

THREE -YEAR CAPITAL OUTLAY NOTES

RESOLUTION 2007-162

RESOLUTION OF THE GOVERNING BODY OF
DYER, TENNESSEE, AUTHORIZING
THE ISSUANCE, SALE, AND PAYMENT OF
POLICE CARS CAPITAL OUTLAY NOTES
NOT TO EXCEED \$ 80,000.00

WHEREAS, the Governing Body of Dyer, Tennessee (the Local Government) has determined that it is necessary and desirable to provide funds for the following public works project (the "Project"): purchase four 2007 Chevrolet Police Cruisers

(If multiple projects are involved, attach separate sheet identifying each project, its estimated economic life, and the portion of the Notes to be applied to the cost of such project ;) and

WHEREAS, the Governing Body has determined that the Project will promote or provide a traditional governmental activity or otherwise fulfill a public purpose; and

WHEREAS, under the provisions of Parts I, IV, and VI of Title 9, Chapter 21, Tennessee Code Annotated (the "Act"), local governments in Tennessee are authorized to finance the cost of this Project through the issuance and sale of interest bearing capital outlay notes upon the approval of the State Director of Local Finance; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance of capital outlay notes to finance the cost of the Project;

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

Section 1. That, for the purpose of providing funds to finance the cost of the Project in and for the Local Government, the Chief Executive Officer of the Local Government is hereby authorized in accordance with the terms of this resolution to issue and sell interest-bearing capital outlay notes in a principal amount not to exceed Eighty thousand Dollars (\$ 80,000.00) (the "Notes") at either a competitive public sale or at a private negotiated sale upon approval of the State Director of Local Finance pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be designated "2007 Police Cars Capital Outlay Notes, Series 2007", shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be in denomination (s) as agreed upon with the purchaser; shall be sold at not less than 99% of par value and accrued interest; and shall bear interest at a rate or rates not to exceed Eight percent (8.0 %) per annum, and in no event shall the rate exceed the legal limit provided by law.

Section 2. That, the Notes shall mature not later than three (3) years after the date of issuance and that the Notes and any extension or renewal notes shall not exceed the reasonably expected economic life of the Project, which is hereby certified by the Governing Body to be at least seven years. Provided, however, that each year the Notes are outstanding, one- third (1/3), but in no event not less than one-

ninth (1/9), of the original principal amount of the Notes shall mature without renewal but subject to prior redemption.

Section 3. That, the Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time, at the principal amount and accrued interest to the date of redemption, without a premium, or, if sold at par, with or without a premium of not exceeding one percent (1%) of the principal amount.

Section 4. That, the Notes shall be direct general obligations of the Local Government, for which the punctual payment of the principal and interest on the notes, the full faith and credit of the Local Government is irrevocably pledged and the Local Government hereby pledges its taxing power as to all taxable property in the Local Government for the purpose of providing funds for the payment of principal of and interest on the Notes. The Governing Body of the Local Government hereby authorizes the levy and collection of a special tax on all taxable property of the Local government over and above all other taxes authorized by the Local government to create a sinking fund to retire the Notes with interest as they mature in an amount necessary for that purpose.

If applicable, the Notes shall be further secured by
Not Applicable

(If the revenues generated by Project are to be applied as additional security for the Notes, describe such revenues here.)

Section 5. That, the Notes shall be executed in the name of the Local Government and bear the manual signature of the chief executive officer of the Local Government and the manual signature of the City Recorder with the Local Government seal affixed thereon; and shall be payable as to principal and interest at the office of the City Recorder of the Local Government or the paying agent duly appointed by the Local Government. Proceeds of the Notes shall be deposited with the General Fund of the Local Government and shall be paid out for the purpose of financing the Project pursuant to this Resolution and as required by law.

Section 6. That, the Notes will be issued in fully registered form and that at all times during which any Notes remains outstanding and unpaid, the Local Government or its agent shall keep or cause to be kept at its office a note register, if held by an agent of the Local Government, shall at all times be open for inspection by the Local Government or any duly authorized officer of the Local Government. Each Note shall have the qualities and incidents of a negotiable instrument and shall be transferable only upon the note register kept by the Local Government or its agent, by the registered owner of the Note in person or by the registered owner's attorney duly authorized in writing, upon presentation and surrender to the Local Government or its agent together with a written instrument of transfer satisfactory to the Local Government duly executed by the registered owner of the registered owner's duly authorized attorney. Upon the transfer of any such Note, the Local Government shall issue in the name of the transferee a new registered note or notes of the same aggregate principal amount and maturity as the surrendered Notes. The Local Government shall not be obligated to make any such Note transfer during the fifteen (15) days next preceding an interest payment date of the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

Section 7. That, the Notes shall be in substantially the form attached hereto and shall recite that the Notes are issued pursuant to Title 9, Chapter 21, Tennessee Code Annotated.

Section 8. That, the Notes shall be sold only after the receipt of the written approval of the State Director of Local Finance for the sale of the Notes.

Section 9. That, the notes are hereby designated as qualified tax-exempt obligations for purpose of Section 265(b) (3) of the Internal Revenue Code of 1986.

Section 10. That, after the sale of the Notes, and for each year that any of the notes are outstanding, the Local Government shall prepare an annual budget in a form consistent with accepted governmental standards and as approved by the State Director of Local Finance (the "Director".) The budget shall be kept balanced during the life of the notes. The annual budget shall be submitted to the Director immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Director in accordance with Title 9, Chapter 21, Tennessee Code Annotated (the "Statutes".) If the Director determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes, or as directed by the Director.

Section 11. That, if any of the Notes shall remain unpaid at the end of three (3) years from the issue date, then the unpaid Notes shall be renewed or extended as permitted by law, or retired from the funds of the Local Government or be converted into bonds pursuant to Chapter 11 of Title 9 of the Tennessee Code Annotated, or any other law, or be otherwise liquidated as approval by the State Director of Local Finance.

Section 12. That, all orders or resolutions in conflict with this Resolution are hereby repealed insofar as such conflict exists and this Resolution shall become effective immediately upon its passage.

Duly passed and approved this 8th day of January, 2007.



C. Scott Jewell, Mayor

(Local Government Chief Executive)

ATTESTED:


Kenneth W. McEwen
(City Recorder/County Clerk)

Issuer's No. _____
(To be filled out by State)

REPORT ON DEBT OBLIGATION
(Pursuant to Chapter 402, Public Acts of 1989)

1. Issuer:
 Name _____
 Address _____

2. Debt Obligation:

<input type="checkbox"/>	a. Bond
<input type="checkbox"/>	b. CON
<input type="checkbox"/>	c. BAN
<input type="checkbox"/>	d. GAN
<input type="checkbox"/>	e. Lease/Lease Purchase
<input type="checkbox"/>	f. Loan Agreement

5. Face Amount of Debt Obligation: \$ _____

6. Type of Sale:

<input type="checkbox"/>	a. Competitive Public Sale
<input type="checkbox"/>	b. Negotiated Sale
<input type="checkbox"/>	c. Loan Program _____ specify

3. Security For Debt Obligation:

<input type="checkbox"/>	a. General Obligation
<input type="checkbox"/>	b. General Obligation Revenue and Tax
<input type="checkbox"/>	c. Revenue
<input type="checkbox"/>	d. Annual Appropriations

7. Tax Status:
 a. _____ Tax Exempt b. _____ Taxable

8. Dated Date: _____

9. Issue Date (Closing Date): _____

4. Purpose of Issue %

<input type="checkbox"/>	a. General Government	_____
<input type="checkbox"/>	b. Education	_____
<input type="checkbox"/>	c. Highways and Streets	_____
<input type="checkbox"/>	d. Public Safety	_____
<input type="checkbox"/>	e. Solid Waste Disposal	_____
<input type="checkbox"/>	f. Industrial Park	_____
<input type="checkbox"/>	g. Manufacturing Facilities	_____
<input type="checkbox"/>	h. Health Facilities	_____
<input type="checkbox"/>	i. Airports	_____
<input type="checkbox"/>	j. Utilities	_____
<input type="checkbox"/>	i. Water	_____
<input type="checkbox"/>	ii. Sewer	_____
<input type="checkbox"/>	iii. Electric	_____
<input type="checkbox"/>	iv. Gas	_____
<input type="checkbox"/>	k. Refunding or Renewal	_____
<input type="checkbox"/>	l. Other _____	_____

specify

10. Ratings:

a. Moody's	_____
b. Standard & Poor's	_____
c. Unrated	_____

11. Interest Cost: _____

<input type="checkbox"/>	a. TIC
<input type="checkbox"/>	b. NIC
<input type="checkbox"/>	c. Variable
<input type="checkbox"/>	d. Other

12. Recurring Costs:

a. Remarketing Agent Fees	\$ _____
b. Liquidity Fees	\$ _____
c. Credit Enhancement Fees	\$ _____

13. Maturity Dates, Amounts and Interest Rates

Year	Amount	Interest Rate

If additional space is needed, attach additional sheet.

Year	Amount	Interest Rate

No. of years _____
(To be filled out by state.)

14. Itemized Description of the Cost of Issuance

(Round to Nearest Dollar)

		Name of Firm
a. Financial Advisor Fees*	\$ _____	_____
b. Legal Fees:	\$ _____	_____
i. Bond Counsel	\$ _____	_____
ii. Issuer's Counsel	\$ _____	_____
iii. Trustee's Counsel	\$ _____	_____
_____	\$ _____	_____
_____	\$ _____	_____
c. Paying Agent Fees and Registration Fees	\$ _____	_____
d. Trustee Fees	\$ _____	_____
e. Remarketing Agent Fees	\$ _____	_____
f. Liquidity Fees	\$ _____	_____
g. Rating Agency Fees	\$ _____	_____
h. Credit Enhancement Fees	\$ _____	_____
i. Underwriter's Discount (%) _____	\$ _____	_____
i. Take Down	\$ _____	_____
ii. Management Fee	\$ _____	_____
iii. Risk Premium	\$ _____	_____
iv. Underwriter's Counsel	\$ _____	_____
v. Other Expenses	\$ _____	_____
j. Printing and Advertising Fees	\$ _____	_____
k. Issuer Fees	\$ _____	_____
l. Real Estate Fees	\$ _____	_____
m. Other Costs	\$ _____	_____
n. Total Costs	\$ _____	_____

*If other costs are included, please itemize

Note: Please enclose a copy of the DISCLOSURE DOCUMENT or OFFICIAL STATEMENT if one was developed.

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Authorized Representative (Signature)	Preparer (Please Type or Print Legibly)
Authorized Representative (Please Type or Print Legibly)	Title
Title	Firm
Date	Date

SEND TO: Director - Division of Local Finance - Suite 1700 - 505 Deaderick Street - James K. Polk Building - Nashville, Tennessee 37243-0274