

RESOLUTION

No. 2008 / 02 / 01

To the HONORABLE CROCKETT LEE, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 25th day of February, 2008.

RESOLUTION IN REF: APPROVAL TO ACCEPT BIG CREEK MEADOWS ROAD IN BIG CREEK MEADOWS SUBDIVISION AS A COUNTY ROAD

WHEREAS, the Road Committee met on November 14, 2007 and voted to recommend to the full Board of Commissioners that Hawkins County accept the road in Big Creek Meadows Subdivision, off Stanley Valley Road in the Surgoinsville area of Hawkins County as county roads; and

WHEREAS, the road name in the Big Creek Meadows subdivision and length is as follows:

Big Creek Meadows Road 1140 ft. in length beginning at Stanley Valley Road w/ 75 ft turn around

WHEREAS, the building setback is 30' on the road frontage of all lots as per the plat map. Subdivision is referenced to Deed Book 228-page 535, Deed Book 211-page 256, and Deed Book 324-page 438.

NOW, THEREFORE BE IT RESOLVE that the aforementioned road be accepted as county road and the right-of-way deed be recorded at the Register of Deeds office by the County Attorney.

FURTHER, that the Highway Department place road signs at the appropriate location in subdivision.

Introduced By Esq. Charlie Thacker, Chrmn Road Comm

Seconded By Esq. _____

Date Submitted 2-11-08

A. Canell Jenkins
County Clerk

By: _____

Chairman Crockett Lee

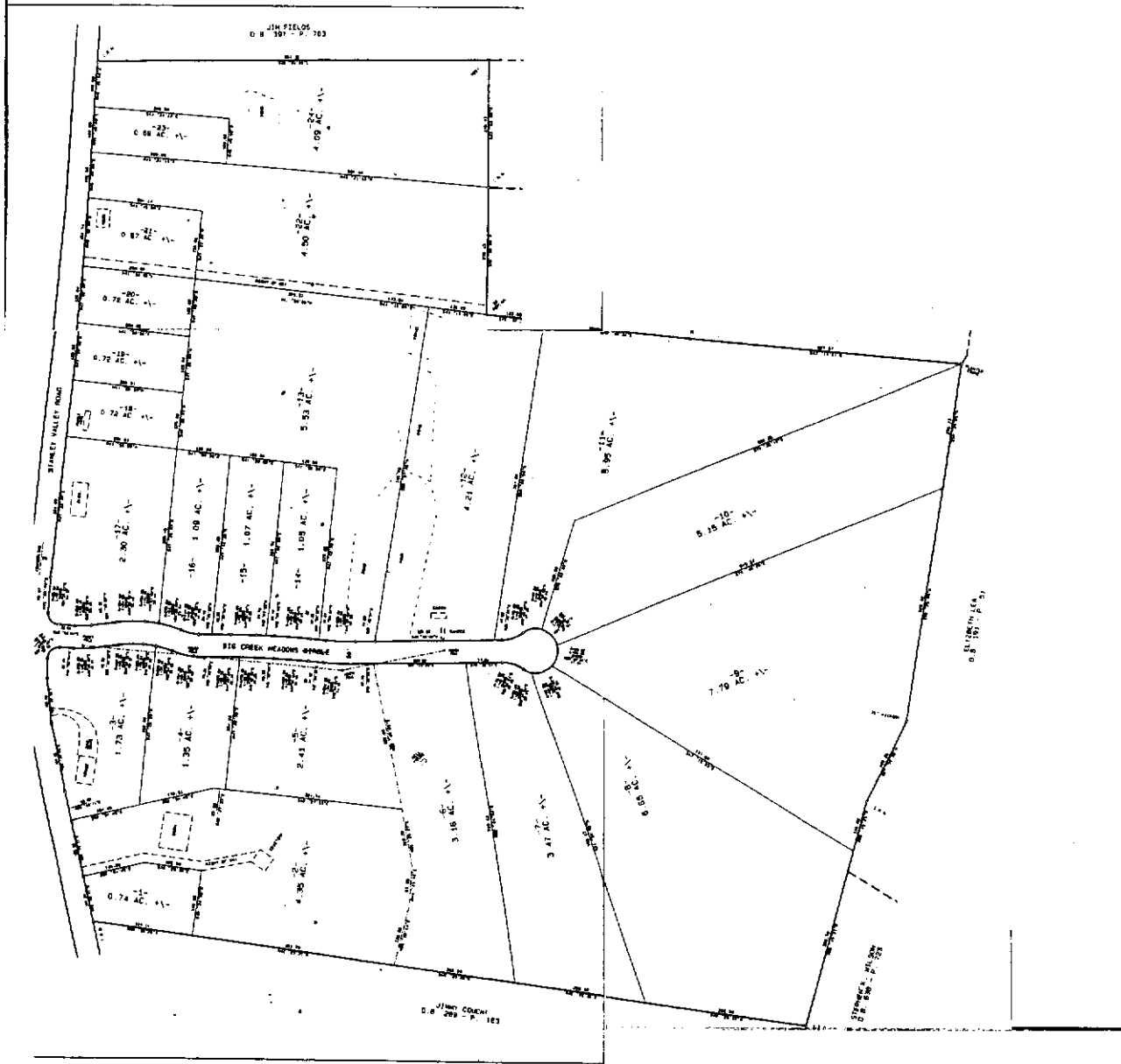
ACTION: AYE NAY PASSED

Roll Call _____

Voice Vote _____

Absent _____

COMMITTEE ACTION _____



PRELIMINARY
 BIG CREEK MEADOWS
 5TH CIVIL DISTRICT HAWKINS CO.,
 SCALE 1" = 100'
 AUGUST 21, 2007

D.B. 228 - P. 535
 D.B. 211 - P. 256
 D.B. 324 - P. 438

TOTAL ACRES
 70.31 +/-

THERE IS A 30' BUILDING SETBACK
 ON THE ROAD FRONTAGE OF ALL LOTS.



MURRELL WILCOX
 4425 SVL J. KENNEDY
 KANSASVILLE, TENNESSEE

I HEREBY CERTIFY THAT THIS IS A CATEGORY E SURVEY AND THE RATIO OF
 PRECISION OF THE UNADJUSTED SURVEY IS 1/10,000 AS SHOWN HEREIN.

Murrell Wilcox
 SURVEYOR
 REG. NO. 2017
 PHONE 1-800-577-8808

RESOLUTION

No. 2008 / 02 / 02

To the HONORABLE CROCKETT LEE, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 25th day of February, 2008.

RESOLUTION IN REF: SUPPORT STATE LEGISLATION REPEALING THE PROVISION THAT REDUCES THE COMMISSION RETAINED BY THE COUNTY REGISTER OF DEEDS

WHEREAS, the Hawkins County Legislative Body has determined that Tennessee Code Annotated Title 67 Chapter 4 Section 409 entitles the Register of Deeds office to retain a five percent (5%) commission on taxes levied under this section, and

WHEREAS, the County Legislative Body has determined that fifty-two percent (52%) of the five percent (5%) commission has since been retained by the state for the purpose of funding an antiquated retirement system for county officials, and

WHEREAS, the County Legislative Body has determined that the antiquated retirement system is no longer being funded by the fifty-two percent (52%) of the five percent (5%) commission entitled to be retained by the County Register's Office, and

WHEREAS, such funds are now remitted to the state treasurer and credited to the general fund of the state, and

WHEREAS, the Tennessee Registers Association has asked the state legislative body to repeal the provision that reduces the commission retained by the County Register, and

WHEREAS, the Tennessee Registers Association is asking the County Legislative Body to endorse and support any and all legislation repealing the provision reducing commissions retained by the Register of Deeds Office thereby restoring the retained commission to five percent (5%).

NOW, THEREFORE, BE IT RESOLVED by this legislative body meeting in regular session this 25th day of February 2008 in Hawkins County, Tennessee that:

SECTION 1. This Legislative Body supports the repeal of the provision reducing the commission retained by the Register of Deeds Office.

SECTION 2. This Legislative Body requests all state legislators to support and adopt legislation repealing said provision.

SECTION 3. The County Clerk's Office shall maintain a copy of this resolution for public inspection in the official minutes of the County Legislative Body and shall forward a certified copy to the County's state elected representative(s) and senator(s) representing Hawkins County urging the repeal of said provision.

Introduced By Esq. CLAUDE PARROTT

Seconded By Esq. _____

Date Submitted 2-11-08

A. Canall Jenkins
County Clerk

By: _____

Chairman Crockett Lee

ACTION:	AYE	NAY	PASSED
Roll Call	_____	_____	_____
Voice Vote	_____	_____	_____
Absent	_____	_____	_____
COMMITTEE ACTION			

RESOLUTION

No. 2008 / 02 / 03

To the HONORABLE CROCKETT LEE, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 25th day of February, 2008.

RESOLUTION IN REF: **Approval to reclassify the Health Department's County DGA Counseling Assistant position under the County's Classification and Compensation System.**

WHEREAS, the County of Hawkins approved a Classification and Compensation System in February 2001; and

WHEREAS, effective July 2007, the Health Department's County Direct Local employees (paid through Hawkins County General Fund) and the County's DGA employees (paid through a State contract) were included in the Classification and Compensation System; and

WHEREAS, during the classification, a County DGA Counseling Assistant position was incorrectly classified a Pay Grade 3, and based on the job description, the County DGA Counseling Assistant position should be a Pay Grade 4. The reclassification would still be paid less than the State Counseling Assistant position, but would be more in line with the State and County's compensation scale and would not result in any increase in County funds; and

WHEREAS, the Health Department's Regional Office has requested that the County's DGA Counseling Assistant position be reclassified from Pay Grade 3 to Pay Grade 4, and the members of the Budget & Finance / Personnel Committee have recommended the reclassification.

NOW, THEREFORE, BE IT RESOLVED THAT County Commission approves this resolution to reclassify the Health Department's County DGA Counseling Assistant position from Pay Grade 3 to Pay Grade 4 effective January 1, 2008.

Introduced By Esq. Claude Parrott

Seconded By Esq. _____

Date Submitted 2-11-08

D. Canell Jenkins
County Clerk

By: _____

Chairman Crockett Lee

ACTION: AYE NAY PASSED

Roll Call _____

Voice Vote _____

Absent _____

COMMITTEE ACTION

RESOLUTION No. 2008/02/04

To the HONORABLE CROCKETT LEE, Chairman and Members of the Hawkins County Board of Commissioners in Regular Session met this the 28th day of February 2008.

RESOLUTION IN REF; COMPENSATION FOR COMMITTEE MEETINGS,

WHEREAS, Tennessee Code Annotated 5-1-107 states that the compensation fixed by the legislative body for attending authorized committee meetings is one half (1/2) the daily compensation paid for attending regular meetings when the compensation is based upon attendance at meetings and,

WHEREAS, the County Legislative Body of Hawkins County is desirous that it be fully compensated at the above stated rate for all authorized committee meetings limited to one meeting per 24 hour period.

THEREFORE BE IT RESOLVED by the County legislative Body that:

SECTION 1. This resolution shall take effect retroactive to January 01 2008.

SECTION 2. All resolutions in conflict with this resolution are rescinded insofar as they conflict with the provisions of this resolution.

Introduced by Esq. <u>Virgil L. Mallett</u>	ACTION;	AYE	NAY	PASS
Second by Esq. <u>Charles Thacker</u>	ROLL CALL	_____	_____	_____
Date Submitted <u>2-11-08</u>	Voice Vote	_____	_____	_____
<u>A. Canally Jenkins</u> County Clerk	Absent	_____	_____	_____
	Committee Action	_____	_____	_____

By: _____

Chairman: _____

RESOLUTION

No. 2008 / 02 / 05

To the HONORABLE CROCKETT LEE, Chairman, and Members of the Hawkins County Board of Commission in Regular Session, met this 25th day of February, 2008.

RESOLUTION IN REF: APPROVAL OF A 48 MONTH LEASE FOR A PANASONIC DP-8020E COPIER FROM ROGERSVILLE OFFICE SUPPLY FOR THE ROGERSVILLE/HAWKINS COUNTY SENIOR CITIZENS CENTER

WHEREAS the Rogersville Hawkins County Senior Citizen Center has been leasing a Panasonic copier from Rogersville Office Supply and that lease agreement has expired; and

WHEREAS, the center would like to upgrade the copier and enter into a new lease agreement for a Panasonic copier DP-8020E for 48 months at a cost of \$ 125.53 per month that includes a copy warrant plan for maintenance, supplies (except paper) and 20,000 copies per year.

THEREFORE BE IT RESOLVED THAT approval be given to enter into said lease agreement for above referenced copy machine for the Rogersville Hawkins County Senior Citizens Center.

Introduced By Esq. Virgil Mallett

Seconded By Esq. _____

Date Submitted 2-11-08

A. Carroll Jenkins
County Clerk

By: _____

Chairman _____

ACTION: AYE NAY PASSED

Roll Call _____

Voice Vote _____

Absent _____

COMMITTEE ACTION

**ROGERSVILLE OFFICE SUPPLY CO., INC.
500 WEST MAIN STREET
ROGERSVILLE, TN. 37857
423-272-7664**

**Lease Quote for: Hawkins County Tennessee
Senior Citizen's
Rogersville, TN. 37857**

Date: 02/11/08

1 each **Panasonic DP-8020E 20-PPM Copier/Printer/Scanner**
Main Unit which includes:
Duplexing(double-sided)
USB port
Network Interface
Scan to PC,Scan to Email
Two 550 sheet paper trays
Stand
Inverting Automatic Document Feeder (50 sheet capacity)

Lease 48 mo (including CWP of 20,000 per yr. (80,000 total)

\$ 125.53

Diane Woody
Account Representative

RESOLUTION

No. 2008 / 02 / 06

To the HONORABLE CROCKETT LEE, Chairman, and Members of the Hawkins County Board of Commissioners in Regular Session, met this 25th day of February, 2008.

RESOLUTION IN REF: Authorization of issuance of loans and or swap agreements for school construction, the Justice Center construction, school buses, and patrol cars in an aggregate principal amount not to exceed \$34 Million Dollars to be issued as per the attached resolution

The attached resolution is authorization for funding for the following projects. The initial resolution regarding this issuance was passed at the January 28, 2008 Commission meeting.

- A. Remaining \$30 Million for school construction and renovation projects approved with the passage of the 2007-08 Fiscal Year Budget.
- B. Additional funding of \$2,136,350 for the Justice Center Project. This funding was approved by County Commission on Resolution 2007/10/05 in the amount not to exceed \$2.2 Million.
- C. Replacement of the \$499,000 used for the 2007 School Bus Purchase from the Justice Center Project May 2006 Series D-7-B TN LOANS issue. Resolution 2007/03/05 was approved by County Commission regarding this funding.
- D. Funding of \$660,500 for 2008 school bus purchase including upgrading the surveillance cameras in the new buses to digital. This debt will be retired from School Transportation Fund.
- E. Funding of \$515,000 for purchase of patrol cars. This is in addition to the \$140,000 approved in the Sheriff's Dept. budget for the 2007-08FY. Approval of this funding would require the continuation of the \$143,000 appropriation in the Sheriff's budget in the General Fund for the next four years.
- F. \$189,150 for issuance costs and for rounding issue to allow for some flexibility in issuing the debt. Only the amount approved, or needed, for each project will actually be issued.

NOW, THEREFORE, BE IT RESOLVED that this resolution in its entirety be passed by County Commission to authorize funding for the above-mentioned projects in an aggregate principal amount not to exceed \$34 Million Dollars.

Introduced By Esq. Claude Parrott, Chairman, Budget Comm.

Seconded By Esq. _____

Date Submitted 2-11-08

W Carroll Jenkins
County Clerk

By: Crystal Price

Chairman _____

ACTION: AYE NAY PASSED

Roll Call _____

Voice Vote _____

Absent _____

COMMITTEE ACTION

The Board of County Commissioners of Hawkins County, Tennessee, met in regular session on February 25, 2008 at 7:00 p.m. at the Hawkins County Courthouse in Rogersville, Tennessee, with the Honorable Crockett Lee, County Mayor, presiding.

The following Commissioners were absent:

There was also present A. Carroll Jenkins, County Clerk.

After the meeting was duly called to order, the following resolution authorizing various swap agreements and the attached Exhibits A and B representing the requests to and report from the State Director of Local Finance were introduced by _____, seconded by _____, and after due deliberation, was adopted by the following vote:

AYE:

NAY:

A RESOLUTION AUTHORIZING ONE OR MORE LOANS UNDER ONE OR MORE LOAN AGREEMENTS BETWEEN HAWKINS COUNTY, TENNESSEE AND A TENNESSEE PUBLIC BUILDING AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED THIRTY-FOUR MILLION DOLLARS (\$34,000,000) AND EXECUTION AND DELIVERY OF ONE OR MORE LOAN AGREEMENTS AND OTHER DOCUMENTS RELATING TO SAID BORROWING; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SAID BORROWING AND THE PAYMENT OF THE COUNTY'S OBLIGATIONS UNDER THE LOAN AGREEMENTS; CONSENTING TO THE ASSIGNMENT OF THE COUNTY'S OBLIGATIONS UNDER THE LOAN AGREEMENTS; AND APPROVING ONE OR MORE SWAP AGREEMENTS WITH RESPECT TO SUCH LOAN AGREEMENTS AND OTHER AUTHORIZED LOAN AGREEMENTS.

WHEREAS, counties in the State of Tennessee are authorized to finance certain public works projects by the issuance of bonds, notes or other obligations; and

WHEREAS, it is hereby determined by the Board of County Commissioners of Hawkins County, Tennessee (the "County") to be in the best interest of the County to finance the (i) acquisition of land for and the construction, renovation, improvement and equipping of schools for the County and payments, if required, to the Cities of Rogersville and Kingsport, Tennessee to be used for capital improvements to the education facilities of their respective school systems; (ii) acquisition of school buses; (iii) construction, renovation, improvement and equipping of the County courthouse, justice center and jail, and other public buildings; (iv) acquisition of vehicles for the sheriff's department and other County departments; (v) acquisition of all property, real and personal, appurtenant to the foregoing; (vi) payment of legal, fiscal, administrative and engineering costs incident to the foregoing (collectively, the "Projects"); (vii) payment of capitalized interest during construction and acquisition of the foregoing and for up to six months after completion of the Projects; (viii) reimbursement for prior expenditures for the foregoing; and (ix) payment of costs incident to the obtaining of the loans hereinafter described and of the bonds issued to fund said loans; and

WHEREAS, the indebtedness incurred pursuant to the issuance of each loan agreement shall bear interest at a rate or rates not to exceed the maximum rate permitted by law and shall be payable from and secured by ad valorem taxes to be levied on all taxable property within the County; and

WHEREAS, it has been determined to be in the best interest of the County to finance the Projects through a program known as the Tennessee Local Government Alternative Loan Program (TN-LOANSSM) underwritten by Morgan Keegan & Company, Inc. (the "Underwriter"), through the issuance by a Tennessee Public Building Authority (the "Authority") established pursuant to the provisions of Tennessee Code Annotated Sections 12-10-101 et seq., as amended, (the "Act") of its Local Government Public Improvement Bonds (the "Bonds") in one or more series (each, a "Series") in the aggregate principal amount of not to exceed \$34,000,000 and the loan of the proceeds thereof to the County pursuant to one or more loan agreements between the Authority and the County (each a "Loan Agreement"); and

WHEREAS, an initial resolution proposing one or more loans from the Authority in a principal amount not to exceed \$34,000,000, the proceeds of which shall be used for the Projects, as described above, has been adopted and together with the notice required by Section 12-10-115 and Section 9-21-206, Tennessee Code Annotated, as amended, has been published as required by law; and

WHEREAS, the County shall pledge a tax authorized by Section 12-10-115, Tennessee Code Annotated, as amended, to be levied annually to the repayment of the amounts due under each Loan Agreement authorized herein; and

WHEREAS, it is the intent of the Governing Body that all or a portion of the aggregate principal amount of loans authorized hereunder may be borrowed pursuant to one or more Loan Agreements bearing interest at a variable rate of interest or bearing interest at a fixed rate of interest, as more fully described herein; and

WHEREAS, the Bonds are to be secured by and contain such terms and provisions as are set forth in an Indenture of Trust, as supplemented (the "Indenture") entered into between the Authority and Regions Bank or such other trustee designated by the Authority; and

WHEREAS, in order to reduce its exposure to changes in interest rates, the County has requested that the Authority enter into one or more Swap Agreements (as defined below and in the Loan Agreement) with respect to the Loan Agreements authorized herein resulting in payment by the Authority, from the County under each Loan Agreement, of a fixed rate of interest and a variable rate of interest to be paid by the Swap Counterparty; and

WHEREAS, the Funding Board of the State (the "Funding Board") has issued guidelines (the "Guidelines") relating to interest rate swap agreements; and

WHEREAS, the County has submitted a request for a report of compliance to the State Director as required by the Guidelines and by Tennessee Code Annotated, Section 12-10-111, which request is attached hereto as Exhibit A and has been filed with the County Clerk and shall be included in the record of this meeting; and

WHEREAS, the State Director has issued his report of compliance with respect to the proposed Swap Agreements attached hereto as Exhibit B, which report has been filed with the County Clerk and shall be included in the record of this meeting; and

WHEREAS, there has been presented to this meeting the form of the Loan Agreement, which appears to be in appropriate form and is an appropriate instrument to be executed and delivered for the purposes intended and the form of the following documents: (1) International Swap Dealers Association, Inc. ("ISDA") Master Agreement; (2) Schedule to Master Agreement; (3) Confirmation for a rate swap transaction; (4) ISDA Credit Support Annex; (5) Financial Guaranty Insurance Policy for Swap Agreement; (6) Financial Guaranty Insurance Policy for Swap Agreement (Counterparty Payment Policy), and (7) Replacement Transaction Agreement; and

WHEREAS, for the purposes of authorizing one or more loans from an Authority, the execution and delivery of one or more Loan Agreements by the County, the pledging of the County's full faith and credit for the payment of its obligations under each Loan Agreement, approving the assignment of such pledge pursuant to the Indenture, and authorizing the execution of such documents and certificates as shall be necessary to consummate the sale and delivery of each Series of Bonds, and approving the terms and conditions of one or more Swap Agreements with respect to the Bonds authorized herein subject to compliance with the Guidelines, the Board of County Commissioners of the County adopts this Resolution.

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

Section 1. Approval of Loans. (a) For the purpose of providing funds to finance the costs of the Projects, to pay capitalized interest, if any, to reimburse the County for funds previously expended for the Projects, if any, and to pay costs incident to the issuance and sale of each Series of Bonds and each related Loan Agreement, and make and receive the loans herein authorized, there is hereby authorized one or more loans (each, a "Loan") from the Authority in an aggregate principal amount not to exceed \$34,000,000.

(b) One or more Series of Bonds may be issued initially either as bonds bearing interest as an auction rate security ("ARS") or variable rate bonds with the interest rate established in a short-term period of 270 days or less at the then market rate for obligations with similar credit quality, all as provided in the Indenture and each Loan Agreement. The County Mayor and the County Clerk, in consultation with the Budget Director, are hereby authorized to enter into one or more Loan Agreements for all or any portion of the total loan amount authorized hereunder, bearing interest at a variable rate of interest, including ARS, as the County Mayor and the County Clerk, in consultation with the Budget Director, shall determine is in furtherance of the objectives of the County, taking into account the existing debt structure of the County and the sources of payment.

(c) One or more Series of Bonds may be issued initially bearing interest at a fixed rate of interest ("Fixed Rate Bonds"). The fixed rate of interest shall be established by the Underwriter pursuant to a Master Bond Purchase between the Underwriter and the Authority, as supplemented by a Supplemental Bond Purchase Agreement among the Governing Body, the Underwriter and the Authority and a supplemental indenture between the Authority and the Trustee. The County Mayor and the County Clerk are authorized to execute such Supplemental Bond Purchase Agreement for the sale of a related Series of Bonds at a price of not less than 98% of the par amount of such Series of Bonds, excluding original issue discount, in accordance with the provisions of this resolution and to enter into one or more related Loan Agreements for all or any portion of the total loan amounts authorized hereunder subject to such terms of redemption (so long as no optional redemption premium exceeds two percent (2%) of the par value of the Bonds redeemed), and bearing interest at a fixed rate as the County Mayor and the County Clerk, in consultation with the Budget Director, shall determine is in furtherance of objectives of the County, taking into consideration the existing debt structure of the County and sources of payment.

(d) The County shall make payments of interest in the amounts and on the dates as set forth in each Loan Agreement and the Indenture, at a rate or rates not in excess of the maximum rate of interest permitted by applicable law. Each Loan shall be payable as to principal over a period not to exceed thirty-five (35) years from the date of execution of each Loan Agreement. The final dates, original interest rate mode (as set forth above), and amortization of principal amounts of each Loan may be established by the County Mayor and the County Clerk as shall be determined by the County Mayor and the County Clerk, in consultation with the Budget Director, taking into account the proposed and outstanding debt of the County and the sources of payment available to pay such debt, in accordance with the terms of this resolution and each Loan Agreement.

Section 2. Interest Rate Conversion. At any time while any Loan remains outstanding, each Loan and the Series of Bonds issued in connection therewith, may, in whole or in part, to the extent

permitted by applicable law, be converted from one Rate Period (as defined in the Loan Agreement) to the other interest Rate Periods permitted and as provided in each related Loan Agreement and in the Indenture (which conversion may include such put features relative to any Series of the Bonds as the Indenture may permit) at the direction of the County Mayor and County Clerk and no further action shall be required by the Board of Commissioners.

Section 3. Approval of Loan Agreements. The form, terms and provisions of each Loan Agreement which have been presented at this meeting are hereby approved and the County Mayor and County Clerk are hereby authorized, empowered and directed to execute and deliver each Loan Agreement in the name and on behalf of the County. Each Loan Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the County Mayor and the County Clerk, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein. From and after the execution and delivery of each Loan Agreement, the County Mayor and County Clerk are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of each Loan Agreement as executed.

To the extent any Loan Agreement can be designated as a "qualified tax-exempt obligation" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended (the "Code"), it shall be so designated in the Loan Agreement.

Section 4. Pledge of Taxes. The County hereby covenants and agrees, through its governing body, to 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 when due the annual amounts payable by the County under each Loan Agreement as and when they become due and payable and to pay any expenses of maintaining and operating the Projects required to be paid by the County under the terms of each Loan Agreement and, for such purposes, the County hereby pledges such tax and the full faith and credit of the County to such payments, provided, however, that the tax hereinabove described will

not be required to be levied or, if levied, may be proportionately reduced to the extent of funds appropriated by the governing body of the County to the payment of the amounts described above from other revenues of the County. Such tax, to the extent levied, shall be assessed, levied, collected and paid in like manner as other taxes of the County. Such tax shall not be included within any statutory or other limitation of rate or amount for the County but shall be excluded therefrom and be in addition thereto and in excess thereof, notwithstanding and without regard to the prohibitions, restrictions or requirements of any other law, whether public or private. Any amounts payable under each Loan Agreement falling due at any time when there are insufficient funds from the tax levy on hand shall be paid from current funds of the County and reimbursement therefore should be made out of the taxes hereby provided to be levied when the same shall have been collected.

Section 5. Approval of Bonds. For the purpose of providing funds to make each Loan to the County, as provided herein and in each Loan Agreement, and to pay legal, fiscal, and administrative costs incident thereto including costs incident to the issuance and sale of each Series of Bonds related to a Loan Agreement, the issuance and sale of each Series of Bonds by the Authority in connection with a Loan Agreement is hereby approved and allocation of such Series of Bonds to the County for purposes of Section 265 of the Code is hereby accepted.

Section 6. Approval of Swap Agreements. (a) Subject to compliance with the applicable provisions of the laws of the State of Tennessee, the guidelines of the Funding Board, and the report of the State Director of Local Finance, the County hereby authorizes and approves the entering into and the execution and delivery by the Authority of one or more Swap Agreements in connection with all or any portion of any related Series of Bonds authorized herein, as such term is defined in the Indenture, in substantially the form of the International Swap Dealers Association, Inc. Swap Agreement, the form of which is presented to this meeting, with one or more financial institutions whose debt or claims-paying ability is rated, or is, collateralized, guaranteed or insured by an entity whose debt or claims-paying ability is rated "A" or better by Standard & Poor's or Moody's

Investors Service (the "Swap Counterparty") in a notional amount which in the aggregate does not exceed the principal amount of the related Loan Agreement and related Series of Bonds authorized herein declining in accordance with the amortization schedule for such Series of Bonds and each Loan Agreement relating to such Series of Bonds, having a term not longer than the final maturity of the Series of Bonds or the Loan Agreement to which it relates, providing for fixed rate payable by the Authority not to exceed 6% from payments made under the related Loan Agreement and a variable rate by the Swap Counterparty based on (i) BMA Municipal Swap Index, (ii) the rate on the Series of Bonds to which the Swap Agreement relates (iii) the rate on the Series of Bonds to which the Swap Agreement relates, plus Additional Payments (as defined in the Indenture), (iv) LIBOR or a percentage thereof or (v) such other index or method to be approved by the Chairman or Vice-Chairman of the Authority or the County Mayor and the County Clerk.

Subject to compliance with the applicable provisions of the laws of the State of Tennessee and the guidelines of the Funding Board and the report of the State Director of Local Finance, the County Mayor and the County Clerk on behalf of the Board of Commissioners are authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Swap Agreement as it relates to a Loan Agreement or any Series of Bonds issued in connection with a Loan Agreement authorized herein. The execution of the related Loan Agreement and delivery of a certificate, which may be the confirmation of the Swap Agreement and any joinder agreements to the documents approved herein, approving the terms and conditions of the Swap Agreement by the County Mayor and the County Clerk shall constitute conclusive evidence of their approval of the final terms and conditions of the Swap Agreement and, to the extent permitted by applicable law, no further action shall be required by the Board of Commissioners.

(b) Morgan Keegan & Company, Inc. ("Morgan Keegan") and/or TN-LOANS Program Administrators, Inc. (the "Administrator") are hereby authorized to negotiate the terms and

conditions of each Swap Agreement in conformance with the provisions of this resolution, subject to confirmation by the County Mayor and County Clerk.

Section 7. Disposition of Proceeds. (a) An amount necessary to pay costs of issuance of each Loan Agreement and related Series of Bonds shall be deposited to the Cost of Issuance Fund of the County created under the Indenture.

(b) All remaining proceeds shall be deposited to the Loan Fund of the County established under the Indenture to be used to finance the Projects.

Section 8. Official Statement. The County Mayor and the County Clerk, or either of them, working with the Underwriter and the Authority, are hereby authorized and directed to provide for the preparation and distribution, which may include electronic distribution, of a Preliminary Official Statement describing each Series of Bonds related to a Loan Agreement of the County. After the Bonds have been sold, 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 Underwriter of a reasonable number of copies of the Official Statement within seven business days after sale of a Series of Bonds for delivery, by the Underwriter, to each potential investor requesting a copy of the Official Statement and to each person to whom the Underwriter initially sells the Bonds.

The County Mayor and the County Clerk, or either of them, are authorized, on behalf of the County, as to the information relating to the County and the Series of Bonds related to the County's Loan Agreement, 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.

Section 9. 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 any Series of Bonds issued for a Loan Agreement of the County. The County Mayor and the County Clerk, or either of them, are authorized to execute an agreement for the benefit of and enforceable by the owners of such Series of 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 10. Consent to Assignment. The County hereby consents to the assignment pursuant to the Indenture of all the Authority's right, title and interest under each Loan Agreement as security for the Series of Bonds to which such Loan Agreement relates.

Section 11. Additional Authorizations. All acts and doings of the County Mayor and County Clerk of the County and any other representative or officer of the County which are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of each Series of Bonds and the execution and delivery of each Loan Agreement and each Swap Agreement as set forth herein shall be and the same hereby are in all respects, approved and confirmed.

Section 12. Multiple Borrowings. The Loans authorized in Section 1 hereof, the Loan Agreements authorized in Section 3 hereof and the Bonds approved in Section 5 hereof and the Swap Agreements approved in Section 6 hereof may be executed and delivered in combination with other

Loans, Loan Agreements and Bonds hereafter authorized by the County through the TN-LOANSSM Program.

Section 13. 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 14. Reimbursement. This resolution shall serve as a notice of intent to reimburse for certain expenditures for up to \$34,000,000 as defined in accordance with the requirements of final regulations applicable thereto as promulgated by the United States Department of Treasury.

Section 15. 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 25th day of February, 2008.

/s/ _____
County Mayor

ATTEST:

/s/ _____
County Clerk

CERTIFICATE OF COUNTY CLERK

I, A. Carroll Jenkins, certify that I am the duly qualified and acting County Clerk of Hawkins 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 the governing body of the County held on February 25, 2008; 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 \$34,000,000 general obligation indebtedness of the County.

WITNESS my official signature and seal of said County on this the ____ day of February 2008.

/s/ _____
County Clerk

(SEAL)

EXHIBIT A

The following exhibits are based on an early estimate of \$34,500,000 and this amount was approved by the Comptroller. However, since the initial and detailed resolution amounts are only \$34,000,000, that is the limit of the Comptroller's approval. The Comptroller is being notified of this change.



Hawkins County Board of Commissioners

150 E. Washington Street, Suite 2
Rogersville, Tennessee 37857

Telephone: (423)272-7359
Fax: (423)272-1867

Crockett Lee
County Mayor

January 9, 2008

Mr. David H. Bowling
Director of Local Finance
Suite 1700, James K. Polk Building
505 Deaderick Street
Nashville, TN. 37243-7976

Re: Blount County, Tennessee

Dear Mr. Bowling:

In accordance with Tennessee Code Annotated Section 12-10-111 authorizing Interest Rate Agreements on Bonds issued by a Public Building Authority pursuant to Loan Agreements with a Governmental Entity, please find enclosed an INTEREST RATE AGREEMENT INFORMATION SHEET (the "INFORMATION SHEET") that represents a Request for a Report of Compliance.

The INFORMATION SHEET is being submitted pursuant to the GUIDELINES FOR INTEREST RATE AND FORWARD PURCHASE AGREEMENTS adopted by the State Funding Board at its meeting on September 27, 2000 (the "GUIDELINES").

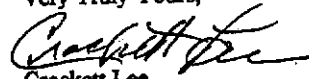
Hawkins County, TN (the "Governmental Entity") will enter in to one or more Loan Agreements described in the INFORMATION SHEET with either The Public Building Authority of Blount County or The Public Building Authority of Sevier County, TN (the "PBAs") in connection with the issuance by the PBAs of variable rate bonds.

Pursuant to the Part IV (A) of the GUIDELINES, the Governmental Entity desires for the PBAs, on behalf of the Governmental Entity, to enter into one or more Interest Rate Agreements on its Bonds relating to the Loan Agreement described in the INFORMATION SHEET for the purpose of reducing exposure to changes in interest rates with respect to a borrowing. This would be accomplished by swapping the PBA's variable rate exposure, on behalf of the Governmental Entity, to a fixed rate utilizing an Interest Rate Swap Agreement.

Under the Interest Rate Authorizing Statutes, as defined in the GUIDELINES, we hereby request authorization, along with the PBAs, to enter into one or more Interest Rate Agreements, as described in the GUIDELINES, in connection with those certain Loan Agreements described in the INFORMATION SHEET.

If you have any questions regarding our request or the information enclosed, please feel free to call either the undersigned or Mr. Joseph K. Ayres at 865-637-1131.

Very Truly Yours,


Crockett Lee
County Mayor

cc: Joseph K. Ayres

APPENDIX A

INTEREST RATE AGREEMENT INFORMATION SHEET

General Information [Guidelines, Sections II, III-A and IV-J]

Name of Governmental Entity: Hawkins County, TN

If Governmental Entity is a Conduit Issuer, Name of Borrower or Lessee to Which this Agreement Relates: _____

If Governmental Entity is Borrower or Lessee of a Conduit Issuer to Which this Agreement Relates, name of Conduit Issuer: PBA of Sevier County or Blount County, TN

Name of Chief Executive Officer of Governmental Entity: Crocket Lee, CEO

Educational training: (course name, provider, date, number of hours attended) _____
(TN Educational Swap Presentation, (Morgan Keegan, Bass, Berry & Sims), 9-06-2007, 8.0 hrs)

Name of Chief Financial Officer of Governmental Entity: Evelyn Gladson, CFO

Educational training: (course name, provider, date, number of hours attended) _____
(TN Educational Swap Presentation, (Morgan Keegan, Bass, Berry & Sims), 9-06-2007, 8.0 hrs)

Authorizing Statute for Interest Rate Agreement [Guidelines, Section III-C]

- Section 7-34-109 authorizing Interest Rate Agreement for Municipal Utilities
- Section 7-39-305 authorizing Interest Rate Agreement for Energy Acquisition Corporations
- Section 7-82-502 authorizing Interest Rate Agreement for Utility Districts
- Section 9-21-213 authorizing Interest Rate Agreement for Governmental Entity General Obligation bonds and Citizens Bonds
- Section 9-21-305 authorizing Interest Rate Agreement for Governmental Entity Revenue Bonds
- Section 9-21-602 authorizing Interest Rate Agreement for Governmental Entity Capital Outlay Notes
- Section 9-21-907 authorizing Interest Rate Agreement for Governmental Entity General Obligation Refunding Bonds
- Section 9-21-1006 authorizing Interest Rate Agreement for Governmental Entity Revenue Refunding Bonds
- Section 12-10-111 authorizing Interest Rate Agreement for Public Building Authority Bonds
- Section 12-10-116 authorizing Interest Rate Agreement for leases, loan agreements, sales contracts or operating contracts between a Governmental Entity and a Public Building Authority
- Section 49-3-1002(h) authorizing Interest Rate Agreement for Counties for Schools
- OTHER:

Type of Interest Rate Agreement:

- Interest Rate Swap Agreement
- Interest Rate Collar
- Interest Rate Floor
- Interest Rate Cap
- Other type of Interest Rate Agreement (describe below and attach agreement or sample) _____

Is the Interest Rate Agreement an option to enter into or cancel an Interest Rate Agreement in the future? Yes No

If yes, when may the option be exercised? _____

Will the Governmental Entity's obligations under the Interest Rate Agreement start in the future (i.e., a "forward agreement")? Yes No

Indicate the dates pertaining to the Interest Rate Agreement:

Earliest starting date: 02/01/08 Final termination date: 06/01/38

Condition(s) for Entering into an Interest Rate Agreement [Guidelines, Section IV-A]

1. Purpose for entering into interest rate agreement:

- Reduce the Governmental Entity's exposure to changes in interest rates with respect to a borrowing.
- Reduce the net cost of borrowing with respect to related obligations.
- Accomplish the following described purpose.

The Borrower is swapping its variable rate exposure to a fixed rate _____

2. Provide appropriate analysis and other information necessary to demonstrate how the purpose indicated above will be accomplished. Further provide an analysis of the benefits weighed against the risks assumed. (Attach analysis and information to this form)
See Attachment A

3. Will the indebtedness be incurred or authorized contemporaneously with entering into the Interest Rate Agreement?

- Yes No

Is the Agreement contingent on the issuance of such debt?

- Yes No

4. Describe specifically the indebtedness with respect to which the Interest Rate Agreement relates:

\$34,500,000 Local Government Public Improvement Bonds, Series 2008, Dated
February 1, 2008 or later.

5. If this pertains to an Interest Rate Swap Agreement (whether current, forward or option), indicate type:

Fixed to floating Floating to fixed

Procurement of Interest Rate Agreements [Guidelines, Section IV-B]

How will Counterparty be selected?

Competitively Negotiated

Form of Documentation [Guidelines, Section IV-C]

International Swaps and Derivatives Association, Inc. Standard Documentation

Other Documentation (subject to approval by the Comptroller of the Treasury): Attach explanation of reasons for using documents other than ISDA documents and submit example of such documents. Also submit detailed description of variances from ISDA documents and effect of such variances on Governmental Entity.

Risks Associated with Interest Rate Agreement [Guidelines, Section IV-D]

The undersigned represents that the following risks are associated with the agreement and recognizes that the Governmental Entity is assuming such risks. The undersigned shall identify the benefits to the Governmental Entity in assuming such risks. Brief descriptions of such risks are set forth below:

Tax Risk	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Basis Risk	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Termination Risk	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Tail Risk	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Liquidity Renewal Risk	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	N/A	<input type="checkbox"/>
Market Risk	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Leverage Risk	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

Description of Risks:

"Tax Risk" - The risk that changes or proposed changes in tax laws or events relating to the tax-exempt status of the Governmental Entity's obligations or of tax-exempt obligations generally will cause interest rates on the debt of the Governmental Entity to increase.

"Basis Risk" - The risk that the interest rate payable by a Governmental Entity on floating rate debt may not exactly coincide with payment made to the Governmental Entity pursuant to an interest rate swap based upon a floating rate index.

"Termination Risk" - The risk that the Governmental Entity may have to pay a substantial sum of money if either the Governmental Entity or the Counterparty chooses to terminate an Interest Rate Agreement prior to its otherwise stated termination date or if the Agreement terminates for some other reason, including the occurrence of an event of default or a termination event in respect of either party to the Agreement.

"Tail Risk" - The risk that the term of the Interest Rate Agreement does not coincide with the term of the related obligations, thereby subjecting the Governmental Entity to additional interest rate risk.

"Liquidity Renewal Risk" - The risk to a Governmental Entity with variable rate bonds that the liquidity facility for the bonds will terminate or expire prior to the maturity of the bonds resulting in higher costs for the Governmental Entity or the risk of inability to secure a replacement facility.

"Market Risk" - The risk to a Governmental Entity of rising/falling interest rates.

"Leverage Risk" - The enhanced risk inherent in certain Interest Rate Agreements which, by their terms, leverage or multiply the risks undertaken.

Counterparty Information [Guidelines, Section IV-E]

1. Will Counterparty have a counterparty, a long-term debt, or a claims paying rating of "A" or better from a nationally recognized ratings service?
Yes No
See Attachment C
2. If answer to first question is no, will Counterparty provide:
 - A surety for its obligations with a long-term debt or claims paying rating of "A" or better.
 - A guarantor with a long-term debt or claims paying rating of "A" or better.
(Attach appropriate documentation for surety or guarantor rating)
 - Collateral with market value at least 102% of the termination value.

Credit Enhancement, Liquidity and Reserves [Guidelines, Section IV-F]

The Guideline do not require the Governmental Entity or Counterparty to obtain credit enhancement or a liquidity facility nor maintain any reserves in connection with an Interest Rate Agreement, except in those cases where the Counterparty is required to provide collateral, guaranty or surety to secure the termination value of an Interest Rate Agreement.

1. Is the Counterparty required to provide collateral, guaranty, or surety to secure the termination value of the Interest Rate Agreement?

Yes No

2. If yes, please attach additional information concerning the collateral, guaranty or surety used to secure the termination value of the transaction.

we may use a counterparty with a rating less than "A". If this happens, GE will utilize a guaranty.

Financial Statement Reporting [Guidelines, Section IV-G]

The Governmental Entity understands it shall account for the Interest Rate Agreement through generally accepted governmental accounting principles and will discuss with its accountant or auditor the accounting treatment required for the Agreement.

Yes No

Financial Monitoring Process [Guidelines, Section IV-H]

1. Name of employee/position responsible for monitoring:

Director of Finance, CFO

2. If a third party is to be used, provide information concerning the third party and their qualifications. Corporate Bond Trustee, Regions Bank is a \$84 billion multi-state financial institution with corporate trust accounts in excess of \$24 billion who oversees hundreds of Tennessee trust accounts.

3. Attach to the form a description of the process for monitoring and reviewing the valuations.
See Attachment B

4. Is the process in place?

Yes No

5. What is the frequency of monitoring?

Weekly Monthly Other _____

6. Frequency of reporting monitoring results to Chief Executive Officer/Chief Financial Officer?

Weekly Monthly Other _____

Application and Source of Payments [Guidelines, Section IV-I]

1. Will a nonperiodic payment be received in connection with entering into or performing under an interest rate agreement?

Yes No

a) If yes, has a nationally recognized bond counsel been consulted as to the existence of restrictions on the application or investment of such payment?

Yes No

b) If no, will the Governmental Entity consult with such bond counsel that no such restrictions exist?

Yes No

2. What are the sources for payments including nonperiodic payments to be identified in the Interest Rate Agreement? N/A

Information Provided

By: Crocket Lee
(signature)

Name: Crocket Lee

Title: Mayor & CEO

Mailing Address: 190 Washington St., Rogersville, TN 37857

E-mail Address: _____

Phone: 423-272-7359

Fax: 423-272-1867

(Must be executed by Chief Executive Officer or Chief Financial Officer)

Attachment A
Analysis and Information Relating to Reducing Governmental
Entity's Exposure to Changes in Interest Rates

1. The Governmental Entity's main goal is to convert its variable rate debt to fixed rates in order to accomplish one or more of the following goals: a) minimize exposure to future changes in interest rates b) reduce its net cost of borrowing and c) take advantage of the current historically low interest rate environment.
2. Page A-1 is a chart that depicts the historical variable all-inclusive interest rates and shows the volatility assumed in the variable rate bond market.
3. Page A-2 shows the historical fixed rates.
4. Page A-3 is an Amortization Schedule(s) showing the estimated all-inclusive fixed swap rate in today's market with an insured swap that will allow the Governmental Entity to "lock-in" at today's attractive rates. The estimated "base rate" was calculated by using indications of interest from AAA rated or insured counterparties on a percentage of LIBOR, based on the credit quality of the borrower and the average life of the loan.
5. The Governmental Entity anticipates the following benefits of entering into an interest rate swap agreement on its upcoming Loan Agreement(s) described herein:
 - Currently, long-term fixed swap rates are lower than traditional fixed interest rates
 - Market flexibility is maximized as to timing of "locking in" fixed rates
 - Governmental Entity saves the expenses of a traditional new bond issue
6. The Governmental Entity has determined that the benefits outlined above, taking into account, closing cost savings, competitive interest rates and market flexibility outweigh the risks assumed with an insured interest rate swap since Counterparty, Basis and Tax Risk have been minimized as discussed in the analysis below.

Liquidity Risk - To minimize liquidity risk, the Governmental Entity ("GE") has used large, multi-national, highly rated banks, long-term liquidity providers, staggered renewal dates and insured paper.

Termination Risk - The GE has the right, but not an obligation, to terminate, if they deem economically beneficial.

Tax Risk - The GE's outstanding variable rate bonds already have tax risk and the interest rate agreement will not introduce any additional tax risk.

Arbitrage Risk - For any interest rate agreement the Authority enters into on behalf of the Governmental Entity, it is anticipated that it would be fully integrated for the purposes of creating a qualified hedge as defined in 1.148-4(h)(4) of the Internal Revenue Code. The Bond Yield would then take into account the variable rate on the underlying bonds along with terms of the interest rate agreement and the outcome of any basis differential realized in the market.

Basis Risk - If the GE does a % of LIBOR swap it will incur Basis Risk. In order to mitigate this risk, the GE budgets for a higher rate on their swap in the event that there is a basis differential between the rate that the GE is receiving from the Counterparty, and the rate that they owe to bondholders on the outstanding variable rate bonds.

For instance, say the GE locks in an all-inclusive fixed swap rate of 4.00% on a \$5,000,000 notional amount with an average life of 20 years. In order to offset any potential tax or basis risk, the GE budgets for an interest rate of 4.25%. The current traditional fixed rate is currently around 4.25%.

Assume that the GE had entered into a 59% LIBOR plus 35 basis points swap. On February 2, 2006, the one month LIBOR rate was 4.57%. The GE would have received 3.05% from the counterparty. On that same day, the GE's outstanding variable rate bonds were 2.93%. This creates a 12 basis point favorable difference in the amount that the GE receives from the counterparty and has to pay to bondholders. Due to the fact that the GE was already budgeting 25 basis points higher than the all-inclusive fixed rate, this favorable difference would mean that the GE is setting aside 37 basis points of interest for this day and it resulted in the GE's all-inclusive fixed rate of 4.00% being lowered to 3.88 %. Any time there is extra funds resulting from this IRA, then those funds are used to pay off debt service.

If however, the LIBOR rate was 4.17% on that same day, then the GE would only receive 2.81% from the counterparty while having to pay 2.93% to bondholders. This would create a negative basis differential and increase the GE's all-inclusive fixed rate of 4.00% to 4.12% (which is still 13 basis points less than the traditional insured fixed rates). With the GE having budgeted 4.25%, the GE has lessened any potential negative impact from the increased interest cost.

In summary, if the outstanding bonds traded at lower the 59% of LIBOR plus 35 basis points, then they would receive more from the counterparty than what they are paying on the bonds. This amount would then be used to pay the interest on the bonds, thus lowering the effective overall interest on the bonds. However, if the outstanding bonds trade at higher than 59% of LIBOR plus 35 basis points, then the GE uses the extra budgeted amount to pay the difference.

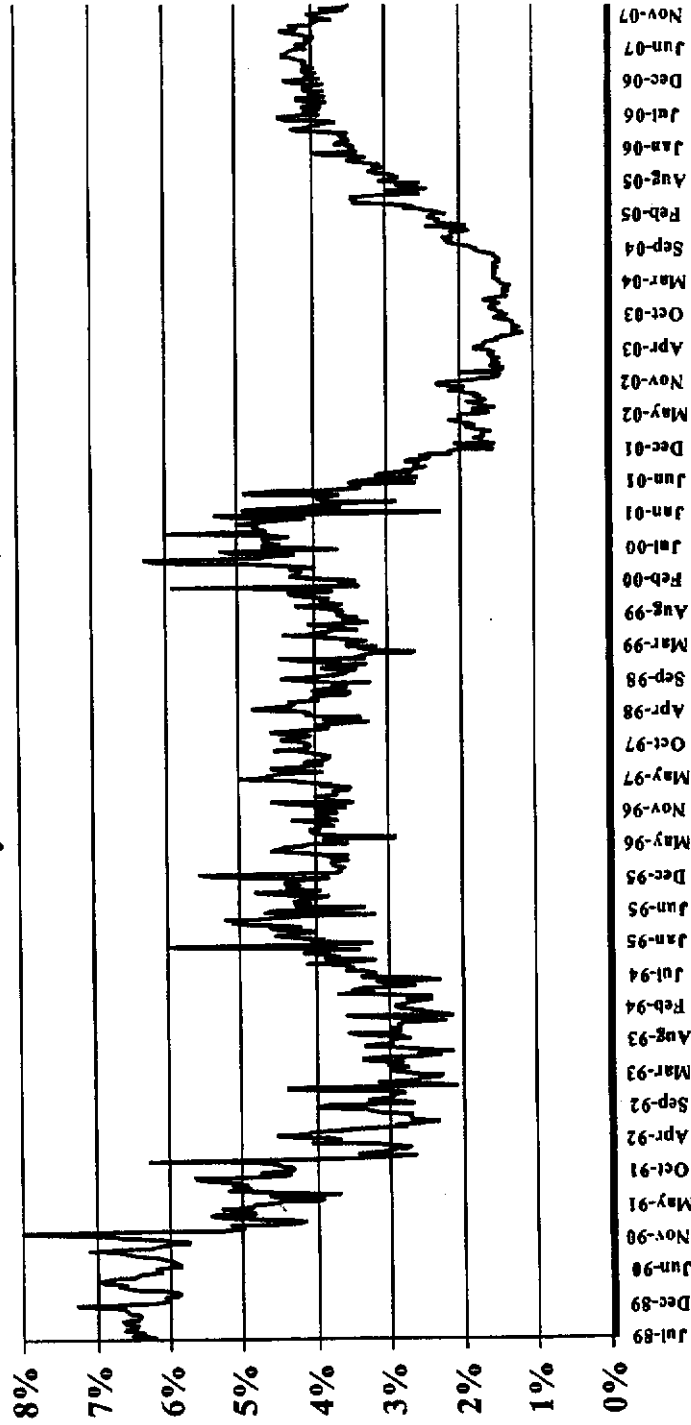
The main benefit of doing a 59% of LIBOR plus 35 basis points Interest Rate Swap Agreement is because you can convert your existing variable rate debt to a fixed rate more efficiently than you can by simply refunding it and reissuing fixed rate bonds. This is due to the swap curve being more efficient than the traditional fixed rate curve, and also saving on other costs, such as Bond issuance and insurance costs. Another benefit of doing a swap based on a percentage of LIBOR is due to the "premium" that is paid on doing a "cost of funds" swap. On the attached table (*Page A-4*), you can see that by doing a 59% of LIBOR plus 35 basis points swap versus a BMA Swap (since TN-LOANS tracks the BMA very closely, this has been used as a comparison of where a "cost of funds" swap would be), that the GE comes out significantly better on their base fixed swap rate. Looking back at the above example, instead of the GE having an all-inclusive fixed swap rate of 4.00%, it would instead have an all-inclusive fixed swap rate of 4.66%. Taking into account the average life

of the swap, this can save the GE approximately \$660,000 (66 bps on \$5 Million amortization with 20 year average life). This number assumes that the GE's outstanding Bonds trade at exactly 59% of LIBOR plus 35 basis points for the entire life of the issue. If on average, the outstanding Bonds trade at higher than 59% of LIBOR plus 35 basis points, then this amount of savings decreases. If, on the other hand, the outstanding Bonds trade at lower than 59% of LIBOR plus 35 basis points, then this amount of savings would increase. As you can see from the chart included in this application (*Page A-5*), the TN-LOANS variable rate has historically traded around 0.05% below 59% of LIBOR plus 35 basis points. Assuming that this trend continues forward over the life of this issue, then the GE's overall cost of funds should be much lower than it would have otherwise obtained by a "cost of funds" swap or a traditional fixed rate issuance.

7. In conclusion, this financing plan will allow the Governmental Entity to "rebalance" its debt portfolio by reducing its variable rate exposure and "lock in" fixed rates under market conditions that the Governmental Entity deems attractive. Therefore, this strategy will increase the Governmental Entity's future capital market flexibility in order to better manage its finances.

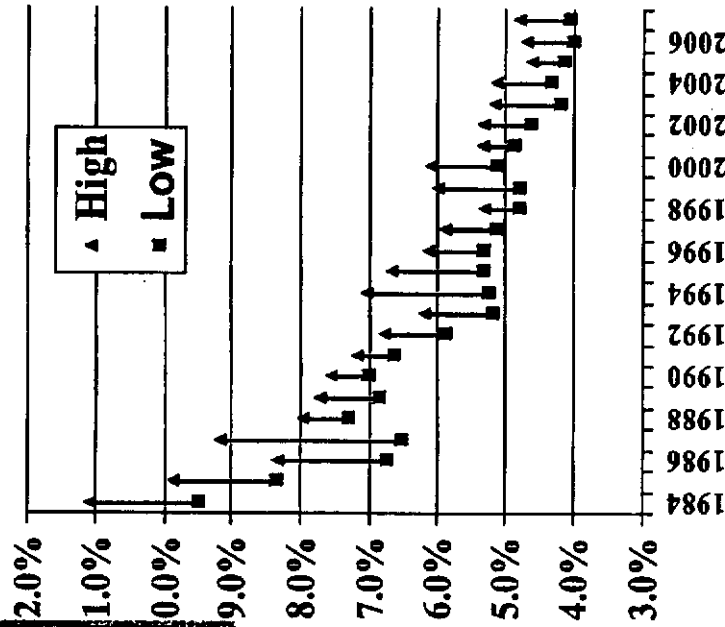
Variable Rate History

Average All-Inclusive Rate : 3.63%
July 1989 to January 2008

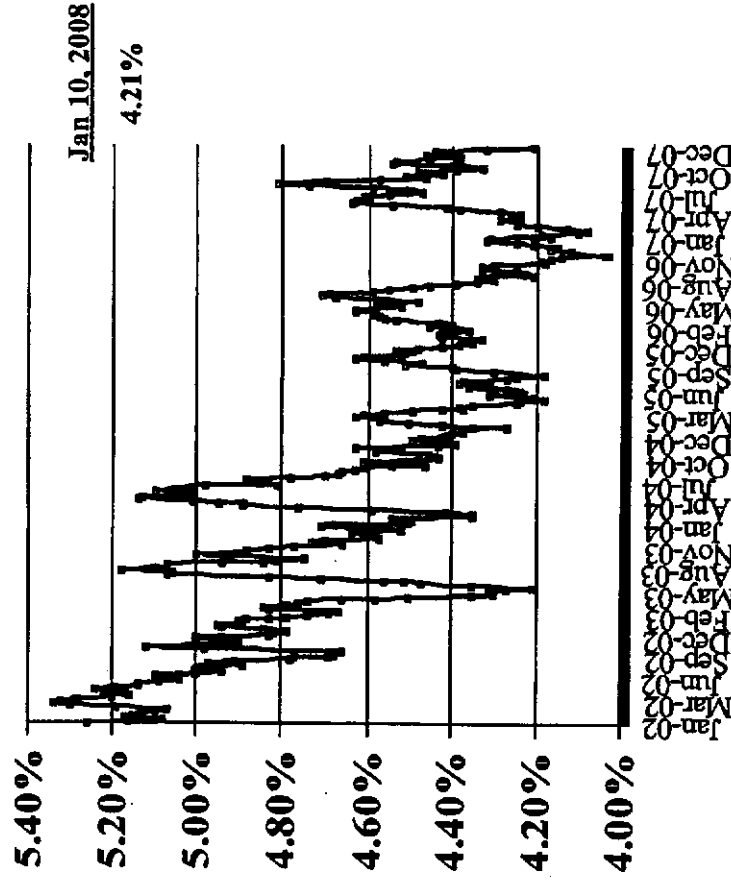


20 Year Bond Buyer G.O. Index Fixed Rates

Annual Range - 1984 thru 2007



Recent History



\$34,500,000

Hawkins County, Tennessee

Local Government Public Improvement Bonds, Series 2008

*Estimated All-Inclusive Synthetic Fixed Rate
(Includes Swap Rate & All On-Going VRDO Fees)*

Debt Service

Date	Principal	Coupon	Interest	Total P+I
06/01/2008	-	-	620,252.50	620,252.50
06/01/2009	200,000.00	4.020%	1,386,900.00	1,586,900.00
06/01/2010	375,000.00	4.020%	1,378,860.00	1,753,860.00
06/01/2011	375,000.00	4.020%	1,363,785.00	1,738,785.00
06/01/2012	400,000.00	4.020%	1,348,710.00	1,748,710.00
06/01/2013	350,000.00	4.020%	1,332,630.00	1,682,630.00
06/01/2014	375,000.00	4.020%	1,318,560.00	1,693,560.00
06/01/2015	375,000.00	4.020%	1,303,485.00	1,678,485.00
06/01/2016	375,000.00	4.020%	1,288,410.00	1,663,410.00
06/01/2017	150,000.00	4.020%	1,273,335.00	1,423,335.00
06/01/2018	150,000.00	4.020%	1,267,305.00	1,417,305.00
06/01/2019	175,000.00	4.020%	1,261,275.00	1,436,275.00
06/01/2020	175,000.00	4.020%	1,254,240.00	1,429,240.00
06/01/2021	175,000.00	4.020%	1,247,205.00	1,422,205.00
06/01/2022	175,000.00	4.020%	1,240,170.00	1,415,170.00
06/01/2023	200,000.00	4.020%	1,233,135.00	1,433,135.00
06/01/2024	200,000.00	4.020%	1,225,095.00	1,425,095.00
06/01/2025	250,000.00	4.020%	1,217,055.00	1,467,055.00
06/01/2026	250,000.00	4.020%	1,207,005.00	1,457,005.00
06/01/2027	250,000.00	4.020%	1,196,955.00	1,446,955.00
06/01/2028	250,000.00	4.020%	1,186,905.00	1,436,905.00
06/01/2029	250,000.00	4.020%	1,176,855.00	1,426,855.00
06/01/2030	2,350,000.00	4.020%	1,166,805.00	3,516,805.00
06/01/2031	2,400,000.00	4.020%	1,072,335.00	3,472,335.00
06/01/2032	2,550,000.00	4.020%	975,855.00	3,525,855.00
06/01/2033	2,725,000.00	4.020%	873,345.00	3,598,345.00
06/01/2034	3,450,000.00	4.020%	763,800.00	4,213,800.00
06/01/2035	3,650,000.00	4.020%	625,110.00	4,275,110.00
06/01/2036	3,800,000.00	4.020%	478,360.00	4,278,360.00
06/01/2037	3,850,000.00	4.020%	325,620.00	4,175,620.00
06/01/2038	4,250,000.00	4.020%	170,850.00	4,420,850.00
Total	\$34,500,000.00	-	\$33,780,227.50	\$68,280,227.50

Date And Term Structure

Dated.....	12/20/2007
First Coupon Date.....	6/01/2008
Frequency of Interest Payments.....	2 Per Year
First Serial Maturity Date.....	6/01/2009

Yield Statistics

Average Coupon.....	4.020000%
Average Life.....	24.357 Years
Bond Yield for Arbitrage Purposes.....	4.0201240%
Bond Year Dollars.....	\$840,304.17

\$34,500,000
Hawkins County, Tennessee
Local Government Public Improvement Bonds, Series 2008
Estimated Traditional Fixed Rates

Debt Service

Date	Principal	Coupon	Interest	Total P+I
06/01/2008	-	-	684,911.89	684,911.89
06/01/2009	200,000.00	2.950%	1,531,480.00	1,731,480.00
06/01/2010	375,000.00	3.040%	1,525,580.00	1,900,580.00
06/01/2011	375,000.00	3.150%	1,514,180.00	1,889,180.00
06/01/2012	400,000.00	3.250%	1,502,367.50	1,902,367.50
06/01/2013	350,000.00	3.340%	1,489,367.50	1,839,367.50
06/01/2014	375,000.00	3.420%	1,477,677.50	1,852,677.50
06/01/2015	375,000.00	3.540%	1,464,852.50	1,839,852.50
06/01/2016	375,000.00	3.650%	1,451,577.50	1,826,577.50
06/01/2017	150,000.00	3.750%	1,437,890.00	1,587,890.00
06/01/2018	150,000.00	3.840%	1,432,265.00	1,582,265.00
06/01/2019	175,000.00	3.930%	1,426,505.00	1,601,505.00
06/01/2020	175,000.00	4.010%	1,419,627.50	1,594,627.50
06/01/2021	175,000.00	4.080%	1,412,610.00	1,587,610.00
06/01/2022	175,000.00	4.140%	1,405,470.00	1,580,470.00
06/01/2023	200,000.00	4.200%	1,398,225.00	1,598,225.00
06/01/2024	200,000.00	4.260%	1,389,825.00	1,589,825.00
06/01/2025	250,000.00	4.320%	1,381,305.00	1,631,305.00
06/01/2026	250,000.00	4.380%	1,370,505.00	1,620,505.00
06/01/2027	250,000.00	4.420%	1,359,555.00	1,609,555.00
06/01/2028	250,000.00	4.460%	1,348,505.00	1,598,505.00
06/01/2029	250,000.00	4.490%	1,337,355.00	1,587,355.00
06/01/2030	2,350,000.00	4.520%	1,326,130.00	3,676,130.00
06/01/2031	2,400,000.00	4.540%	1,219,910.00	3,619,910.00
06/01/2032	2,550,000.00	4.550%	1,110,950.00	3,660,950.00
06/01/2033	2,725,000.00	4.560%	994,925.00	3,719,925.00
06/01/2034	3,450,000.00	4.570%	870,665.00	4,320,665.00
06/01/2035	3,650,000.00	4.580%	713,000.00	4,363,000.00
06/01/2036	3,800,000.00	4.580%	545,830.00	4,345,830.00
06/01/2037	3,850,000.00	4.590%	371,790.00	4,221,790.00
06/01/2038	4,250,000.00	4.590%	195,075.00	4,445,075.00
Total	\$34,500,000.00	-	\$38,109,911.89	\$72,609,911.89

Date And Term Structure

Dated.....	12/20/2007
First Coupon Date.....	6/01/2008
Frequency of Interest Payments.....	2 Per Year
First Serial Maturity Date.....	6/01/2009

Yield Statistics

Average Coupon.....	4.5352520%
Average Life.....	24.357 Years
Bond Yield for Arbitrage Purposes.....	4.5207968%
Bond Year Dollars.....	\$840,304.17

\$34,500,000

Hawkins County, Tennessee

Local Government Public Improvement Bonds, Series 2008

**Estimated All-Inclusive Synthetic Fixed Rate
(Includes Swap Rate & All On-Going VRDO Fees)**

Savings Analysis

Date	Principal	Coupon	Interest	Total P+I	Refunded D/S	Savings
06/01/2008	-	-	620,252.50	620,252.50	684,911.89	64,659.39
06/01/2009	200,000.00	4.020%	1,386,900.00	1,586,900.00	1,731,480.00	144,580.00
06/01/2010	375,000.00	4.020%	1,378,860.00	1,753,860.00	1,900,580.00	146,720.00
06/01/2011	375,000.00	4.020%	1,363,785.00	1,738,785.00	1,889,180.00	150,395.00
06/01/2012	400,000.00	4.020%	1,348,710.00	1,748,710.00	1,902,367.50	153,657.50
06/01/2013	350,000.00	4.020%	1,332,630.00	1,682,630.00	1,839,367.50	156,737.50
06/01/2014	375,000.00	4.020%	1,318,560.00	1,693,560.00	1,852,677.50	159,117.50
06/01/2015	375,000.00	4.020%	1,303,485.00	1,678,485.00	1,839,852.50	161,367.50
06/01/2016	375,000.00	4.020%	1,288,410.00	1,663,410.00	1,826,577.50	163,167.50
06/01/2017	150,000.00	4.020%	1,273,335.00	1,423,335.00	1,587,890.00	164,555.00
06/01/2018	150,000.00	4.020%	1,267,305.00	1,417,305.00	1,582,265.00	164,960.00
06/01/2019	175,000.00	4.020%	1,261,275.00	1,436,275.00	1,601,505.00	165,230.00
06/01/2020	175,000.00	4.020%	1,254,240.00	1,429,240.00	1,594,627.50	165,367.50
06/01/2021	175,000.00	4.020%	1,247,205.00	1,422,205.00	1,587,610.00	165,405.00
06/01/2022	175,000.00	4.020%	1,240,170.00	1,415,170.00	1,580,470.00	165,300.00
06/01/2023	200,000.00	4.020%	1,233,135.00	1,433,135.00	1,598,225.00	165,090.00
06/01/2024	200,000.00	4.020%	1,225,095.00	1,425,095.00	1,589,825.00	164,730.00
06/01/2025	250,000.00	4.020%	1,217,055.00	1,467,055.00	1,631,305.00	164,250.00
06/01/2026	250,000.00	4.020%	1,207,005.00	1,457,005.00	1,620,505.00	163,500.00
06/01/2027	250,000.00	4.020%	1,198,955.00	1,448,955.00	1,609,555.00	162,600.00
06/01/2028	250,000.00	4.020%	1,188,905.00	1,438,905.00	1,598,505.00	161,600.00
06/01/2029	250,000.00	4.020%	1,178,855.00	1,428,855.00	1,587,355.00	160,500.00
06/01/2030	2,350,000.00	4.020%	1,168,805.00	3,516,805.00	3,676,130.00	159,325.00
06/01/2031	2,400,000.00	4.020%	1,072,335.00	3,472,335.00	3,619,910.00	147,575.00
06/01/2032	2,550,000.00	4.020%	975,855.00	3,525,855.00	3,660,950.00	135,095.00
06/01/2033	2,725,000.00	4.020%	873,345.00	3,598,345.00	3,719,925.00	121,580.00
06/01/2034	3,450,000.00	4.020%	763,800.00	4,213,800.00	4,320,665.00	106,865.00
06/01/2035	3,650,000.00	4.020%	625,110.00	4,275,110.00	4,363,000.00	87,890.00
06/01/2036	3,800,000.00	4.020%	478,380.00	4,278,380.00	4,345,830.00	67,450.00
06/01/2037	3,850,000.00	4.020%	325,620.00	4,175,620.00	4,221,790.00	46,170.00
06/01/2038	4,250,000.00	4.020%	170,850.00	4,420,850.00	4,445,075.00	24,225.00
Total	\$34,500,000.00	-	\$33,780,227.50	\$68,280,227.50	\$72,609,911.89	\$4,329,684.39

Net Present Value Benefit \$2,600,009.72

Net PV Benefit / \$34,500,000 Refunded Principal 7.53628%

Dated..... 12/20/2007

First Coupon Date..... 6/01/2008

Bond Yield for Arbitrage Purposes..... 4.0201240%

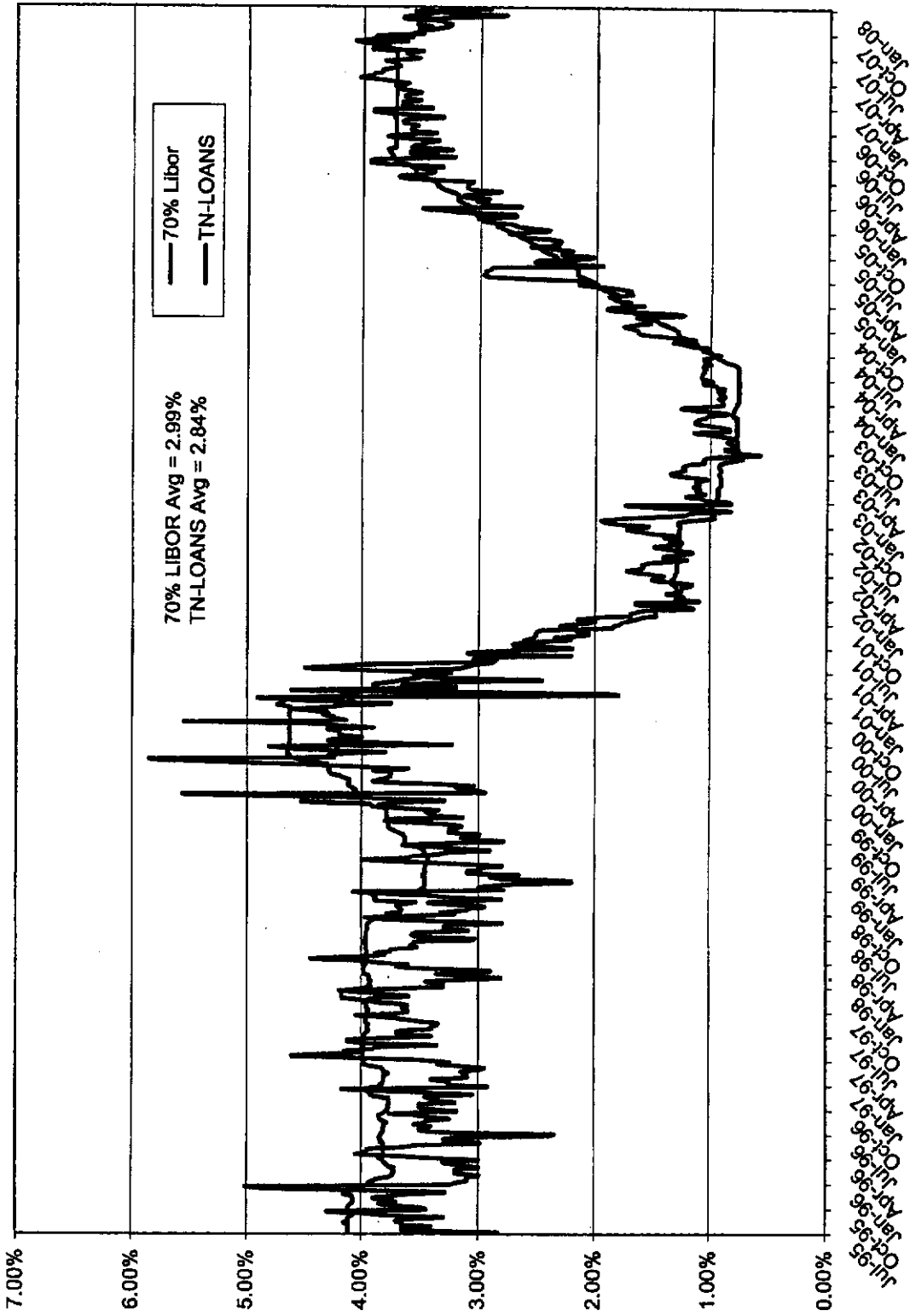
Average Coupon..... 4.0200000%

Average Life..... 24.357 Years

LIBOR vs. BMA Analysis

	1 Year	5 Year	7 Year	10 Year	15 Year	20 Year	30 Year
LIBOR	3.41%	3.72%	4.05%	4.40%	4.71%	4.84%	4.90%
x 70% LIBOR	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Total Cost	2.39%	2.60%	2.84%	3.08%	3.30%	3.39%	3.43%
BMA Swap	2.52%	2.76%	3.01%	3.29%	3.59%	3.74%	3.83%
Difference	-0.13%	-0.16%	-0.18%	-0.21%	-0.29%	-0.35%	-0.40%

Attachment A-5



Attachment B
Description of the Process for
Financial Monitoring & Reviewing

The interest rate swap agreement entered into between the Counterparty, the Public Building Authority and the Governmental Entity will require the Counterparty to provide the Government Entity with monthly mark to market calculations showing the current termination value of the agreement.

These monthly calculations shall be furnished to the Corporate Bond Trustee who will be responsible for monitoring and reviewing the calculations. Additionally, the Corporate Bond Trustee, as a part of its monthly trust statements to the Governmental Entity will forward said calculations to the Governmental Entity position, listed on Page 5 of the Interest Rate Agreement Information Sheet under Financial Monitoring Process Item number 1, and will note any irregularities or deficiencies therein.

Attachment C

Potential Swap Counterparties

<HELP> for explanation, <MENU> for similar functions.
 Enter # <GO> for historical ratings.

EquityCRPR

Recent Functions

Company Ticker Ratings

CREDIT PROFILE

Morgan Stanley

Page 1/2

MOODY'S		FITCH	
1) Outlook	NEG	12) Outlook	NEG
2) Issuer Rating	Aa3	13) LT Issuer Default Rating	AA-
3) Senior Unsecured Debt	Aa3	14) Senior Unsecured Debt	AA-
4) Subordinated Debt	A1	15) Subordinated Debt	A+
5) JR Subordinated Debt	WR	16) Preferred Stock	A+
6) Preferred Stock	A2	17) Short Term	F1+
7) Short Term	P-1	18) ST Issuer Default Rating	F1+
		19) Individual Rating	B
		20) Support Rating	5
STANDARD & POOR'S		DBRS	
8) LT Foreign Issuer Credit	AA- *-	21) Outlook	STABLE
9) LT Local Issuer Credit	AA- *-	22) Senior Unsecured Debt	AAL
10) ST Foreign Issuer Credit	A-1+ *-	23) Subordinated Debt	AH
11) ST Local Issuer Credit	A-1+ *-	24) Preferred	A
		25) Short Term	R-1M
		26) LT Issuer Rating	AAL

<HELP> for explanation, <MENU> for similar functions.
Enter # <GO> for historical ratings.

EquityCRPR

Related Functions

Company Tree Ratings

CREDIT PROFILE

Goldman Sachs Group Inc/The

Page 1/2

MOODY'S

1) Outlook	STABLE
2) Issuer Rating	Aa3
3) Senior Unsecured Debt	Aa3
4) Preferred Stock	WR
5) Short Term	P-1

STANDARD & POOR'S

6) Outlook	STABLE
7) LT Foreign Issuer Credit	AA-
8) LT Local Issuer Credit	AA-
9) ST Foreign Issuer Credit	A-1+
10) ST Local Issuer Credit	A-1+

FITCH

11) Outlook	STABLE
12) LT Issuer Default Rating	AA-
13) Senior Unsecured Debt	AA-
14) Subordinated Debt	A+
15) Preferred Stock	A+
16) Short Term	F1+
17) ST Issuer Default Rating	F1+
18) Individual Rating	B
19) Support Rating	5

DBRS

20) Outlook	STABLE
21) Senior Unsecured Debt	AAL
22) Subordinated Debt	AH
23) Preferred	A
24) Short Term	R-1M
25) LT Issuer Rating	AAL

<HELP> for explanation, <MENU> for similar functions. P233 n EquityCRPR
 Enter # <GO> for historical ratings.

Select 'Company Tree Ratings' above for related companies

MOODY'S		FITCH	
1) Outlook	STABLE	13) Outlook	STABLE
2) Foreign LT Bank Deposits	Aa3	14) LT Issuer Default Rating	AA-
3) Local LT Bank Deposits	Aa3	15) Senior Unsecured Debt	AA-
4) Senior Unsecured Debt	Aa3	16) Subordinated Debt	A+
5) Subordinated Debt	A1	17) Short Term	F1+
6) Bank Financial Strength	C+	18) ST Issuer Default Rating	F1+
7) Short Term	P-1	19) Individual Rating	B
		20) Support Rating	2
STANDARD & POOR'S		DBRS	
8) Outlook	STABLE	21) Outlook	STABLE
9) LT Foreign Issuer Credit	A+	22) Short Term	R-1M
10) LT Local Issuer Credit	A+		
11) ST Foreign Issuer Credit	A-1		
12) ST Local Issuer Credit	A-1		

<HELP> for explanation.
 Enter # <GO> for historical ratings.

EquityCRPR

Market Region: Company Ticker Rating: CREDIT PROFILE

Citigroup Inc

Page 1/2

MOODY'S		FITCH	
1) Long Term Outlook	STABLE	12) Outlook	NEG
2) Short Term Outlook	STABLE	13) LT Issuer Default Rating	AA
3) Senior Unsecured Debt	Aa3	14) Senior Unsecured Debt	AA
4) Subordinated Debt	A1	15) Subordinated Debt	AA-
5) JR Subordinated Debt	WR	16) Preferred Stock	AA-
6) Preferred Stock	A2	17) Short Term	F1+
7) Short Term	P-1	18) Individual Rating	A
		19) Support Rating	5
STANDARD & POOR'S		DBRS	
8) LT Foreign Issuer Credit	AA	20) Outlook	NEG
9) LT Local Issuer Credit	AA	21) Senior Unsecured Debt	AAH
10) ST Foreign Issuer Credit	A-1+	22) Subordinated Debt	AA
11) ST Local Issuer Credit	A-1+	23) Preferred	AAL
		24) Short Term	R-1H
		25) LT Issuer Rating	AAH

<HELP> for explanation.
 Enter # <GO> for historical ratings.

EquityCRPR

Related Functions

Company Tree Ratings

CREDIT PROFILE

Deutsche Bank AG

Page 1/2

MOODY'S

- | | |
|-----------------------------|--------|
| 1) Outlook | STABLE |
| 2) Issuer Rating | Aa1 |
| 3) Foreign LT Bank Deposits | Aa1 |
| 4) Local LT Bank Deposits | Aa1 |
| 5) Senior Unsecured Debt | Aa1 |
| 6) Subordinated Debt | Aa2 |
| 7) Bank Financial Strength | B |
| 8) Short Term | P-1 |

STANDARD & POOR'S

- | | |
|------------------------------|--------|
| 9) Outlook | STABLE |
| 10) LT Foreign Issuer Credit | AA |
| 11) LT Local Issuer Credit | AA |
| 12) ST Foreign Issuer Credit | A-1+ |
| 13) ST Local Issuer Credit | A-1+ |

FITCH

- | | |
|------------------------------|-----|
| 14) Outlook | POS |
| 15) LT Issuer Default Rating | AA- |
| 16) Senior Unsecured Debt | AA- |
| 17) Senior Subordinate | A+ |
| 18) Preferred Stock | A+ |
| 19) Short Term | F1+ |
| 20) ST Issuer Default Rating | F1+ |
| 21) Individual Rating | B |
| 22) Support Rating | 1 |

DBRS

- | | |
|----------------------|----|
| 23) Corporate Credit | WR |
| 24) Short Term | WR |

JAPAN CREDIT RATING AGENCY

- | | |
|------------------------------|-----|
| 25) Foreign Currency LT Debt | AAp |
|------------------------------|-----|

Attachment C

AMBAC 2006 Annual Report

Attachment C

Ambac Annual Report is available in the County Mayor's office for review or is available at www.ambac.com.

Report is also available in County Clerk's Office.

**\$34,500,000 Synthetic Fixed Rate Interest Rate Agreement Analysis
January 9, 2008**

Pay to Counterparty Synthetic Fixed Rate ^{1 & 2}	3.57%	
Receive from Counterparty 70% of 1 Month LIBOR ³	<u>-2.99%</u>	
Net Payment to Counterparty		0.58%
Pay Variable Rate to Outstanding Variable Rate Bondholders ⁴	2.84%	
Pay Associated Variable Rate Bond Fees ⁵	<u>0.45%</u>	
Total Variable Rate Payments		3.29%
	Effective All-Inclusive Synthetic Fixed Rate ⁶	<u>3.87%</u>
	Less: Estimated Fixed Rate Refunding Bonds ⁷	<u>-4.53%</u>
	Estimated Interest Rate Cost/(-Savings)	<u>-0.66%</u>

¹ The estimated Synthetic Fixed Rate payable to the counterparty as of the date of this application.

² Chart A-3 of the Application includes the Synthetic Fixed Rate payable to the counterparty plus the ongoing fees associated with the underlying variable rate bonds. This was done to make the analysis between a fixed rate refunding and a synthetic fixed rate interest rate agreement be comparable, exclusive of any historical interest rate differential (basis risk) between the floating rate received from the counterparty versus the floating rate payable to the variable rate bondholders.

³ This represents the actual performance of the 1-month US Dollar LIBOR Index for the period of July 1995 through the date of this application using "70% of 1-month US Dollar LIBOR Index".

⁴ This represents the actual performance of the Tennessee Local Government Alternative Loan Program ("TN-LOANSSM") for the period of July 1995 through the date of this application.

⁵ The associated variable rate bond fees have been assumed to be 0.45% for this analysis. These fees are used to pay for on-going credit enhancement, remarketing of the bonds, program administration, trustee, legal and miscellaneous variable rate expenses and could be more or less.

⁶ The Effective All-Inclusive Synthetic Fixed Rate is what the Governmental Entity would pay if future interest rates mirror the historical rates used in this analysis which was requested in this format by the Division of Local Finance, Office of the Comptroller of the Treasury. Historical interest rates are not indicative of future interest rates.

⁷ This is the estimated Average Coupon reflecting an estimated fixed rate refunding of the outstanding issue. This estimated refunding assumes a par to par comparison and does not take into account any costs that would be associated with a fixed rate refunding such as bond insurance, legal and underwriting costs. The interest rate scale used in the estimated fixed rate refunding analysis was the insured MMD scale as of close on the date of this application plus a spread of 25 basis points.

EXHIBIT B



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DIVISION OF LOCAL FINANCE
SUITE 1700 JAMES K. POLK STATE OFFICE BUILDING
505 DEADERICK STREET
NASHVILLE, TENNESSEE 37243-0274
PHONE (615) 401-7976
FAX (615) 532-5232

January 25, 2008

Honorable Crockett Lee
County Mayor of Hawkins County
150 E. Washington Street, Suite 2
Rogersville, TN 37857

Dear Mayor Lee:

This will acknowledge receipt on January 14, 2008, of your letter dated January 9, 2008, requesting a report of the Comptroller of the Treasury pursuant to Section 12-10-111, Tennessee Code Annotated and to Guidelines adopted by the State Funding Board on September 27, 2000, effective October 1, 2000, and amended on July 30, 2002, effective August 1, 2002 ("Guidelines") with regard to the execution of documents by Hawkins County ("Local Government") and the Public Building Authority of Blount County or Sevier County ("Authority") pertaining to interest rate agreements. We have determined that this request substantially complies with the Guidelines.

The State Funding Board, on September 27, 2000, adopted guidelines applicable to interest rate swap agreements for revenue bonds and loan agreements issued under the authority of Title 12 Chapter 10, Tennessee Code Annotated. The guidelines require that if the interest rate agreement is executed pursuant to the authority of Section 12-10-111, both the municipal corporation borrower and the corresponding public building authority must separately prepare and submit requests for the report of the Comptroller's Office. The Authority has submitted its request and we have responded similarly.

The final decision to enter into these types of derivative transactions is solely the responsibility of the officials of the Local Government and the Authority. We are requesting that you notify our office within 45 days subsequent to the execution of any interest rate agreements. Similarly, we are also requesting that we be notified if you determine not to proceed with the execution of any interest rate agreements referred to in this report. Subsequent to the execution of an interest rate agreement, the employee of your governmental entity identified in your request having responsibility for monitoring the interest rate agreement must submit to our office copies of the mark-to-market calculations submitted by the Counterparty. At such time as we determine that the Guidelines are being adhered to with regard to this monitoring requirement, we will discontinue the request for this information.

Report of Compliance with State Funding Board Interest Rate Agreement Guidelines

This report of compliance relates to an interest rate agreement in the following notional amounts, which equals all or a portion of the proposed principal balance of the Authority's Adjustable Rate Bonds ("AR Bonds") and the related Local Government Loan Agreement funded by such bonds:

Notional Amount: Proposed: \$34,500,000 Public Building Authority Local Government Public Improvement Bonds, Series 2008, dated February 1, 2008 or later and related Loan Agreement with Hawkins County

The loan agreements of the Local Government and related debt obligations of the Authority referred to above are issued pursuant to a variable interest rate program of the Authority for the purpose of funding loan agreements with local government entities for capital improvement projects.

SPECIFIC GUIDELINES

Hawkins County made the following representations in the Interest Rate Agreement Information Sheet submitted in the request for a Report of Compliance.

Conditions to Entering into Interest Rate Agreement

The outstanding and proposed agreements will be variable-to-fixed interest rate swap agreements, and are being entered into for the purposes of reducing exposure to changes in interest rates, reduce net cost of borrowing, and "swapping variable exposure to a fixed rate."

The interest rate swap agreement utilizes an interest rate based on the London Interbank Offered Rate (LIBOR) for the variable rate payment from the Counterparty to the Local Government and the Authority. LIBOR—a taxable rate—is the rate of interest at which banks borrow funds from each other, in marketable size, in the London interbank market. According to the analysis, the variable interest rate paid the debt holders is based on the performance of the Tennessee Local Government Alternative Loan Program (TN-LoansSM) for the period of July 1995 through the date of their Interest Rate Information Sheet.

Procurement of Interest Rate Agreement

The interest rate swap agreement will be obtained by negotiated sale as allowed by law.

Form of Documentation

The documentation evidencing the interest rate agreement will be the standard documents prepared by the International Swaps and Derivatives Association, Inc. (ISDA) and executed by the Authority and the Counterparty, approved by the Local Government. Additional documents will be executed by the Authority and the Local Government to evidence a pass-through of the interest rate agreement.

Risks Associated with Interest Rate Agreements

Certain risks are being assumed which are associated with these interest rate agreements, and both the Local Government and the Authority have indicated an understanding of these risks.

Standards for Counterparty Selection and Security for Financial Interest

The counterparty may not have a long-term debt rating of A or higher. The counterparty will provide a surety or a guarantor with a long-term debt rating of A or better. [AMBAC] In the in the event of a downgrade by a guarantor of a swap counterparty, the counterparty will be required to post necessary collateral as required by law.

Financial Statement Reporting

All interest rate agreements shall be accounted for in the financial statements in accordance with generally accepted accounting principles.

Financial Monitoring

Ms. Evelyn Gladson, Chief Financial Officer of Hawkins County, will be responsible for monitoring the interest rate swap transaction. The Bond Trustee, Regions Bank, will review the calculations provided by the Counterparty, using mark to market calculations showing current termination value of the agreement, and determine counterparty credit rating, guarantor credit rating or collateral for counterparties rated less than A. Regions Bank will monitor and review the calculations noting any irregularities or deficiencies therein and report to Ms. Gladson.

Educational Requirements

Ms. Evelyn Gladson attended the Tennessee Educational Swap Presentation of Morgan Keegan/Bass, Berry & Sims on September 6, 2007. Attendance in accordance with the Guidelines indicates that the Governmental Entity has met the educational requirements in accordance with Guidelines, and therefore should have at least a basic understanding of the risks and benefits of entering into interest rate agreements.

CONCLUSION

Based on a review of the information submitted to the Director, the request substantially complies with the Guidelines adopted by the State Funding Board.

Prior to execution of any interest rate agreement, you must determine that 1) sufficient funds will be available each fiscal year to make the net payments due under the interest rate agreement and the variable-rate coupon payments due through the loan agreement to the bond holders of the Authority, since the combined payment amount may exceed the target swap fixed-interest rate amount; and 2) should your governmental entity be required to make an early termination payment under the interest rate agreement, sufficient funds will be available to make such payment.

This Report of the Comptroller of the Treasury pursuant to the provisions of Section 12-10-111(k), Tennessee Code Annotated and Section III (D) of the Guidelines is to be considered conclusive evidence that the submitted request complies with the State Funding Board Guidelines, and no Interest Rate Agreement entered into that is consistent in all material respects with such request and this Report may thereafter be challenged for failure to comply with the Guidelines. Therefore, if you do not agree with any of the statements or understandings expressed in this Report relating to your proposed transactions, you should notify this Office within five (5) business days of receipt of this Report. As stipulated in the Guidelines, "such report of the Comptroller relates only to substantial compliance with the Guidelines and does not relate to the appropriateness of the transaction or the legal authority of the Governmental Entity to enter into the Agreement."

Sincerely,



David H. Bowling
Director of Local Finance

Cc: Honorable Harry Kidwell, President-Public Building Authority of Blount County
Honorable Jack J. Delozier, Sr., Chairman—Public Building Authority of Sevier County
Evelyn Gladson, CFO of Hawkins County
Joseph K. Ayres, Managing Director - Cumberland Securities Division of Morgan Keegan & Associates

RESOLUTION NO. 2008/ 02 / 07

TO THE HONORABLE W. CROCKETT LEE, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 25th DAY OF FEBRUARY 2008.

RESOLUTION IN REF: GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENTS

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, February 25, 2008, go on record as passing this resolution.

Introduced by Esq. Claude Parrott

Estimated Cost: _____

Seconded by Esq. _____

Paid From _____ Fund

ACTION: Aye Nay

Date Submitted 2-11-08

Roll Call _____ _____

County Clerk: A. Carroll Jenkins

Voice Vote _____ _____

By: A. Carroll Jenkins

Absent _____ _____

COMMITTEE ACTION:

APPROVED

DISAPPROVED

CHAIRMAN: W. Crockett Lee

HAWKINS COUNTY BOARD OF EDUCATION

FUND: 141 GENERAL PURPOSE SCHOOL FUND
 AMENDMENT NUMBER: 2
 DATE: February 14, 2008

ORIGINAL BUDGET AMOUNT	48,882,172.90
PREVIOUS AMENDMENTS	
TOTAL	48,882,172.90
REQUESTED AMENDMENT	58,217.32
TOTAL	48,940,390.22

ACCOUNT NO	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET
	EXPENDITURES				
	71600 ADULT EDUCATION PROGRAM - INSTRUCTION				
71600-116 AE	Teachers	-	8,190.00		8,190.00
71600-201 AE	Social Security	-	508.00		508.00
71600-204 AE	State Retirement	-	511.00		511.00
71600-212 AE	Employer Medicare	-	119.00		119.00
	Subtotal	-	9,328.00	-	9,328.00
	72110 ATTENDANCE				
72110-704	Attendance Equipment	6,000.00	80.00		6,080.00
	72120 HEALTH SERVICES				
72120-355 FRC	Travel	3,000.00	2,000.00		5,000.00
72120-499 FRC	Other Supplies & Materials	15,011.00		3,000.00	12,011.00
72120-599 FRC	Other Charges	2,000.00	1,000.00		3,000.00
	Subtotal	20,011.00	3,000.00	3,000.00	20,011.00
	72260 ADULT PROGRAMS - SUPPORT SERVICES				
72260-105 AE	Supervisor/Director	-	5,888.00		5,888.00
72260-189 AE	Other Salaries & Wages	-	1,216.00		1,216.00
72260-201 AE	Social Security	-	440.00		440.00
72260-204 AE	State Retirement	-	447.00		447.00
72260-212 AE	Employer Medicare	-	103.00		103.00
	Subtotal	-	8,094.00	-	8,094.00
	72310 BOARD OF EDUCATION				
72310-201	Social Security	-	608.00		608.00
72310-204	State Retirement	-	750.00		750.00
72310-210	Unemployment Compensation	-	47.00		47.00
72310-212	Employer Medicare	-	143.00		143.00
72310-506	Liability Insurance	361,850.00	4,448.00		366,298.00
72310-513	Workman's Comp Insurance	252,285.00	4,584.00		256,869.00
72310-533	Criminal Investigation of Applicants	7,000.00	1,000.00		8,000.00
	Subtotal	621,135.00	11,580.00	-	632,715.00

RESOLUTION

NO. 2008/02/08

TO THE HONORABLE W. CROCKETT LEE, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 25th DAY OF FEBRUARY 2008.

RESOLUTION IN REF: FOOD SERVICE SCHOOL FUND BUDGET AMENDMENTS

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, February 25, 2008, go on record as passing this resolution.

Introduced by Esq. Claude Parrott

Estimated Cost: _____

Seconded by Esq. _____

Paid From _____ Fund

ACTION: Aye Nay

Date Submitted 2-11-08

Roll Call _____ _____

A. Canoll Jenkins
County Clerk

Voice Vote _____ _____

By: _____

COMMITTEE ACTION:

APPROVED

DISAPPROVED

CHAIRMAN Crockett Lee

HAWKINS COUNTY BOARD OF EDUCATION					
FUND: 143	FOOD SERVICE		ORIGINAL BUDGET		\$ 3,371,262.00
AMENDMENT #	1		PREVIOUS AMENDMENTS		
SCHOOL YEAR	2007-2008		TOTAL		\$ 3,371,262.00
PAGE NUMBER	1 OF 3		REQUESTED AMENDMENT		\$ 455,500.00
DATE	11/13/2007		TOTAL:		\$ 3,826,762.00
ACCOUNT NUMBER	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET
REVENUE	CHARGES FOR CURRENT SERVICE 43000				
43521	LUNCH PAYMENTS - CHILDREN	\$ 688,665.00	\$ -	\$ -	\$ 688,665.00
43522	LUNCH PAYMENTS - ADULTS	\$ 115,970.00	\$ -	\$ -	\$ 115,970.00
43523	INCOME FROM BREAKFAST	\$ 268,900.00	\$ -	\$ -	\$ 268,900.00
43525	ALA CARTE SALES	\$ 184,124.00	\$ -	\$ -	\$ 184,124.00
43990	OTHER CHARGES FOR SERVICES	\$ 60,000.00	\$ -	\$ -	\$ 60,000.00
	TOTAL CHARGES FOR SERVICES 43000	\$1,317,659.00	\$ -	\$ -	\$ 1,317,659.00
REVENUE:	OTHER LOCAL REVENUES 44000				
44110	INVESTMENT INCOME	\$ 68,000.00	\$ -	\$ -	\$ 68,000.00
44170	MISCELLANEOUS REFUNDS				
44990	OTHER LOCAL REVENUE	200.00	-	-	200.00
	TOTAL OTHER LOCAL REVENUES 44000	\$ 68,200.00	\$ -	\$ -	\$ 68,200.00
46520	SCHOOL FOOD SERVICE	\$ 40,653.00	\$ -	\$ -	\$ 40,653.00
	TOTAL STATE EDUCATION FUNDS 46500	\$ 40,653.00	\$ -	\$ -	\$ 40,653.00
REVENUE	FEDERAL THRU STATE 47100				
47111	USDA SCHOOL LUNCH	\$1,464,750.00	\$ -	\$ -	\$ 1,464,750.00
47113	USDA SCHOOL BREAKFAST	\$ 480,000.00	\$ -	\$ -	\$ 480,000.00
	TOTAL FEDERAL THRU STATE 47100	\$1,944,750.00	\$ -	\$ -	\$ 1,944,750.00
	GRAND TOTAL REVENUES	\$3,371,262.00	\$ -	\$ -	3,371,262.00

FUND: 143	FOOD SERVICE		ORIGINAL BUDGET:	\$ 3,371,262.00	
AMENDMENT #	1		PREVIOUS AMENDMENTS		
SCHOOL YEAR	2007-2008		TOTAL	\$ 3,371,262.00	
PAGE NUMBER	2 OF 3		REQUESTED AMENDMENT	\$ 455,500.00	
DATE	11/13/2007		TOTAL:	\$ 3,826,762.00	
ACCOUNT NUMBER	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET
EXPENDITURES: FOOD SERVICE 73100					
73100 119	ACCOUNTANTS/BOOKKEEPERS	\$ 25,486.00	\$ -	\$ -	\$ 25,486.00
					\$ -
73100 162	CLERICAL PERSONNEL	\$ 46,550.00	\$ -	\$ -	\$ 46,550.00
					\$ -
73100 165	CAFETERIA PERSONNEL	\$1,140,325.00	\$0.00	\$ -	\$ 1,140,325.00
					\$ -
73100 196	IN SERVICE TRAINING	\$ -	\$ -	\$ -	\$ -
					\$ -
73100 201	SOCIAL SECURITY	\$ 75,000.00	\$ -	\$ -	\$ 75,000.00
					\$ -
73100 204	STATE RETIREMENT	\$ 102,360.00	\$ -	\$ -	\$ 102,360.00
					\$ -
73100 206	LIFE INSURANCE	\$ 18,000.00	\$ -	\$ -	\$ 18,000.00
					\$ -
73100 207	MEDICAL INSURANCE	\$ 215,000.00	\$ -	\$ -	\$ 215,000.00
					\$ -
73100 210	UNEMPLOYMENT COM. INSUR.	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00
					\$ -
73100 212	MEDICARE	\$ 18,000.00	\$ -	\$ -	\$ 18,000.00
					\$ -
73100 307	COMMUNICATION	\$ 6,000.00	\$ -	\$ -	\$ 6,000.00
					\$ -
73100 336	MAIN.&REPAIR EQUIPMENT	\$ 45,000.00	\$100,000.00	\$ -	\$ 145,000.00
					\$ -
73100 354	TRANSPORT.(OTHER THAN STUDENTS)	\$ -		\$ -	\$ -
					\$ -
73100 355	TRAVEL	\$ 100.00	\$ 5,000.00	\$ -	\$ 5,100.00
					\$ -
73100 399	OTHER CONTRACTED SRVICES	\$ 140,000.00	\$ -	\$ -	\$ 140,000.00
					\$ -
73100 421	FOOD PREPARATION SUPPLIES	\$ 115,500.00	\$ 50,000.00	\$ -	\$ 165,500.00
					\$ -
73100 422	FOOD SUPPLIES	\$1,265,000.00	\$150,000.00	\$ -	\$ 1,415,000.00
					\$ -
73100 435	OFFICE SUPPLIES	\$ 38,000.00	\$ -	\$ -	\$ 38,000.00
					\$ -
73100 451	UNIFORMS	\$ 5,450.00	\$ 500.00	\$ -	\$ 5,950.00
					\$ -
73100 499	OTHER SUPPLIES & MATERIALS	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -
					\$ -

FUND: 143	FOOD SERVICE				ORIGINAL BUDGET	\$ 3,371,262.00
AMENDMENT #	1				PREVIOUS AMENDMENTS	
SCHOOL YEAR	2007-2008				TOTAL	\$ 3,371,262.00
PAGE NUMBER	3 OF 3				REQUESTED AMENDMENT	\$ 455,500.00
DATE	11/13/2007				TOTAL:	\$ 3,826,762.00
ACCOUNT NUMBER	DESCRIPTION	CURRENT BUDGET	INCREASE	DECREASE	AMENDED BUDGET	
73100 457	INSERVICE/STAFF DEVELOPMENT	\$ -	\$ -	\$ -	\$ -	
73100 599	OTHER CHARGES	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	
73100 710	EQUIPMENT	\$ 98,491.00	\$150,000.00	\$ -	\$ 248,491.00	
	TOTAL EXPENDITURES FOR FOOD SERVICE 73100					
	TOTAL	\$3,371,262.00	\$455,500.00	\$ -	3,826,762.00	
34230	FUND BALANCE (RESERVE)	\$2,033,451.00	\$ -	\$455,500.00	\$ 1,577,951.00	
JUSTIFICATION:	increase in maintenance repair from private business					
	new equipment purchase/technology					
	increase in food and food preparation supplies					

TO THE HONORABLE W. CROCKETT LEE, CHAIRMAN, AND MEMBERS OF THE HAWKINS COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION, MET THIS 28th DAY OF JANUARY, 2008.

RESOLUTION IN REFERENCE: BUDGET AMENDMENT - GENERAL FUND

The following budget amendments are being requested as listed below:

Account Number	Description	Current Budget	Increase	Decrease	Amended Budget
PROPERTY ASSESSOR'S OFFICE					
Increase Expenditures			Increase		
52300-207	Medical Insurance	23,200.00	2,700.00		25,900.00
52300-718	Motor Vehicles	14,500.00	3,500.00		18,000.00
EMPLOYEE BENEFITS					
Decrease Expenditures				Decrease	
58600-207	Medical Insurance	68,800.00		(2,700.00)	66,100.00
Sub-total Expenditures		\$ 106,500.00	\$ 6,200.00	\$ (2,700.00)	\$ 110,000.00
Increase Revenue					
49700	Insurance Recovery	0.00	3,500.00		3,500.00
Sub-total Revenue		\$ 0.00	\$ 3,500.00	\$ 0.00	\$ 3,500.00
The transfer in Medical Insurance is needed to make appropriations for employees' changes in policies that were not budgeted. Funding will come from a transfer from Employee Benefits.					
The increase in Motor Vehicles is needed for the purchase of a vehicles to replace the one that was wrecked. Funding will come from insurance recovery.					
COUNTY CLERK					
Increase Expenditures			Increase		
52500-399	Other Contracted Services	0.00	300.00		300.00
Decrease Expenditures				Decrease	
52500-435	Office Supplies	10,000.00		(300.00)	9,700.00
Sub-total Expenditures		\$ 10,000.00	\$ 300.00	\$ (300.00)	\$ 10,000.00
This transfer is requested to provide funds for shredding documents based on record retention guidelines.					
		Current Budget	Increase	Decrease	Amended Budget
Page Totals- Expenditures		\$ 116,500.00	\$ 6,500.00	\$ (3,000.00)	\$ 120,000.00
Page Totals- Revenues		\$ 0.00	\$ 3,500.00	\$ 0.00	\$ 3,500.00

INTRODUCED BY: Claude Parrott, Chairman
Budget Committee

ESTIMATED COST _____

SECONDED BY: _____

PAID FROM _____ FUND _____

ACTION: AYE NAY

DATE SUBMITTED 2-11-08

ROLL CALL _____

COUNTY CLERK: A. CARROLL JENKINS

VOICE VOTE _____

BY: A. Carroll Jenkins

ABSENT _____

COMMITTEE ACTION: _____

APPROVED _____ DISAPPROVED _____

CHAIRMAN: _____

W. CROCKETT LEE

Account Number	Description				
	SHERIFF'S DEPT. & COUNTY BUILDINGS		Current Budget		Amended Budget
	Increase Expenditures			Increase	
51800-189	Other Salaries & Wages	0.00	906.00		906.00
54110-189	Other Salaries & Wages	11,000.00	12,928.00		23,928.00
	Decrease Designated Account			Decrease	
35140	Designated for Employees Vacation Pay	25,000.00		(13,834.00)	11,166.00
	Sub-Total Expenditures and Designated Acct.	\$ 36,000.00	\$ 13,834.00	\$ (13,834.00)	\$ 36,000.00
These increases are being requested to make appropriations for paying vacation pay to employees leaving employment.					
Funding will come from a transfer from a designated account for vacation pay.					
	SENIOR CITIZENS ASSISTANCE				
	Increase Expenditures			Increase	
56300-790	Other Capital Outlay	0.00	5,000.00	0.00	5,000.00
	Sub-Total Expenditures	\$ 0.00	\$ 5,000.00	\$ 0.00	\$ 5,000.00
	Increase Revenues			Increase	
46140	Aging Programs	56,907.00	5,000.00		61,907.00
	Sub-Total Revenues	\$ 56,907.00	\$ 5,000.00	\$ 0.00	\$ 61,907.00
These increases are to budget expenditures and revenue for a State grant for Rogersville Senior Citizens Center.					
The local match of \$500 for this grant will be provided by the Center's fund raisers. No County funds will be required.					
	OTHER PUBLIC HEALTH & WELFARE				
	Increase Expenditures			Increase	
55900-399	Other Contracted Services	0.00	15,789.00		15,789.00
	Sub-Total Expenditures	\$ 0.00	\$ 15,789.00	\$ 0.00	\$ 15,789.00
	Increase Revenues			Increase	
46980	Other State Grants	26,773.00	15,789.00		42,562.00
	Sub-Total Revenues	\$ 26,773.00	\$ 15,789.00	\$ 0.00	\$ 42,562.00
These increases are to budget expenditures and revenue for a State Tobacco Endowment Grant for Rogersville City and Hawkins County Schools. Expenditures must be made in the school departments and reimbursed from General Fund. These are pass through funds, with no County funds required.					
	COURTROOM SECURITY				
	Increase Expenditures			Increase	
53920-790	Other Equipment	0.00	28,700.00		28,700.00
	Decrease Expenditures			Decrease	
	COUNTY BUILDINGS & RESERVE ACCT.				
51800-707	Building Improvements	37,458.00		(2,454.00)	35,004.00
34158	Reserved for Courtroom Security	446.00		(446.00)	0.00
	Sub-Total Expenditures	\$ 37,904.00	\$ 28,700.00	\$ (2,900.00)	\$ 63,704.00
	Increase Revenues			Increase	
46980	Other State Grants	42,562.00	25,800.00		68,362.00
	Sub-Total Revenues	\$ 42,562.00	\$ 25,800.00	\$ 0.00	\$ 68,362.00
These increases and transfers are to budget in expenditures and revenue a Courtroom Security grant from the State Administrative Office of the Courts. The local match for this grant will come from fees collected for courtroom security and a transfer from Building Improvements.					
Page Totals - Expenditures, Designated & Reserve Accts.		\$ 73,904.00	\$ 63,323.00	\$ (16,734.00)	\$ 120,493.00
Page Totals - Revenue		\$ 126,242.00	\$ 46,589.00	\$ 0.00	\$ 172,831.00

Account Number	Description				
	LOCAL HEALTH CENTER		Current Budget		Amended Budget
	Increase Expenditures			Increase	
55110-335	Maintenance & Repair of Buildings	3,000.00		1,900.00	4,900.00
55110-355	Travel	4,000.00		2,000.00	6,000.00
	Decrease Expenditures			Decrease	
55110-410	Custodial Supplies	7,000.00		(1,500.00)	5,500.00
55110-435	Office Supplies	8,500.00		(1,000.00)	7,500.00
55110-799	Other Capital Outlay	130,000.00		(1,400.00)	128,600.00
	Sub-Total Expenditures	\$ 152,500.00	\$ 3,900.00	\$ (3,900.00)	\$ 152,500.00
The increase in Maintenance & Repair of Buildings is needed because of unexpected plumbing repairs and the purchase of a heat pump compressor for the Rogersville Office.					
The increase in Travel is needed because expenses for employees' travel to State dental meeting was mistakenly left out of the original budget.					
These increases will be funded from transfers from other line items in the Local Health Center budget.					
	ELECTION COMMISSION				
	Increase Expenditures			Increase	
51500-189	Other Salaries & Wages	0.00		10,000.00	10,000.00
51500-201	Social Security	13,040.00		765.00	13,805.00
51500-210	Unemployment Security	240.00		80.00	320.00
	Sub-Total Expenditures	\$ 13,280.00	\$ 10,845.00	\$ 0.00	\$ 24,125.00
	Increase Revenues			Increase	
47590	Other Federal Through State	1,670.00		10,845.00	12,515.00
	Sub-Total Revenues	\$ 1,670.00	\$ 10,845.00	\$ 0.00	\$ 12,515.00
The increase in Other Salaries & Wages is needed to establish a payroll line item from which the machine technicians are to be paid for the remainder of the fiscal year. They previously were paid from Other Contracted Services account but have now been determined that these two positions qualify to be paid on payroll with wages to be reported on a W-2 form. Social Security and Unemployment Security accounts have also been increased based on the salary increase.					
These increases will be funded from the State revenue received for the February election.					
	PARKS AND FAIR BOARDS				
	Increase Expenditures			Increase	
56700-189	Other Salaries & Wages	0.00		490.00	490.00
56700-336	Maintenance & Repair/Equipment	700.00		800.00	1,500.00
56700-338	Maintenance & Repair/Vehicles	500.00		500.00	1,000.00
	Decrease Expenditures & Designated Account			Decrease	
56700-207	Medical Insurance	10,600.00		(1,300.00)	9,300.00
35140	Designated for Employees Vacation Pay	11,166.00		(490.00)	10,676.00
	Sub-Total Expenditures	\$ 22,966.00	\$ 1,790.00	\$ (1,790.00)	\$ 22,966.00
The increase in Other Salaries & Wages is needed to cover vacation pay to employee who left employment. Funding will come from the Designated Account for Employees Vacation Pay.					
The increases in the Maintenance and Repairs accounts are needed because these line items were underestimated in the original budget. Funding for these increases will come from a transfer within the Parks budget.					
Page Totals - Expenditures and Designated Accts. \$ 188,746.00 \$ 16,535.00 \$ (5,690.00) \$ 199,591.00					
Page Totals - Revenue \$ 1,670.00 \$ 10,845.00 \$ 0.00 \$ 12,515.00					

CERTIFICATE OF ELECTION OF NOTARIES PUBLIC

Resolution No. 2008/02/10

AS CLERK OF THE COUNTY OF HAWKINS, TENNESSEE

NOTARY PUBLIC DURING THE FEBRUARY 25, 2008 MEETING OF THE GOVERNING BODY:

NAME	HOME ADDRESS AND PHONE	BUSINESS
1. SANDRA K. ANDERSON	815 MAIN ST. SURGOINSVILLE, TN. 37873 423-345-3800	GREENBANK SURGOINSVILLE, TN. 37873
2. LORI M. BETTI	2434 RIVERMONT DR. KINGSPORT, TN. 37660 423-246-4018	NORTHERN SAFETY CHURCH HILL, TN. 37642
3. GLENNA CARTER	7050 CARTERS VALLEY RD. CHURCH HILL, TN. 37642 423-392-0073	KINGSPORT PRESS CREDIT UNION KINGSPORT, TN. 37660
4. JUDY P. CLAMON	104 CENTER AVE. SURGOINSVILLE, TN. 37873 423-345-4970	LYONS CONSTRUCTION CO., INC. ROGERSVILLE, TN. 37857
5. TAMMY L. CLEVINGER	215 N. HAWKINS ST. ROGERSVILLE, TN. 37857 423-754-4626	FIRST COMMUNITY BANK ROGERSVILLE, TN. 37857
6. KATHY D. CRADIC	115 FAIRVIEW LN. CHURCH HILL, TN. 37642 423-357-7570	JAMES F. TAYLOR, ATTORNEY AT LAW ROGERSVILLE, TN. 37857
7. GLENDA P. DAVIS	311 RENO ST. ROGERSVILLE, TN. 37857 423-272-4514	HAWKINS COUNTY SHERIFFS OFFICE ROGERSVILLE, TN. 37857
8. BARBARA A. GREER	297 OLD HWY 66 ROGERSVILLE, TN. 37857 423-272-6753	FIRST COMMUNITY BANK ROGERSVILLE, TN. 37857
9. JANICE M. HOSS	125 SCHOOL AVE. SURGOINSVILLE, TN. 37873 423-345-4056	GREENBANK SURGOINSVILLE, TN. 37873
10. ASHLEY D. LAWSON	133 TIMBERLAKE DR. ROGERSVILLE, TN. 37857 423-293-0432	FIRST COMMUNITY BANK ROGERSVILLE, TN. 37857
11. STARR MANIS	138 CENTER ST. ROGERSVILLE, TN. 37857 423-272-3961	THE CITIZENS BANK OF EAST TN. ROGERSVILLE, TN. 37857
12. PENNY MCCALL	1449 STANLEY VALLEY RD. SURGOINSVILLE, TN. 37873 423-345-4901	HAWKINS COUNTY SCHOOLS ROGERSVILLE, TN. 37857
13. DIANNE M. SCOTT	1232 GLENCLIFF DR. KINGSPORT, TN. 37663 423-239-6600	NORTHERN SAFETY CHURCH HILL, TN. 37642
14. JAMES F. TAYLOR	148 STEWART HILLS DR. ROGERSVILLE, TN. 37857 423-272-0430	LAW OFFICE OF JAMES F. TAYLOR ROGERSVILLE, TN. 37857

Signature

Clerk of the County of Hawkins, Tennessee

Date

(Seal)