

MAY 2022 AGENDA

**THE HAWKINS COUNTY BOARD OF COMMISSIONERS WILL MEET IN REGULAR SESSION ON
MAY 23, 2022 AT 6:00 P.M. IN THE HAWKINS COUNTY COURTHOUSE COMMISSION
MEETING ROOM**

OPENING OF COURT	SHERIFF RONNIE LAWSON
PRAYER	COMMISSIONER DAWSON FIELDS
PLEDGE TO THE FLAG	COMMISSIONER JASON ROACH
CALL TO ORDER	CHAIRMAN RICK BREWER
ROLL CALL	COUNTY CLERK NANCY A. DAVIS
CONFLICT OF INTEREST	CHAIRMAN RICK BREWER
COMMENDATIONS/RECOGNITIONS	CHAIRMAN RICK BREWER
OFFICE REPORTS/COMMITTEE REPORTS	CHAIRMAN RICK BREWER
APPROVAL OF MINUTES	CHAIRMAN RICK BREWER

**COUNTY COMMISSION INFORMATION CAN BE FOUND AT
WWW.HAWKINSCOUNTYCLERK.COM**

RESOLUTIONS 2022/05:

- 2022/05/01 APPROVAL TO PROPERLY DISPOSE OF SURPLUS PROPERTY
(Specifically, Electronics) FOR Electronic Recycling**
- 2022/05/02 CORNER OF PRICE ROAD AND HICKORY COVE ROAD**
- 2022/05/03 PURCHASE OF TWO PASSENGER VANS FOR THE CHURCH HILL AND
BULLS GAP VFW FUNERAL DETAIL**
- 2022/05/04 ADOPTING THE RESTATED DEBT MANAGEMENT POLICY FOR
HAWKINS COUNTY, TENNESSEE**
- 2022/05/05 BUDGET AMENDMENT – GENERAL FUND**
- 2022/05/06 GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENT**
- 2022/05/07 EDUCATION CAPITAL PROJECTS FUND BUDGET AMENDMENT**
- 2022/05/08 APPROVAL OF NOTARIES PUBLIC**

MOTION TO ADJOURN

**BUDGET COMMITTEE MEETING 30 MINUTES PRIOR TO COUNTY COURT - (IF NEEDED)
BUDGET COMMITTEE WILL BE NOTIFIED**

**ADDITIONAL INFORMATION WILL BE POSTED AT
WWW.HAWKINSCOUNTYCLERK.COM
(BEFORE THE NEXT SCHEDULED MEETING)
IF YOU HAVE ANY QUESTIONS, PLEASE CALL 423-272-7002
DURING NORMAL BUSINESS HOURS**

RESOLUTION

No 2022 05101

To the Honorable Rick Brewer, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 23rd day of May, 2022.

RESOLUTION IN REF: APPROVAL TO PROPERLY DISPOSE OF SURPLUS PROPERTY (Specifically Electronics) FOR Electronic Recycling.

WHEREAS, electronic office equipment that has been purchased with county funds by Hawkins County and that is being taken out of service by the Hawkins County Mayor's Office is considered surplus property and must be disposed of properly; and

WHEREAS, there is electronic equipment, of various monetary value, in storage at the Hawkins County Mayor's Office that will not be suitable for another county office or department, as well as, items that only have a recycle value; and

WHEREAS, the electronic equipment, which is listed as an attachment, is most appropriate to be disposed of by a professional electronic recycling company; and

NOW, THEREFORE BE IT RESOLVED that approval be given to properly dispose of the electronic equipment thru an electronic recycling program. A disposal list of the items will be kept in the Mayor's Office.

Introduced By Esq. Charles Thacker

Seconded By Esq.

Date Submitted 4-9-22
County Clerk [Signature]
By: _____

Chairman _____

Mayor _____
Jim Lee, County Mayor

ACTION:	AYE	NAY	PASSED
Roll call	_____	_____	_____
Voice Vote	_____	_____	_____
Absent	_____	_____	_____

COMMITTEE ACTION

Mayor's Action: Approved _____ Veto _____

HAWKINS COUNTY MAYOR'S OFFICE
REQUESTED ELECTRONICS FOR ELECTRONIC RECYCLING

<u>Item Description</u>	<u>Tag #</u>	<u>Serial #</u>
ViewSonic Monitor 19" black	5266	RPX112700825
ViewSonic Monitor black	No Tag	RBJ102900105
ViewSonic Monitor black	5254	QU2082201160
ViewSonic Monitor black	5256\7605	Q87063501689
ViewSonic Monitor black (VA705-B)	No Tag	QK103000818
HP Monitor silver	5298	3CQ8140081
ViewSonic Monitor black	5248	QRU073522296
ViewSonic Monitor black	7606	TST150320117
ViewSonic Monitor black	7427/5932	Q87065225256
KeyTronic Keyboard	5257	C091501260
Microsoft Keyboard	No Tag	0065812928559
KeyTronic Keyboard	No Tag	C105201093
Microsoft Keyboard	No Tag	0200703942410
KeyTronic Keyboard	5251	C050500246/20050319
KeyTronic Keyboard	No Tag	20050317
KeyTronic Keyboard	No Tag	C152000446
HP Keyboard	5296	No Serial #
HP DVD 1260 Tower	10892/20111008	00180450567597
Intel Core 2 Tower	20080919	00146-577-299-697
Antec Tower	20100823	00180-443-549-895
Intel Core 2 Tower	20080920	00146-039-984-547
Antec Tower (backup)	20050319	No Serial #
Antec 302 Tower	20050317	No Serial #
Antec Tower	20130809	No Serial #
Antec Tower	5255	20090811
LG Tower black	6177	20120616
Intel Tower	No Tag	20150508
Intel Tower	No Tag	20150509
Antec Tower	6229	20130811
Antec Tower	No Tag	20111007
Typewriter Royal 520	0307	No Serial #
Typewriter IBM wheel writer 5	No Tag	1337700017438
Typewriter Nakajima AE-70	5292	301KE52783
HP Laser Jet P2015dn Copier	No Tag	CNB3M69822
Workio 2020 (Energy Star) Printer/Copier	No Tag	JGG55P00017
Microsoft Mouse Controls (6)	No Tag	No Serial #
Loose Cords ()	No Tag	No Serial #
Battery Backup	No Tag	3B1138X04407
APC Battery Backup	No Tag	PB0029312794
APC Battery Backup	4074	BB0111025617
APC Battery Backup	6179	4131149P34082
APC Battery Backup 1500	No Tag	JB1016018440
Dell laptop computer/Dell CD-ROM	4747	00045-497-625-580
Electric Personal Heater Brown (Does not work)	0812	198TE

RESOLUTION

No. 2022 / 05 / 02

To the HONORABLE Rick Brewer, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 23rd day of May, 2022.

RESOLUTION IN REFERENCE: CORNER OF PRICE ROAD AND HICKORY COVE ROAD

WHEREAS, the Road Committee met on May 4, 2022 for consideration of reverting an old road bed approximate in size 15' x 900' back to the landowner Mr. Chuck Hurd; and

WHEREAS, this property is located at the intersection of Price Road and Hickory Cove Road and has no value or use to the Hawkins Highway Department; and

WHEREAS, it is recommended that the County Attorney prepare a quick claim deed to release this property.

NOW, THEREFORE BE IT RESOLVED that the old road bed at the intersection of Price Road and Hickory Cove Road be reverted back to the landowner Chuck Hurd.

SEE ATTACHED

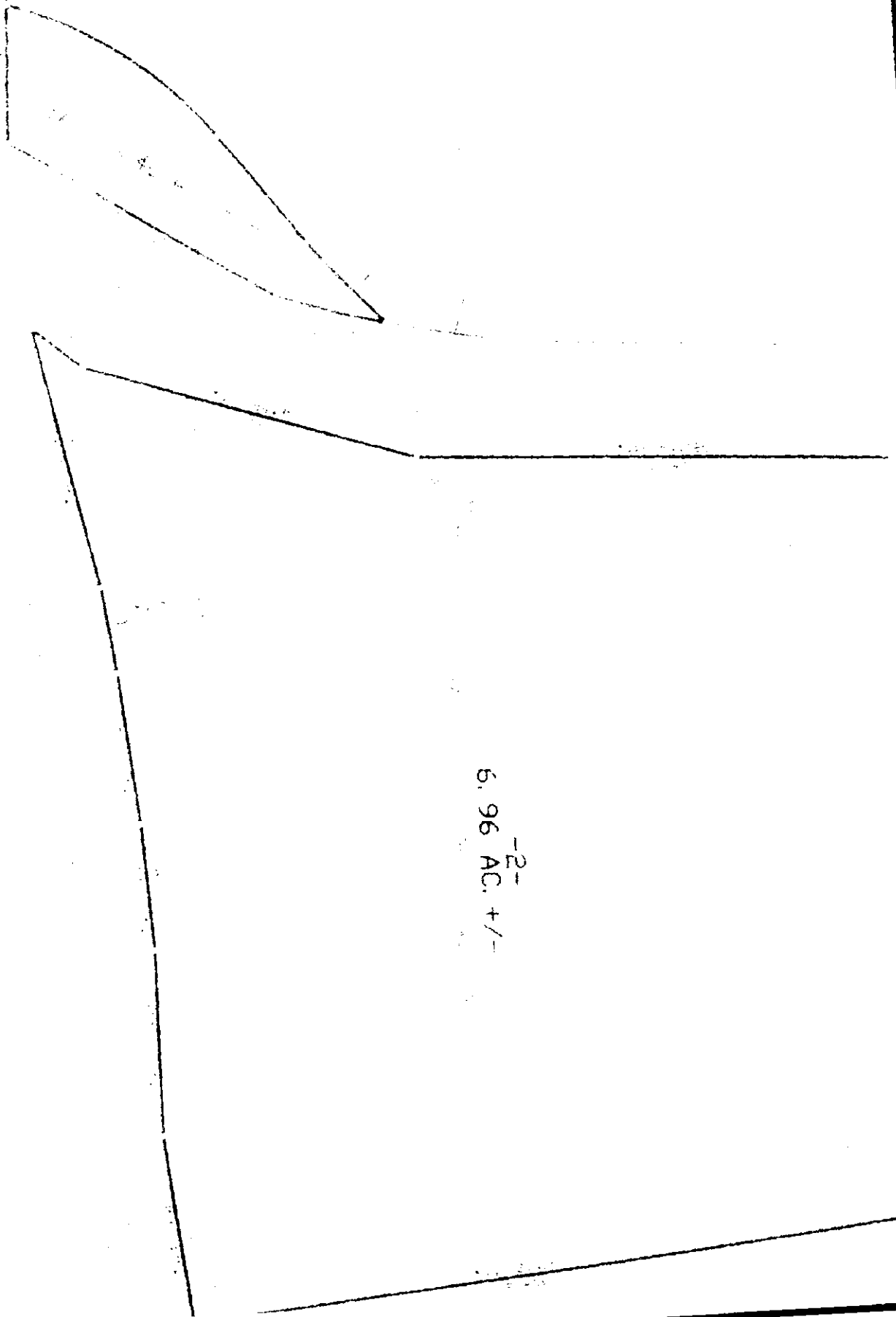
- *Road Committee minutes of May 4, 2022 meeting
*Map of above road bed property

Introduced By Esq. Dawson Fields
Seconded By Esq.
Date Submitted 05-09-22
County Clerk

ACTION: AYE NAY ABSTAIN
Roll Call
Voice Vote
Absent

By:
Chairman
Mayor

COMMITTEE ACTION
MAYOR'S ACTION: Approved Veto



6. 96 AC. +/-⁻²⁻

MINUTES

HAWKINS COUNTY

ROAD COMMITTEE

April 28, 2022
2:00 p.m.
Administration Building

MEMBERS PRESENT: Dawson Fields, Keith Gibson, George Bridwell, Glenda Davis, and Charles Thacker.

MEMBERS ABSENT: Rick Brewer, and Donnie Talley.

OTHERS PRESENT: Sarah Davis, Stephanie Testerman, and Donna Whitt, Hawkins County Mayors Office; Lowell Bean, Highway Department Superintendent.

CALL TO ORDER: Chairman Dawson called the meeting to order. After roll call it was noted that five (5) members were present representing the appropriate number of members for a quorum.

APPROVAL OF MINUTES FOR THE MARCH 16, 2022 MEETING

Commissioner Thacker made a **MOTION** to approve the March 16, 2022 minutes. Commissioner Gibson made a second, motion passed unanimously.

PRICE AND HICKORY COVE ROAD:

Chairman Dawson Fields addressed the Committee about a right away located on Price and Hickory Cove Road. Fields stated that he thinks we should revert the property to Chuck Hurd, which owns the property surrounding. Fields stated that the right of way is useless and will end up being a ditch for the County to clean. Lowell Bean presented the Committee with a map of the property to look at. Commissioner Thacker made a **MOTION** to revert the old right of way back to Chuck Hurd and Commissioner Davis seconded. The motion passed unanimously.

OTHER BUSINESS:

Commissioner George Bridwell asked how are we doing on Jim Town Road? Lowell Bean stated he left Bill Saunders a message stating he needed to get in touch with him and get a spreadsheet worked out and asked what he wants on the signs, he hadn't ordered them yet. Thacker stated there is not a lot you can do on a road like that. No action was taken.

ADJOURN:

There being no further business to be considered by the Committee at this time, a **MOTION** was made by Commissioner Gibson, and seconded by Commissioner Thacker to adjourn. Motion passed unanimously, and the meeting adjourned at 2:19p.m.

Minutes Prepared By:

Stephanie Testerman

THESE MINUTES RECORDED BY ELECTRONIC MEANS

RESOLUTION

No. 2022 05 103

To the HONORABLE RICK BREWER, Chairman and Members of the Hawkins County Board of Commission in Regular Session, met this 23rd day of May, 2022.

RESOLUTION IN REF: PURCHASE OF TWO PASSENGER VANS FOR THE CHURCH HILL AND BULLS GAP VFW FUNERAL DETAIL

WHEREAS, the VFW of Church Hill and the VFW of Bulls Gap serve the families of veterans that have passed away through a free service to honor those that have served in the United States Armed Forces through a ceremony that includes the 21 Gun Salute, the playing of TAPS, a chaplain, and the presentation of the flag to the deceased's closest of kin.

WHEREAS, transportation to the various graveside services is required in order to be sure that the members of the funeral detail can participate as well as transport their gear and equipment efficiently.

WHEREAS, the current vehicles that are used are in dire need of service and repair.

WHEREAS, the purchase of the vans will take place through the use of ARPA Covid Relief money at the cost identified by the state bid price for a 15 passenger van. Any funds that may be collected through the possible sale of the old vans will be kept and used by the VFW in whatever capacity they deem necessary.

WHEREAS, the cost to register, insure, and otherwise maintain the vehicles will be the responsibility of the VFW and will not be the responsibility of any function of local government. The vans will be the sole property of the Church Hill and Bulls Gap VFW posts.

THEREFORE, BE IT RESOLVED that the Hawkins County Commission approve a donation from the unassigned fund balance to the VFW to be used exclusively for the purchase of two fans for the Church Hill VFW and Bulls Gap VFW to be used to transport the funeral detail to and from veteran graveside services and for any other purpose that the respective VFW posts may determine.

Introduced by Esq. Jason Roach, 5th District Commissioner
Danny Alvis, 3rd District

ACTION: AYE NAY PASSED

Seconded By Esq. _____

Roll Call _____

Date Submitted 05-09-2022

Voice Vote _____

Danny Alvis
County Clerk

Absent _____

By: _____

Committee Action _____

Chairman _____

Mayor _____

Mayor's Action Approved _____ Veto _____

Jim Lee, County Mayor

RESOLUTION

No. 2022-05104

To the Honorable RICK BREWER, Chairman, and Members of the Hawkins County Board of Commissioners in Regular Session, met this 23rd day of May, 2022.

RESOLUTION IN REF: ADOPTING THE RESTATED DEBT MANAGEMENT POLICY FOR HAWKINS COUNTY, TENNESSEE

WHEREAS, Hawkins County adopted a debt management policy on November 11, 2011, to promote and implement improved financial decisions; and,

WHEREAS, this policy was revisited by the Commission on April 22, 2019; and,

WHEREAS, to further the goals and objectives of the original debt management policy, the County now desires to restate the policy by adopting the attached Exhibit A.

Introduced By Esq. Charlie Thacker, V. Chr. – Budget Comm.

Seconded By Esq. _____

Date Submitted 05-09-2022

County Clerk *[Signature]*

By: _____

Chairman _____

Mayor _____

Jim Lee, Mayor

ACTION: AYE NAY PASSED

Roll Call _____

Voice Vote _____

Absent _____

COMMITTEE ACTION

Mayor's Action: Approved _____

**HAWKINS COUNTY
TENNESSEE**

Debt Management Policy

Formally Adopted: November 28, 2011

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Hawkins County, Tennessee
DEBT MANAGEMENT POLICY

I. INTRODUCTORY STATEMENT

In managing its Debt (defined herein as tax-exempt or taxable bonds, capital outlay notes, other notes, capital leases, interfund loans or notes and loan agreements); it is the County's policy to:

- Achieve the lowest cost of capital within acceptable risk parameters
- Maintain or improve credit ratings
- Assure reasonable cost access to the capital markets
- Preserve financial and management flexibility
- Manage interest rate risk exposure within acceptable risk parameters

II. GOALS AND OBJECTIVES

Debt policies and procedures are tools that ensure that financial resources are adequate to meet the County's long-term capital planning objectives. In addition, the Debt management policy (the "Debt Policy") helps to ensure that financings undertaken by the County have certain clear, objective standards which allow the County to protect its financial resources in order to meet its long-term capital needs.

The Debt Policy formally establishes parameters for issuing debt and managing a debt portfolio which considers the County's specific capital improvement needs; ability to repay financial obligations; and, existing legal, economic, and financial market conditions. Specifically, the policies outlined in this document are intended to assist in the following:

- To guide the County in policy and debt issuance decisions
- To maintain appropriate capital assets for present and future needs
- To promote sound financial management
- To protect the County's credit rating
- To ensure the County's debt is issued legally under applicable state and federal laws
- To promote cooperation and coordination with other parties in the financing
- To evaluate debt issuance options

III. PROCEDURES FOR ISSUANCE OF DEBT

1) Authority

- a) The County will only issue Debt by utilizing the statutory authorities provided by *Tennessee Code Annotated* as supplemented and revised ("TCA") and the Internal Revenue Code (the "Code").
- b) The County will adhere to any lawfully promulgated rules and regulations of the State and those promulgated under the Code.
- c) All Debt must be formally authorized by resolution of the County's Legislative Body.

2) Transparency

- a) It is recognized that the issuance of Debt must have various approvals and on occasion, written reports provided by the State of Tennessee Comptroller's office either prior to adoption of resolutions authorizing such Debt, prior to issuance and/or following issuance. The County, in conjunction with any professionals (including, but not limited to, financial advisors, underwriters, bond counsel, etc. which may individually or collectively be referred to herein as "Financial Professionals") will ensure compliance with TCA, the Code and all federal and State rules and regulations. Such State compliance will include, but not be limited to, compliance with all legal requirements regarding adequate public notice of all meetings of the County related to consideration and approval of Debt. Additionally, the County shall provide the Tennessee Comptroller's office sufficient information on the Debt to not only allow for transparency regarding the issuance, but also assuring that the Comptroller's office has sufficient information to adequately report or approve any formal action related to the sale and issuance of Debt. The County will also make this information available to its legislative body, citizens and other interested parties.
- b) The County will file its Audited Financial Statements and any Continuing Disclosure document prepared by the County or its Dissemination Agent. To promote transparency and understanding, these documents should be furnished to members of the Legislative Body and made available electronically or by other usual and customary means to its citizens, taxpayers, rate payers, businesses, investors and other interested parties by posting such information on-line or in other prominent places.

IV. CREDIT QUALITY AND CREDIT ENHANCEMENT

The County's Debt management activities will be conducted in order to maintain or receive the highest possible credit ratings. The Mayor and Finance Director in conjunction with any Financial Professionals that the County may chose to engage will be responsible for maintaining relationships and communicating with one or more rating agencies.

The County will consider the use of credit enhancements on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when clearly demonstrable savings can be shown shall an enhancement be considered. The County will consider each of the following enhancements as alternatives by evaluating the cost and benefit of such enhancements:

1) Insurance

The County may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination shall be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.

2) Letters of Credit

The County may enter into a letter-of-credit ("LOC") agreement when such an agreement is deemed prudent and advantageous. The County or its Financial Professionals, if any, may seek proposals from qualified banks or other qualified financial institutions pursuant to terms and conditions that are acceptable to the County.

V. AFFORDABILITY

The County shall consider the ability to repay Debt as it relates to the total budget resources, the wealth and income of the community and its property tax base and other revenues available to service the Debt. The County may consider debt ratios and other benchmarks compared to its peers when analyzing its Debt including materials published by the nationally recognized credit rating agencies.

VI. DEBT STRUCTURE

The County shall establish all terms and conditions relating to the issuance of Debt and will invest all bond proceeds pursuant to the terms of its investment policy, if any. Unless otherwise authorized by the County, the following shall serve as the Debt Policy for determining structure:

1) **Term**

All capital improvements financed through the issuance of Debt will be financed for a period not to exceed the useful economic life of the improvements and in consideration of the ability of the County to absorb such additional debt service expense. The term of Debt shall be determined by, but not limited to, the economic life of the assets financed, conditions in the capital markets, the availability of adequate revenue streams to service the Debt and the existing pattern of Debt payable from such identifiable fund or enterprise activity, but in no event will the term of such Debt exceed forty (40) years, as outlined in TCA.

2) **Capitalized Interest**

From time to time, certain financings may require the use of capitalized interest from the date of issuance until the County is able to realize beneficial use and/or occupancy of the financed project. Interest may be capitalized through a period permitted by federal law and TCA if it is determined that doing so is beneficial to the financing by the Legislative Body and is appropriately memorialized in the legislative action authorizing the sale and issuance of the Debt.

3) **Debt Service Structure**

General Obligation debt issuance shall be planned to achieve relatively net level debt service or level principal amortization considering the County's outstanding debt obligations, while matching debt service to the useful economic life of facilities. Absent events or circumstances determined by its Legislative Body, the County shall avoid the use of bullet or balloon maturities (with the exception of sinking fund requirements required by term bonds) except in those instances where such maturities serve to make existing overall debt service level or match specific income streams. Debt which is supported by project revenues and is intended to be self-supporting should be structured to achieve level proportional coverage to expected available revenues.

4) **Call Provisions**

In general, the County's Debt should include a call feature no later than ten (10) years from the date of delivery of the bonds. The County will avoid the sale of long-term debt which carries longer redemption features unless a careful evaluation has been conducted by the Mayor and Finance Director and/or Financial Professionals, if any, with respect to the value of the call option.

5) **Original Issuance Discount/Premium**

Debt with original issuance discount/premium will be permitted.

6) **Deep Discount Bonds**

Deep discount debt may provide a lower cost of borrowing in certain capital markets. The Mayor and Finance Director and/or Financial Professionals, if any, should carefully consider their value and effect on any future refinancing as a result of the lower-than-market coupon.

VII. DEBT TYPES

When the County determines that Debt is appropriate, the following criteria will be utilized to evaluate the type of debt to be issued.

1) **Security Structure**

a) **General Obligation Bonds**

The County may issue Debt supported by its full faith, credit and unlimited ad valorem taxing power ("General Obligation Debt"). General Obligation Debt shall be used to finance capital projects that do not have significant independent creditworthiness or significant on-going revenue streams or as additional credit support for revenue-supported Debt, if such support improves the economics of the Debt and is used in accordance with these guidelines.

b) **Revenue Debt**

The County may issue Debt supported exclusively with revenues generated by a project or enterprise fund ("Revenue Debt"), where repayment of the debt service obligations on such Revenue Debt will be made through revenues generated from specifically designated sources. Typically, Revenue Debt will be issued for capital projects which can be supported from project or enterprise-related revenues.

c) **Capital Leases**

The County may use capital leases to finance projects assuming the Mayor and Finance Director and/or Financial Professionals, if any, determine that such an instrument is economically feasible.

2) **Duration**

a) **Long-Term Debt**

The County may issue long-term Debt when it is deemed that capital improvements should not be financed from current revenues or short-term borrowings. Long-term Debt will not be used to finance current operations or normal maintenance. Long-

term Debt will be structured such that financial obligations do not exceed the expected useful economic life of the project(s) financed.

- i. *Serial and Term Debt.* Serial and Term Debt may be issued in either fixed or variable rate modes to finance capital infrastructure projects;
- ii. *Capital Outlay Notes ("CONs").* CONs may be issued to finance capital infrastructure projects with an expected life up to twelve years; or
- iii. *Capitalized Leases.* Capitalized Leases may be issued to finance infrastructure projects or equipment with an expected life not greater than its expected useful life.

b) Short-Term Debt

Short-term borrowing may be utilized for:

- i. Financing short economic life assets;
- ii. The construction period of long-term projects;
- iii. For interim financing; or
- iv. For the temporary funding of operational cash flow deficits or anticipated revenues subject to the following policies:
 1. *Bond Anticipation Notes ("BANs").* BANs, including commercial paper notes issued as BANs, may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility. The BANs shall not mature more than 2 years from the date of issuance. BANs can be rolled in accordance with federal and state law. BANs shall mature within 6 months after substantial completion of the financed facility.
 2. *Revenue Anticipation Notes ("RANs") and Tax Anticipation Notes ("TANs").* RANs and TANS shall be issued only to meet cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to federal IRS and state requirements and limitations.
 3. *Lines of Credit.* Lines of Credit shall be considered as an alternative to other short-term borrowing options. A line of credit shall only be structured to federal and state requirements.
 4. *Interfund Loans.* Interfund Loans shall only be used to fund operational deficiencies among accounts to be paid from current fiscal year revenues or for capital projects. Such interfund loans shall be approved by the State

Comptroller's office and shall only be issued in compliance with state regulations and limitations.

5. *Other Short-Term Debt.* Other Short-Term Debt including commercial paper notes, BANs, Capitalized Leases and CONs may be used when it provides an interest rate advantage or as interim financing until market conditions are more favorable to issue debt in a fixed or variable rate mode. The County will determine and utilize the most advantageous method for short-term borrowing. The County may issue short-term Debt when there is a defined repayment source or amortization of principal.

3) **Interest Rate Modes**

a) **Fixed Rate Debt**

To maintain a predictable debt service schedule, the County may give preference to debt that carries a fixed interest rate.

b) **Variable Rate Debt**

The targeted percentage of net variable rate debt outstanding (excluding (1) debt which has been converted to synthetic fixed rate debt and (2) an amount of debt considered to be naturally hedged to short-term assets in the Unreserved General and/or Debt Service Fund Balance) shall not exceed 35% of the County's total outstanding debt and will take into consideration the amount and investment strategy of the County's operating cash.

The following circumstances may result in the consideration of issuing variable rate debt:

- i. *Asset-Liability Matching;*
- ii. *Construction Period Funding;*
- iii. *High Fixed Interest Rates.* Interest rates are above historic averages;
- iv. *Diversification of Debt Portfolio;*
- v. *Variable Revenue Stream.* The revenue stream for repayment is variable and is anticipated to move in the same direction as market-generated variable interest rates or the dedication of revenues allows capacity for variability; and
- vi. *Adequate Safeguard Against Risk.* Financing structure and budgetary safeguards are in place to prevent adverse impacts from interest rate shifts such structures could include, but are not limited to, interest rate caps and short-term cash investments in the County's General Fund.

An analysis by the Mayor and Finance Director and/or Financial Professionals, if any, shall be conducted to evaluate and quantify the risks and returns associated with the variable rate Debt including, but not limited to, a recommendation regarding the use of variable rate debt.

4) Zero Coupon Debt

Zero Coupon Debt may be used if an analysis has been conducted by the Mayor and Finance Director and/or Financial Professionals, if any, and the risks and returns associated with the Zero Coupon Debt have been made. The analysis shall include, but not be limited to a recommendation regarding the use of Zero Coupon Debt as the most feasible instrument considering available revenues streams, the need for the project and other factors determined by the Legislative Body.

5) Synthetic Debt

The County will not enter into any new interest rate swaps or other derivative instruments unless it adopts a Debt Derivative Policy consistent with the requirements of TCA and only after approval of the State Comptroller's office and affirmative action of the Legislative Body. To the extent the County has any current existing interest rate swaps or other derivative instruments, the County will monitor these agreements and any amendments consistent with the compliance report issued by the State Comptroller's Office at the time the agreements were previously authorized.

VIII. REFINANCING OUTSTANDING DEBT

The Mayor and Finance Director, in conjunction with Financial Professionals, if any, shall have the responsibility to analyze outstanding Debt for refunding opportunities. The Mayor and Finance Director will consider the following issues when analyzing possible refunding opportunities:

1) Debt Service Savings

Absent other compelling considerations such as the opportunity to eliminate onerous or restrictive covenants contained in existing Debt documents, the County has established a minimum net present value savings threshold of at least 3.0 percent of the advance refunded Debt principal amount. Current refunding opportunities may be considered by the County using any savings threshold if the refunding generates positive net present value savings. The decision to take less than 3.0 percent net present value savings for an advance refunding or to take the savings in any manner other than a traditional year-to-year level savings pattern must be approved by the Legislative Body or delegated to the County's Chief Executive.

2) Restructuring for economic purposes

The County may also refund Debt when it is in its best financial interest to do so. Such a refunding will be limited to restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, release reserve funds or remove unduly restrictive bond covenants or any other reason approved by the Legislative Body in its discretion.

3) Term of Refunding Issues

Normally, the County will refund Debt equal to or within its existing term. However, the Mayor and Finance Director may consider maturity extension, when necessary to achieve desired outcomes, provided that such extension is legally permissible and it is approved by the Legislative Body. The Mayor and Finance Director may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful economic life of the financed facility and the concept of inter-generational equity should guide these decisions.

4) Escrow Structuring

The County shall utilize the least costly securities available in structuring refunding escrows. In the case of open market securities, a certificate will be provided by a third party agent, who is not a broker-dealer stating that the securities were procured through an arms-length, competitive bid process, that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within Federal guidelines. In cases where taxable Debt is involved, the Mayor and Finance Director, with the approval of bond counsel, may make a direct purchase as long as such purchase is the most efficient and least costly. Under no circumstances shall an underwriter, agent or any Financial Professionals sell escrow securities involving tax-exempt Debt to the County from its own account.

5) Arbitrage

The County shall take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunding. Any positive arbitrage will be rebated as necessary according to Federal guidelines.

IX. METHODS OF ISSUANCE

The Mayor and Finance Director may consult with a Financial Professional regarding the method of sale of Debt. Subject to approval by the Legislative Body, the Mayor and Finance Director will determine the method of issuance of Debt on a case-by-case basis consistent with the options provided by prevailing State law.

1) Competitive Sale

In a competitive sale, the County's Debt will be offered in a public sale to any and all eligible bidders. Unless bids are rejected, the Debt shall be awarded to the bidder providing the lowest true interest cost as long as the bid adheres to the requirements set forth in the official notice of sale.

In a competitive sale, a financial advisor may bid on an issue for which they are providing advisory services only if:

- a) Authorized by the rules and regulations of the Municipal Securities Rulemaking Board (the "MSRB"), including Rule G-23, as may be amended and modified;
- b) The Legislative Body or designated official grants in writing specific authority on a transaction by transaction basis;
- c) Such sale is properly carried out through a widely and publicly advertised sale, during normal bond sale hours, and through an industry standard, electronic bidding platform; and
- d) The financial advisory fee is separately disclosed and billed from the underwriting fee.

2) Negotiated Sale

The County recognizes that some securities are best sold through a negotiated sale with an underwriter or group of underwriters. The County shall assess the following circumstances in determining whether a negotiated sale is the best method of sale:

- a) State requirements on negotiated sales;
- b) Debt structure which may require a strong pre-marketing effort such as those associated with a complex transaction generally referred to as a "story" bond;
- c) Size or structure of the issue which may limit the number of potential bidders;
- d) Market conditions including volatility wherein the County would be better served by the flexibility afforded by careful timing and marketing such as is the case for Debt issued to refinance or refund existing Debt;
- e) Whether the Debt is to be issued as variable rate obligations or perhaps as Zero Coupon Debt;

- f) Whether an idea or financing structure is a proprietary product of a single firm;
- g) In a publicly offered or privately placed, negotiated sale, a financial advisor, if any, shall not be permitted to resign as the financial advisor in order to underwrite or privately place an issue for which they are or have been providing advisory services;
- h) The underwriter shall clearly identify itself in writing as an underwriter and not as a financial advisor from the earliest stages of its relationship with the County with respect to the negotiated issue. The underwriter must clarify its primary role as a purchaser of securities in an arm's length commercial transaction and that it has financial and other interests that differ from those of the County. The underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Legislative Body (or its designated official) in advance of the pricing of the debt.

3) **Private Placement**

From time to time, the County may elect to privately place its Debt. Such placement shall only be considered if this method is demonstrated to be advantageous to the County.

X. **PROFESSIONALS**

1) **Financial Professionals**

As needed, the County may select Financial Professionals to assist in its Debt issuance and administration processes. In selecting Financial Professionals, consideration should be given with respect to:

- a) relevant experience with municipal government issuers and the public sector;
- b) indication that the firm has a broadly based background and is therefore capable of balancing the County's overall needs for continuity and innovation in capital planning and Debt financing;
- c) experience and demonstrated success as indicated by its experience;
- d) the firm's professional reputation;
- e) professional qualifications and experience of principal employees; and
- f) the estimated costs, but price should not be the sole determining factor.

2) Miscellaneous

a) **Written Agreements**

- i. Any Financial Professionals engaged by the County shall enter into written agreements including, but not limited to, a description of services provided and fees and expenses to be charged for the engagement.
- ii. The County shall enter into an engagement letter agreement with each lawyer or law firm representing the County in a debt transaction. No engagement letter is required for any lawyer who is an employee of the County or lawyer or law firm which is under a general appointment or contract to serve as counsel to the County. The County does not need an engagement letter with counsel not representing the County, such as underwriters' counsel.
- iii. The County shall require all Financial Professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the County and the lender or conduit issuer, if any. This includes "soft" costs or compensations in lieu of direct payments.

b) **Conflict of Interest**

- i. Financial Professionals involved in a debt transaction hired or compensated by the County shall be required to disclose to the County existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisors, swap advisors, bond counsel, swap counsel, trustee, paying agent, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the County to appreciate the significance of the relationships.
- ii. Financial Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

XI. **COMPLIANCE**

1) Continuing Annual Disclosure

Normally at the time Debt is delivered, the County will execute a Continuing Disclosure Certificate in which it will covenant for the benefit of holders and

beneficial owners of the publicly traded Debt to provide certain financial information relating to the County by not later than twelve months after each of the County's fiscal years, (the "Annual Report and provide notice of the occurrence of certain enumerated events. The Annual Report (and audited financial statements, if filed separately) will be filed with the MSRB through the operation of the Electronic Municipal Market Access system ("EMMA") and any State Information Depository established in the State of Tennessee (the "SID"). If the County is unable to provide the Annual Report to the MSRB and any SID by the date required, notice of each failure will be sent to the MSRB and any SID on or before such date. The notices of certain enumerated events will be filed by the County with the MSRB through EMMA and any SID. The specific nature of the information to be contained in the Annual Report or the notices of significant events is provided in each Continuing Disclosure Certificate. These covenants are made in order to assist underwriters in complying with SEC Rule 15c2-12(b) (the "Rule").

2) Arbitrage Rebate

The County will also maintain a system of record keeping and reporting which complies with the arbitrage rebate compliance requirements of the Internal Revenue Code (the "Code").

3) Records

The County will also maintain records required by the Code including, but not limited to, all records related to the issuance of the debt including detailed receipts and expenditures for a period up to 6 years following the final maturity date of the Debt or as required by the Code.

XII. DEBT POLICY REVIEW

1) General Guidance

The guidelines outlined herein are only intended to provide general direction regarding the future issuance of Debt. The County maintains the right to modify this Debt Policy and may make exceptions to any of its guidelines at any time to the extent that the execution of such Debt achieves the goals of the County as long as such exceptions or changes are consistent with TCA and any rules and regulations promulgated by the State.

This Debt Policy should be reviewed from time to time as circumstances, rules and regulations warrant.

2) Designated Official

The Mayor and Finance Director are responsible for ensuring substantial compliance with this Debt Policy.

RESOLUTION NO. 2022105106

TO THE HONORABLE RICK BREWER, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 23rd DAY OF MAY 2022.

RESOLUTION IN REF: GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENT

WHEREAS, the Hawkins County Board of Education has approved the attached budget amendment to the General Purpose School Fund, and now requests approval of said amendment by the Hawkins County Board of Commissioners.

NOW THEREFORE BE IT RESOLVED THAT the Hawkins County Board of Commissioners, meeting in regular session, May 23, 2022, go on record as passing this resolution.

Introduced by Esq. Charlie Thacker Estimated Cost: _____
Vice-Chair, Budget Comm

Seconded by Esq. _____ Paid From _____ Fund

ACTION: Aye _____ Nay _____ Date Submitted 05-09-2022

Roll Call _____ _____ County Clerk, Nancy A. Davis

Voice Vote _____ _____ By: Nancy A. Davis

Absent _____ _____

COMMITTEE ACTION: APPROVED DISAPPROVED

CHAIRMAN: Rick Brewer

By: _____

Mayor: _____ Mayor's Action: Approved _____ Veto _____
Jim Lee

FUND: 141 GENERAL PURPOSE SCHOOL FUND
 AMENDMENT NUMBER: 6
 DATE: May 23, 2022

ORIGINAL BUDGET AMOUNT	59,136,154.00
PREVIOUS AMENDMENTS	795,278.58
TOTAL	59,931,432.58
REQUESTED AMENDMENT	829,958.93
TOTAL	60,761,391.51

	ACCOUNT NO	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET
1		To reallocate funds in the Safe Schools grant for additional funds for the SRO, printing on the pop-up canopy tents and additional funds for the electronic door access.				
		72130 OTHER STUDENT SUPPORT				
		72210 REGULAR INSTRUCTION PROGRAM				
		72620 MAINTENANCE OF PLANT				
	72130-309-SAFE	Contracts With Other Government Agencies	53,147.00	444.18		53,591.18
	72130-499-SAFE	Other Supplies and Materials	-	400.00		400.00
	72210-189-SAFE	Other Salaries and Wages	13,934.00		12,566.00	1,368.00
	72210-201-SAFE	Social Security	864.00		779.00	85.00
	72210-212-SAFE	Employer Medicare	202.00		182.00	20.00
	72620-701-SAFE	Administration Equipment	141,653.32	12,682.82		154,336.14
				13,527.00	13,527.00	
2		To budget donations for T-Shirts for the Spring Innovation Camp.				
		72130 OTHER STUDENT SUPPORT				
	72130-499-DONGR	Other Supplies and Materials	250.00	250.00		500.00
	44570-DONGR	Contributions and Gifts	1,477.57	250.00		1,727.57
3		To make appropriations for the amended Director of Schools contract approved by the Board March 3, 2022.				
		72320 DIRECTOR OF SCHOOLS				
	72320-101	County Official/Administrative Officer	105,000.00	20,000.00		125,000.00
	72320-201	Social Security	13,162.00	1,240.00		14,402.00
	72320-204	State Retirement	15,794.00	1,402.00		17,196.00
	72320-212	Employer Medicare	3,079.00	290.00		3,369.00
	72320-217	Retirement - Hybrid Stabilization	3,000.00	398.00		3,398.00
				23,330.00		
	39000	Unassigned Fund Balance			23,330.00	
4		To budget donations received for the Teacher of the Year celebration.				
		72520 HUMAN SERVICES/PERSONNEL				
	72520-599-TOY	Other Charges	257.00	1,200.00		1,457.00
	44570-TOY	Contributions and Gifts	-	1,200.00		1,200.00
5		To budget donations received for Family Resource Center.				
		73300 COMMUNITY SERVICES				
	73300-499-FRC-DON	Other Supplies and Materials	8,079.00	400.00		8,479.00
	44570-FRC-DON	Contributions and Gifts	1,803.00	400.00		2,203.00
6		To make appropriations for damages to a rental van during a CTE trip.				
		72620 MAINTENANCE OF PLANT				
		71300 VOCATIONAL EDUCATION PROGRAM				
	72620-388	Maintenance & Repair Services - Vehicles	-	1,106.07		1,106.07
	71300-730	Vocational Instruction Equipment	10,000.00		500.00	9,500.00
				1,106.07	500.00	
	49700	Insurance Recovery	-	606.07		606.07
7		To make appropriations to record the accrued interest for EESI Loan No. 5 per County Audit				
		76100 REGULAR CAPITAL OUTLAY				
	76100-613	Interest on Other Loans	-	18,443.00		18,443.00
	48130	Contributions and Gifts	-	18,443.00		18,443.00
8		To budget Learning Camps Summer School Grant.				
		71100 REGULAR INSTRUCTION PROGRAM				
		72120 HEALTH SERVICES				
		72410 OFFICE OF THE PRINCIPAL				
	71100-116-SUMMR	Teachers	-	216,200.00		216,200.00
	71100-163-SUMMR	Educational Assistants	-	33,000.00		33,000.00

	71100-201-SUMMR	Social Security	-	15,487.60		15,487.60
	71100-204-SUMMR	State Retirement	-	25,729.41		25,729.41
	71100-212-SUMMR	Employer Medicare	-	11,241.00		11,241.00
	71100-217-SUMMR	Retirement - Hybrid Stabilization	-	1,200.00		1,200.00
	71100-429-SUMMR	Instructional Supplies and Materials	-	10,901.33		10,901.33
	72120-131-SUMMR	Medical Personnel	-	21,120.00		21,120.00
	72120-201-SUMMR	Social Security	-	1,309.44		1,309.44
	72120-204-SUMMR	State Retirement	-	2,055.36		2,055.36
	72120-212-SUMMR	Employer Medicare	-	950.40		950.40
	72120-217-SUMMR	Retirement - Hybrid Stabilization	-	120.00		120.00
	72410-104-SUMMR	Principal(s)	-	43,200.00		43,200.00
	72410-201-SUMMR	Social Security	-	2,678.40		2,678.40
	72410-204-SUMMR	State Retirement	-	4,449.60		4,449.60
	72410-212-SUMMR	Employer Medicare	-	1,944.00		1,944.00
				391,586.54		
	46590-SUMMR	Other State Education Funds	-	391,586.54		391,586.54
9	To budget Bridge Camp Summer School Grant.					
	71100 REGULAR INSTRUCTION PROGRAM					
	72410 OFFICE OF THE PRINCIPAL					
	71100-116-BRIDG	Teachers	-	101,200.00		101,200.00
	71100-163-BRIDG	Educational Assistants	-	14,400.00		14,400.00
	71100-201-BRIDG	Social Security	-	7,166.80		7,166.80
	71100-204-BRIDG	State Retirement	-	10,956.80		10,956.80
	71100-212-BRIDG	Employer Medicare	-	5,202.00		5,202.00
	71100-217-BRIDG	Retirement - Hybrid Stabilization	-	950.00		950.00
	71100-429-BRIDG	Instructional Supplies and Materials	-	20,446.38		20,446.38
	72410-104-BRIDG	Principal(s)	-	12,000.00		12,000.00
	72410-201-BRIDG	Social Security	-	744.00		744.00
	72410-204-BRIDG	State Retirement	-	1,236.00		1,236.00
	72410-212-BRIDG	Employer Medicare	-	540.00		540.00
				174,841.98		
	46590-BRIDG	Other State Education Funds	-	174,841.98		174,841.98
10	To budget Stream Mini Camps Summer School Grant.					
	71100 REGULAR INSTRUCTION PROGRAM					
	73100 FOOD SERVICE					
	71100-116-STREA	Teachers	-	36,800.00		36,800.00
	71100-201-STREA	Social Security	-	2,281.60		2,281.60
	71100-204-STREA	State Retirement	-	3,540.40		3,540.40
	71100-212-STREA	Employer Medicare	-	1,656.00		1,656.00
	71100-217-STREA	Retirement - Hybrid Stabilization	-	250.00		250.00
	71100-429-STREA	Instructional Supplies and Materials	-	3,467.47		3,467.47
	73100-165-STREA	Cafeteria Personnel	-	52,800.00		52,800.00
	73100-201-STREA	Social Security	-	3,273.60		3,273.60
	73100-204-STREA	State Retirement	-	5,438.40		5,438.40
	73100-212-STREA	Employer Medicare	-	2,374.40		2,374.40
				111,881.87		
	46590-STREA	Other State Education Funds	-	111,881.87		111,881.87
11	To budget Summer Learning Transportation Summer School Grant.					
	72710 TRANSPORTATION					
	72710-146-TRANS	Bus Drivers	-	79,000.00		79,000.00
	72710-201-TRANS	Social Security	-	4,898.00		4,898.00
	72710-204-TRANS	State Retirement	-	7,849.70		7,849.70
	72710-212-TRANS	Employer Medicare	-	1,145.50		1,145.50
	72710-217-TRANS	Retirement - Hybrid Stabilization	-	548.00		548.00
	72710-412-TRANS	Diesel Fuel	-	13,978.27		13,978.27
				107,419.47		
	46590-TRAN	Other State Education Funds	-	107,419.47		107,419.47
	TOTAL EXPENDITURES AND FUND BAL			843,985.93	37,357.00	
	TOTAL REVENUES			806,628.93	-	

RESOLUTION NO. 2022/C5/C7

TO THE HONORABLE RICK BREWER, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 23rd DAY OF MAY 2022.

RESOLUTION IN REF: EDUCATION CAPITAL PROJECTS FUND BUDGET AMENDMENT

WHEREAS, the Hawkins County Board of Education has approved the attached budget amendment to the Education Capital Projects Fund, and now requests approval of said amendment by the Hawkins County Board of Commissioners.

NOW THEREFORE BE IT RESOLVED THAT the Hawkins County Board of Commissioners, meeting in regular session, May 23, 2022, go on record as passing this resolution.

Introduced by Esq. Charlie Thacker
Vice-Chair, Budget Comm

Estimated Cost: _____

Seconded by Esq. _____

Paid From _____ Fund

ACTION: Aye Nay

Date Submitted 05-09-2022

Roll Call _____ _____

County Clerk: Nancy A. Davis

Voice Vote _____ _____

By: Nancy A. Davis

Absent _____ _____

COMMITTEE ACTION:

APPROVED

DISAPPROVED

CHAIRMAN: Rick Brewer

By: _____

Mayor: _____

Jim Lee

Mayor's Action: Approved _____ Veto _____

FUND: 177 EDUCATION CAPITAL PROJECTS FUND
 AMENDMENT NUMBER: 2
 DATE: May 23, 2022

ORIGINAL BUDGET AMOUNT	1,245,516.00
PREVIOUS AMENDMENTS	<u>6,196.00</u>
TOTAL	<u>1,251,712.00</u>
REQUESTED AMENDMENT	<u>36,345.35</u>
TOTAL	<u>1,288,057.35</u>

Desc Code	ACCOUNT NO	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET
1		To budget insurance recovery for the roof at McPheeters Bend.				
		91300 EDUCATION CAPITAL PROJECTS				
	91300-707	Building Improvements	1,181,712.00	36,345.35	-	1,218,057.35
	49700	Insurance Recovery	-	36,345.35	-	36,345.35
		TOTAL EXPENDITURES	-	36,345.35	-	-
		TOTAL REVENUES		36,345.35		

CERTIFICATE OF ELECTION OF NOTARIES PUBLIC

Resolution No. 2022/05/08

AS CLERK OF THE COUNTY OF HAWKINS, TENNESSEE

I HEREBY CERTIFY THAT THE FOLLOWING WERE ELECTED TO THE OFFICE OF:
NOTARY PUBLIC APPROVAL DURING THE MAY 23, 2022 MEETING OF THE GOVERNING BODY:

NAME	HOME ADDRESS	BUSINESS ADDRESS
1. NATHAN BOBBITT	4203 CARTERS VALLEY RD CHURCH HILL, TN 37642	869 E STONE DR (TRICITIES CHRYSLER DODGE JEEP) KINGSPORT, TN 37660
2. GRACE BRUNER	1229 COLONIAL POST OFFICE RD GATE CITY, VA 24251	4325 WEST STONE DR (EASTMAN CREDIT UNION) KINGSPORT, TN 37660
3. PATRICIA LYNN CLARK	615 N CENTRAL AVE CHURCH HILL, TN 37642	541 SID MARTIN RD (CITI) GRAY, TN 37615
4. KATHRYN JOHNSON	160 HOLSTON TERRACE DR ROGERSVILLE, TN 37857	160 HOLSTON TERRACE DR (SELF) ROGERSVILLE, TN 37857
5. ELIZABETH MARIE LAWSON	240 TIMBER RIDGE RD ROGERSVILLE, TN 37857	1104 E MAIN ST (FIRST COMMUNITY BANK OF EAST TN) ROGERSVILLE, TN 37857
6. CHASITY LYNN OTTS	168 RIPLEY LN CHURCH HILL, TN 37642	168 RIPLEY LN (BALLAD HEALTH) CHURCH HILL, TN 37642
7. JAMES O PHILLIPS III	1410 ROBERTSON BLVD ROGERSVILLE, TN 37857	107 EAST MAN ST, SUITE 205 (SELF) ROGERSVILLE, TN 37857
8. KIMBERLY WARD	1462 CAVE SPRINGS RD ROGERSVILLE, TN 37857	PO BOX 1989 (EASTMAN CREDIT UNION) KINGSPORT, TN 37662

(Seal)

Clerk of the County of Hawkins, Tennessee

Date