**Interfund Tax Anticipation Note Resolution**

Resolution No. \_\_\_\_\_\_\_\_\_\_\_\_\_\_

RESOLUTION OF THE GOVERNING BODY OF

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, TENNESSEE,

AUTHORIZING THE ISSUANCE, SALE, AND PAYMENT OF

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_REVENUE/TAX ANTICIPATION NOTES

NOT TO EXCEED $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

WHEREAS, the Governing Body of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Tennessee, (the “Local Government”) has determined that it is necessary and desirable to borrow a limited amount of funds to meet appropriations made for the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Fund (the “Fund”) for the current fiscal year, being July 1, 20\_\_\_, through June 30, 20\_\_\_, inclusive, (the “Fiscal Year”), in anticipation of the collection of taxes and revenues for the Fund during the Fiscal Year; and

WHEREAS, under the provisions of Part I, IV, IV, and VIII of Title 9, Chapter 21, Tennessee Code Annotated (the “Act”), local governments in Tennessee are authorized to issue and sell revenue/tax anticipation notes in amounts not exceeding sixty percent (60%) of the Fund appropriation for the Fiscal Year upon the approval of the Comptroller of the Treasury or Comptroller’s Designee; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance and sale of interfund revenue/tax anticipation notes;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of the Local Government \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as follows:

**Section 1.** For the purpose of providing funds to meet certain appropriations for the Fiscal Year, the chief executive officer of the Local Government is hereby authorized in accordance with the terms of this Resolution to issue sell interfund revenue/tax anticipation notes in a principal amount not to exceed Dollars ($\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_) (the “Notes”) upon approval of the Comptroller of the Treasury or Comptroller’s designee pursuant to the terms, provisions, and conditions permitted by law. The Notes shall be an interfund loan from the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Fund to the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Fund. The Notes shall be designated “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Interfund Revenue/Tax Anticipation Notes, Series 20\_\_\_”; shall be dated as of the date of issuance and shall bear interest at a rate or rates not to exceed percent ( %) per annum, and in no event shall the rate exceed the legal limit provided by law.

**Section 2.** That, the sum of the principal amount of the Notes, together with the principal amount or amounts of any prior revenue/tax anticipation notes issued during the Fiscal Year, does not exceed sixty percent (60%) of the Fund appropriation for the Fiscal Year.

**Section 3.** That, the Notes may be renewed from time to time and money may be borrowed from time to time for the payment of any indebtedness evidenced by the Notes; provided, that the Notes and any renewal notes shall mature and be paid in full without renewal on or before the end of the Fiscal Year. If the Local Government overestimates the amount of taxes and revenue collected for the Fiscal Year and it becomes impossible to retire the Notes and all renewal notes prior to the close of the Fiscal Year, then the Local Government shall apply to the Comptroller of the Treasury or Comptroller’s designee within ten (10) days prior to the close of the Fiscal year for permission to issue funding bonds to cover the unpaid Notes in the manner provided by Title 9, Chapter 11 of Tennessee Code Annotated or as otherwise provided for in a manner approved by the Comptroller of the Treasury or Comptroller’s designee.

**Section 4.** That, the Notes shall be secured solely by the receipt of taxes and revenues by the Fund during the Fiscal Year.

**Section 5.** 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.

**Section 6.** The Notes shall be executed in the name of the Local Government; shall bear the signature of the chief executive officer of the Local Government and the signature of the recording officer of the Local Government and shall be payable as to principal and interest at the office of the recording officer of the Local Government or at the office of the paying agent duly appointed by the Local Government. Proceeds of the Notes shall be deposited with the official designated by law as custodian of the funds. All proceeds shall be paid out for the purpose of meeting Fund appropriations made for the Fiscal Year in anticipation of the collection of revenues and taxes pursuant to this Resolution and as required by law.

**Section 7.** The Notes shall be in substantially the form attached as Attachment 1 with only changes as are necessary or appropriate to comply with the requirements of the purchaser thereof.

**Section 8.** The Notes shall be issued only after the receipt of the approval of the Comptroller of the Treasury or Comptroller’s designee for the sale of the Notes.

**Section 9.** If any of the Notes shall remain unpaid at the end of the fiscal year of issue, then the unpaid Notes shall be 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 approved by the Comptroller of the Treasury or Comptroller’s designee.

**Section 10.** 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 \_\_\_\_\_\_\_\_day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_.

(Local Government Chief Executive)

ATTESTED:

(Recording Officer)

Attachment 1

INTERFUND TAX/REVENUE ANTICIPATION NOTE FORM

Registered Note No.

Registered $

(*Name of Local Government*)

of the State of Tennessee

Interfund Tax/Revenue Anticipation Notes, Series 20\_\_

DATED:

INTEREST RATE:

MATURITY DATE:

Registered Owner:

Principal Sum:

The (Governing Body) of Tennessee (the Local Government) hereby acknowledges itself indebted, and for value received hereby promises to pay to the Registered Owner hereof (named above), or registered assigns, the Principal Sum (specified above) on the Maturity Date (specified above) (unless this note shall have been duly called for prior redemption and payment of the redemption price shall have been duly made or provided for), upon presentation and surrender to the Local Government or its agent, and to pay interest on the Principal Sum on and thereafter on of each year at the Interest Rate per annum (specified above), by check, draft, or warrant mailed to the Registered Owner at the address of the Registered Owner as it appears on the fifteenth (15th) calendar day of the month next preceding the applicable payment date in the note register maintained by or on behalf of the Local Government. Both principal of and interest on this note are payable at the office of the of the Local Government or a paying agent duly appointed by the Local Government in lawful money of the United States of America.

This note is a direct obligation of the Local Government for the payment of which as to both principal and interest the full faith and credit of the Local Government is pledged.

This note is subject to redemption prior to its stated maturity in whole or in part at any time at the option of the Local Government upon payment of the principal amount of the note together with the interest accrued thereon to the date of redemption with a premium of % of par value.

This note is issued under the authority of Parts I, IV, and V of Title 9, Chapter 21, Tennessee Code Annotated, and a Resolution duly adopted by the Governing Body of the Local Government meeting in session on the \_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_ (the "Resolution") to provide funds in anticipation of the issuance of the bonds referenced in the Resolution.

This 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 of the note together with a written instrument of transfer satisfactory to the Local Government duly executed by the Registered Owner or the Registered Owner's duly authorized attorney but only in the manner as provided in the Resolution of the Local Government authorizing the issuance of this note and upon surrender hereof for cancellation. Upon the transfer of any such note, the Local Government or its agent 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 note. The Local Government shall not be obligated to make any such Note transfer during the fifteen (15) days next preceding an interest payment date on the Notes or, in the case of any redemption of the Notes, during the forty-five (45) days next preceding the date of redemption.

Title 9, Chapter 21, Section 117, Tennessee Code Annotated provides that this note and interest thereon are exempt from taxation by the State of Tennessee or by any county, municipality, or taxing district of the State, except for inheritance, transfer and estate taxes and except as otherwise provided under the laws of the State of Tennessee.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this note exist, have happened and have been performed in due time, form and manner as required by the Constitution and laws of the State of Tennessee, and that the amount of this note, together with all other indebtedness of the Local Government, does not exceed any constitutional or statutory limitation thereon, and that this note is within every constitutional and statutory limitation.

IN WITNESS WHEREOF, the of the Local Government has caused this note to be executed in the name of the Local Government by the signature of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and attested by the signature of the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with the Seal of the Local Government affixed hereto or imprinted hereon, and this note to be dated as of the \_\_\_\_\_\_\_\_\_\_\_\_ day of 20\_\_\_\_.

(Local Government Chief Executive)

ATTESTED:

(Recording Officer)

ASSIGNMENT

Note No.

Amount: $

For value received, the undersigned hereby sells, assigns, and transfers unto

(Name and Address of assignee)

(Please indicate social security or other tax identifying number of assignee)

The within-mentioned note and hereby irrevocably constitutes and appoints attorney-in-fact, to transfer the same on the note register in the office of the or the agent of the Local Government with full power of substitution in the premises.

Date:

Assignor:

Address: