

A RESOLUTION AUTHORIZING THE ISSUANCE OF INTERFUND CAPITAL OUTLAY NOTES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED FIVE MILLION DOLLARS (\$5,000,000) OF RUTHERFORD COUNTY, TENNESSEE; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID NOTES; ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON THE NOTES.

WHEREAS, the Board of County Commissioners (the "Governing Body") of Rutherford County, Tennessee (the "County") has determined that it is necessary and desirable to provide funds for the acquisition of property and the construction, renovation and equipping of schools for the County (collectively, the "Projects"); and

WHEREAS, under the provisions of Parts I, IV, and VI of Title 9, Chapter 21, Tennessee Code Annotated, as amended, local governments in Tennessee are authorized to finance the costs of the Projects through the issuance and sale of interest bearing interfund capital outlay notes with a maturity of up to three years upon the approval of the Director of State and Local Finance; and

WHEREAS, the Governing Body finds that it is advantageous to the County to authorize the issuance of interfund capital outlay notes to finance the costs of the Projects;

NOW THEREFORE, BE IT RESOLVED by the Governing Body of Rutherford County, Tennessee, as follows:

Section 1. For the purpose of providing funds to finance the (i) costs of the Projects, (ii) acquisition of all property, real and personal, appurtenant to the foregoing; and (iii) payment of legal, fiscal, administrative, architectural and engineering costs incident to the foregoing, the County Mayor of the County is hereby authorized to issue interfund capital outlay notes (the "Notes") in accordance with Section 9-21-604, Tennessee Code Annotated, as amended, in a principal amount not to exceed Five Million Dollars (\$5,000,000). The Notes shall be issued on behalf of the County's Other Capital Projects Fund. The Notes shall be purchased with monies in the County's General Debt Service Fund. The Notes shall be designated "Interfund Capital Outlay Notes", or such other designation as shall be determined by the County Mayor; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; may be issued in multiple emissions; shall be in denomination(s) as shall be determined by the County Mayor; shall be issued at not less than 100% of par value and accrued interest; shall bear interest at a rate agreed upon between the County Mayor and County Trustee, including a rate of 0%; and may have such other terms as may be permitted by applicable law.

Section 2. The Notes shall mature not later than three (3) years after the date of issuance and the Notes and any extension or renewal notes shall not exceed the reasonably expected economic life of the Projects, which is hereby certified by the Governing Body to be equal to or greater than the final maturity of the notes authorized herein and any extensions thereof.

Section 3. The Notes, or any emission thereof, shall be subject to redemption, in whole or in part, at any time, at the principal amount thereof and accrued interest thereon to the date of redemption, without a premium.

Section 4. The Notes shall be repaid to the General Debt Service Fund from the Other Capital Projects Fund with the proceeds of general obligation bonds anticipated to be issued by the County. The Notes shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the County. The full faith and credit of the County are hereby irrevocably pledged for the prompt

payment of principal of and interest on the Notes. The tax herein provided may be reduced to the extent of any appropriations from the funds described above to the payment of debt service requirements of the Notes.

Section 5. The Notes shall be executed in the name of the County and bear the manual signature of the County Mayor of the County and the manual signature of the County Clerk with the County seal affixed thereon; and shall be payable as to principal and interest at the office of the County Trustee of the County or any such paying agent duly appointed by the County Mayor of the County. Proceeds from the sale of the Notes shall be deposited in the Other Capital Projects Fund and used for the purposes described in Section 1.

Section 6. The Notes shall be in substantially the form attached hereto.

Section 7. The Notes shall not be issued until receipt of the Director of State and Local Finance's written approval for the issuance of the Notes.

Section 8. It is reasonably expected that the County will reimburse itself for certain expenditures made by it in connection with the Projects by issuing tax-exempt bonds. The expenditures will be made from the Other Capital Projects Fund with the proceeds of the Notes, and reimbursement will be made to the Other Capital Projects Fund and, in turn, the General Debt Service Fund. This resolution shall be placed in the minutes of the Governing Body and shall be made available for inspection by the general public at the office of the Governing Body. This resolution constitutes a declaration of official intent under Treas. Reg. §1.150-2.

Section 9. All orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists and this Resolution shall be come effective immediately upon its passage.

Adopted and approved this 12th day of March, 2015.

County Mayor

ATTEST:

County Clerk

[Form of Note]

STATE OF TENNESSEE
COUNTY OF RUTHERFORD
INTERFUND CAPITAL OUTLAY NOTE

DATED

INTEREST RATE

MATURITY

Principal Sum: \$ _____

The Board of County Commissioners of Rutherford County, Tennessee (the "County"), does hereby acknowledge itself indebted and for value received hereby promises to pay from the Other Capital Projects Fund to the County's General Debt Service Fund (the "Fund"), on the Maturity Date (specified above) (unless this Note shall have been duly called for prior redemption and payment of the redemption price shall have been duly made or provided for), the Principal Sum (specified above), together with interest at the rate specified above on _____, 20__, by check, draft, warrant or interfund transfer to the Fund. Both principal of and interest on this Note are payable at the office of the County Trustee (the "Registration Agent") of the County or a successor Registration Agent duly appointed by the Board of Commissioners of the County.

This Note is payable from unlimited ad valorem taxes on all taxable property located lying within the County. The full faith and credit of the County are irrevocably pledged for the prompt payment of principal of and interest on this Note.

This Note is subject to redemption prior to its stated maturity in whole or in part at any time at the option of the County upon payment of the principal amount of the Note together with the interest accrued thereon in the case of redemption.

This Note is issued under the authority of Parts, I, IV and VI of Title 9, Chapter 21, Tennessee Code Annotated and a Resolution duly adopted by the Board of Commissioners of the County on the 12th day of March, 2015 (the "Resolution") to finance the Projects (as defined in the Resolution) and pay expenses related thereto as authorized in the Resolution.

Tennessee Code Annotated Section 9-21-117 provides that this Note and interest thereon are exempt from taxation by the State of Tennessee or by any county, municipality or taxing district of the State, except for inheritance, transfer, and estate taxes and except as otherwise provided under the laws of 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 Note exist, have happened and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Tennessee, and that the amount of this Note, together with all indebtedness of the County, does not exceed any constitutional or statutory limitation thereon, and that this Note is within every constitutional and statutory limitation.

IN WITNESS WHEREOF, the County has caused this Note to be executed in the name of the County by the manual signature of the County Mayor of the County and attested by the manual signature of the County Clerk of the County with the seal of the County affixed hereto.

COUNTY MAYOR

COUNTY CLERK

Transferable and payable at the office of:

County Trustee of Rutherford County, Tennessee
Rutherford County, Tennessee

Date of Authentication:

This Note is one of the issue of Notes issued pursuant to the Resolution hereinabove described.

COUNTY TRUSTEE OF RUTHERFORD COUNTY,
TENNESSEE

By: _____
County Trustee

The Board of County Commissioners of Rutherford County, Tennessee, met in a regular session on March 12, 2015, at 6:00 p.m., at the Rutherford County Courthouse, Murfreesboro, Tennessee, with the Honorable Ernest Burgess, County Mayor, presiding.

The following Commissioners were present:

The following Commissioners were absent:

There were also present Lisa Duke Crowell, County Clerk, and Lisa Nolen, Finance Director.

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:

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