposition of Bond Proceeds. The proceeds of the sale of the Bonds shall be disbursed as follows:

(a) all accrued interest, if any, shall be deposited to the appropriate fund of the County to be used to pay interest on the Bonds on the first interest payment date following delivery of the Bonds;

(b) the remainder of the proceeds of the sale of the Bonds shall be deposited with a financial institution regulated by the Federal Deposit Insurance Corporation or similar federal

agency in a special fund known as the 2007 Construction Fund, or such other designation as shall be determined by the County Mayor, (the "Construction Fund") to be kept separate and apart from all other funds of the County. The County shall disburse funds in the Construction Fund 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. The remaining funds in the Construction Fund shall be disbursed solely to pay the costs of the Projects. Money in the Construction Fund shall be secured in the manner prescribed by applicable statutes relative to the securing of public or trust funds, if any, or, in the absence of such a statute, by a pledge of readily marketable securities having at all times a market value of not less than the amount in said Construction Fund. Money in the Construction Fund shall be expended only for the purposes authorized by this resolution. Any funds remaining in the Construction Fund after completion of the Projects and payment of authorized expenses shall be paid to the County Trustee and shall be used to pay principal of, premium, if any, and interest on the Bonds. Moneys in the Construction Fund shall be invested at the direction of the County Trustee in such investments as shall be permitted by applicable law. Earnings from such investments shall be deposited to the Construction Fund to the extent needed to reimburse the Construction Fund for any costs of issuance paid related to the issuance of the Bonds and any remaining earnings from such investments shall be deposited to the County's debt service fund unless otherwise directed by the Governing Body; and

(c) in accordance with state law, the various department heads responsible for the fund or funds receiving and disbursing funds are hereby authorized to amend the budget of the proper fund or funds for the receipt of proceeds from the issuance of the obligations authorized by this resolution including bond proceeds, accrued interest, reoffering premium and other receipts from this transaction. The department heads responsible for the fund or funds are further authorized to amend the proper budgets to reflect the appropriations and expenditures of the receipts authorized by this resolution.

Section 9. Official Statement. The County Mayor and County Clerk, or either of them, working with Stephens Inc., Nashville, Tennessee, the County's financial advisor, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing the Bonds. After bids have been received and the Bonds have been awarded, the County Mayor and the County Clerk, or either 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 County Mayor and the County Clerk, or either 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 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 County Mayor and the County Clerk, or either 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.

No Official Statement need be prepared if the Bonds are sold to a purchaser that does not intend to reoffer the Bonds to the public.

Section 10. Tax Matters. The County recognizes that the purchasers and owners of the Bonds will have accepted them on, and paid therefor a price that reflects, the understanding that interest thereon is excludable from gross income for purposes of federal income taxation under laws in force on the date of delivery of the Bonds. In this connection, the County agrees that it shall take no action or omit to take action which may cause the interest on any of said Bonds to be included in gross income for federal income taxation. It is the reasonable expectation of the Governing Body of the County that the proceeds of the Bonds will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and to this end the said proceeds of the Bonds and other related funds established for the purposes herein set out shall be used and spent expeditiously for the purposes described herein. The Governing Body further covenants and represents that in the event it shall be required by Section 148(f) of the Code to pay any investment proceeds of the Bonds to the United States government, it will make such payments as and when required by said Section 148(f) and will take such other actions as shall be necessary or permitted to prevent the interest on the Bonds from becoming taxable. The County Mayor and County Clerk, or either of them, are authorized and directed to make such certifications in this regard in connection with the sale of the Bonds as either or both shall deem appropriate, and such certifications shall constitute a representation and certification of the County.

Section 11. Discharge and Satisfaction of Bonds. If the County shall pay and discharge the indebtedness evidenced by any 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 Federal 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 Escrow 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 Federal Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Federal Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Federal 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 Federal 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 Federal 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, Federal Obligations shall mean direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations at the time of the purchase thereof are permitted investments under Tennessee Law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 12. Continuing Disclosure. The County hereby covenants and agrees that it will provide annual financial information and material 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 material 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 13. Qualified Tax-Exempt Obligations. The Governing Body hereby designates the Bonds, or any emission thereof, as "qualified tax-exempt obligations", to the extent the Bonds, or any emission thereof, may be so designated, within the meaning of and pursuant to Section 265 of the Internal Revenue Code of 1986, as amended.

Section 14. 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 15. 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 16. 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.

Adopted and Approved this 9th day of July, 2007.

Sponsor: _____

Commissioner: _____

Approved: _____

County Mayor

Attested _____
County Clerk

STATE OF TENNESSEE)

COUNTY OF MONTGOMERY)

I, Kellie Jackson, certify that I am the duly qualified and acting County Clerk of Montgomery County, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a regular meeting of July 9, 2007 of the governing body of the County; 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 not to exceed \$18,000,000 General Obligation School and Public Improvement Bonds of said County.

WITNESS my official signature and seal of said County this _____ day of _____, 2007.

County Clerk

(SEAL)

The Board of County Commissioners of Montgomery County, Tennessee, met in a regular called session on July 9, 2007, at 7:00 p.m., at the Montgomery County Courthouse, 1 Millennium Plaza, Clarksville, Tennessee with Carolyn Bowers, County Mayor, presiding.

The following Commissioners were present:

The following Commissioners were absent:

There were also present Kellie Jackson, County Clerk and Betty Burchett, Director of Accounts and Budgets.

After the meeting was duly called to order, the following resolution was introduced by _____, seconded by _____ and after due deliberation, was adopted by the following vote:

AYE:

NAY:

INITIAL RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED EIGHTEEN MILLION DOLLARS (\$18,000,000) GENERAL OBLIGATION SCHOOL AND PUBLIC IMPROVEMENT BONDS OF MONTGOMERY COUNTY, TENNESSEE

BE IT RESOLVED by the Board of County Commissioners of Montgomery County, Tennessee (the "County") that for the purpose of providing funds for (i) acquisition of land and site development for a County Emergency Management System; (ii) the constructing, repairing, renovating and equipping of a County Emergency Management System; (iii) acquisition of land and site development for school purposes; (iv) constructing, improving, repairing, renovating and equipping of school buildings and facilities; (v) acquisition of land and site development for County government buildings; (vi) constructing, improving, repairing, renovating and equipping of County government buildings; (v) constructing, improving and repairing the roof to the Veterans Plaza; (vi) acquisition of land and site development for parks; (vii) acquisition and installation of lighting for parks; (viii) constructing, improving, repairing, renovating and equipping of Spur Trail; (ix) constructing, improving, repairing, renovating and equipping County government properties for compliance under the American Disabilities Act; (x) acquisition of vehicles for Planning & Zoning; (xi) acquisition and installation of equipment for the County's fire department, highway department, offices of the County Clerk and offices of the Circuit Court Clerk; (xii) acquisition and installation of data processing equipment; (xiii) payment of legal, fiscal, administrative, architectural and engineering costs incident to any of the foregoing; (xiv) reimbursement to the appropriate fund of the County for prior expenditures for the foregoing costs, if applicable; and (xv) payment of costs incident to the bonds authorized herein, there shall be issued bonds, in one or more emissions, of said County in the aggregate principal amount of not to exceed \$18,000,000, which shall bear interest at a rate or rates not to exceed five and three-quarters percent (5.75%) per annum, and which shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County.

BE IT FURTHER RESOLVED by the Board of County Commissioners of Montgomery County, Tennessee that the County Clerk be, and is, hereby directed and instructed to cause the foregoing initial resolution relative to the issuance of not to exceed \$18,000,000 general obligation bonds to be published in full in a newspaper having a general circulation in the County, for one issue of said paper followed by the statutory notice, to-wit:

NOTICE

The foregoing resolution has been adopted. Unless within twenty (20) days from the date of publication hereof a petition signed by at least ten percent (10%) of the registered voters of the County shall have been filed with the County Clerk protesting the issuance of the bonds, such bonds will be issued as proposed.

Kellie Jackson, County Clerk

Adopted and Approved this 9th day of July, 2007.

Sponsor: _____

Commissioner: _____

Approved: _____
County Mayor

Attested _____
County Clerk

STATE OF TENNESSEE)
)
COUNTY OF MONTGOMERY)

I, Kellie Jackson, hereby certify that I am the duly qualified and acting County Clerk of Montgomery 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 governing body of said County held on July 9, 2007; 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 not to exceed \$18,000,000 General Obligation School and Public Improvement Bonds of said County.

WITNESS my official signature and seal of said County on this the _____ day of _____, 2007.

County Clerk

(SEAL)

The Board of County Commissioners of Montgomery County, Tennessee, met in regular session at the Montgomery County Courthouse, Clarksville, Tennessee, at 7:00 o'clock, p.m., on July 9, 2007, with Carolyn Bowers, County Mayor presiding, and the following members present:

There were absent:

There were also present Kellie Jackson, County Clerk and Betty Burchett, Director of Accounts and Budgets.

It was announced that public notice of the time, place and purpose of the meeting had been given and accordingly, the meeting was called to order.

The following resolution was introduced by _____, seconded by _____ and after due deliberation, was adopted by the following vote:

AYE:

NAY:

**AMENDMENT TO PREVIOUSLY ADOPTED RESOLUTION 07-6-8
AUTHORIZING PRE-PAYMENT OF TAXES BY GATEWAY
HEALTH SYSTEM AND FUNDING OF DUNLOP LANE EXPANSION**

WHEREAS, Resolution 07-6-8, Authorizing Pre-Payment of Taxes by Gateway Health System and Funding of Dunlop Lane Expansion was adopted on June 11, 2007; and

WHEREAS, said resolution named Gateway Health System when in fact it should have been referred to as Clarksville Health System, G.P. d/b/a Gateway Medical Center; and

WHEREAS, the years set out in said resolution’s schedule for property tax credit were as follows:

Tax Year 2008	-	\$500,000
Tax Year 2009	-	\$500,000
Tax Year 2010	-	\$500,000
Tax Year 2011	-	\$250,000

WHEREAS, the years should have been set out for property tax credit as follows:

Tax Year 2007	-	\$500,000
Tax Year 2008	-	\$500,000
Tax Year 2009	-	\$500,000
Tax Year 2010	-	\$250,000

NOW, THEREFORE, BE IT RESOLVED by the Montgomery County Board of Commissioners meeting in regular session on this 9th day of July 2007, that Resolution 07-6-8 approved on June 11, 2007, be amended to reflect the correct name of Clarksville Health System, G.P. d/b/a Gateway Medical Center, and the property tax credit be amended to reflect tax years 2007-2010 as stated above.

Duly passed and approved this 9th day of July, 2007.

Sponsor _____

Commissioner _____

Approved _____

County Mayor

Attested _____

County Clerk

**RESOLUTION TO AUTHORIZE THE PARTIAL
ABANDONMENT OF NEIL ROSS ROAD**

WHEREAS, the Industrial Development Board of Montgomery County, Tennessee and Alice A. Connell, being the only landowners adjacent to Neil Ross Road, a county road situated in the 1st Civil District of Montgomery County, Tennessee, have requested that said county road be partially abandoned as a roadway; and, said roadway serves no other property or persons and does not provide any benefits to Montgomery County or its citizens; and

WHEREAS, the Montgomery County Board of Highway Commissioners, meeting in regular business session on the 11th day of June, 2007, have authorized the partial abandonment and closure of said Neil Ross Road as a county road and removal of said road from the county road list.

NOW THEREFORE BE IT RESOLVED by the Montgomery County Board of County Commissioners meeting in regular business session on the 9th day of July, 2007, that Neil Ross Road situated in the 1st Civil District of Montgomery County, Tennessee, be partially abandoned as a county road and removed from the county road list. The description of same is as follows:

See Exhibit A, which is made a part hereof, the same as if copied herein verbatim.

BE IT FURTHER RESOLVED that the County Mayor be and she is hereby authorized to execute Quitclaim Deeds of said roadway to the adjacent property owners, Alice A. Connell and the Industrial Development Board of Montgomery County, Tennessee, of their respective portions of the abandoned road area as described in Exhibit A hereto.

Duly passed and approved this 9th day of July, 2007.

Sponsor _____

Commissioner _____

Approved _____

County Mayor

Attested _____

County Clerk

A RESOLUTION AMENDING RESOLUTION NO. 07-1-3 AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, IN THE APPROXIMATE AGGREGATE PRINCIPAL AMOUNT OF FIFTY-SEVEN MILLION NINE HUNDRED NINETY THOUSAND DOLLARS (\$57,990,000) OF MONTGOMERY COUNTY, TENNESSEE; 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, the Board of County Commissioners of Montgomery County, on January 16, 2007, adopted the Resolution No. 07-1-3 (the "Prior Resolution") authorizing the issuance of the County's general obligation refunding bonds (the "Refunding Bonds") in the approximate principal amount of \$57,990,000 for the purpose of refunding its General Obligation Public Improvement and Refunding Bonds, Series 2001, dated December 1, 2001, \$6,940,000 principal amount maturing May 1, 2021, its General Obligation Public Improvement Bonds, Series 2003, dated June 1, 2003, maturing May 1, 2019 and May 1, 2020, its General Obligation School and Public Improvement Bonds, Series 2004, dated November 1, 2004, maturing April 1, 2016 through April 1, 2025, inclusive, and its General Obligation School and Public Improvement Bonds, Series 2005, dated December 1, 2005, maturing April 1, 2020 through April 1, 2024, inclusive; and

WHEREAS, when the Prior Resolution was adopted, it was amended to provide that it would only be valid for a six-month period from its passage; and

WHEREAS, as a result of market conditions, the Refunding Bonds have not yet been issued.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MONTGOMERY COUNTY, TENNESSEE AS FOLLOWS:

Section 1. Amended Effectiveness. The Prior Resolution shall be valid until December 31, 2007.

Section 2. Effective Date. This resolution shall take effect from and after its passage, the general welfare of Montgomery County, Tennessee requiring it.

Adopted and Approved this 9th day of July, 2007.

Sponsor: _____

Commissioner: _____

Approved: _____

County Mayor

Attested _____

County Clerk

The Board of County Commissioners of Montgomery County, Tennessee, met in a regular called session on July 9, 2007, at 7:00 p.m., at the Montgomery County Courthouse, 1 Millennium Plaza, Clarksville, Tennessee with Carolyn Bowers, County Mayor, presiding.

The following Commissioners were present:

The following Commissioners were absent:

There were also present Kellie Jackson, County Clerk and Betty Burchett, Director of Accounts and Budgets.

After the meeting was duly called to order, the following resolution was introduced by _____, seconded by _____ and after due deliberation, was adopted by the following vote:

AYE:

NAY: