

Board of Mayor and Aldermen Meeting
Tuesday, January 20, 2015
Dyersburg Municipal Court Room

- (1) **Call to Order:** The Board of Mayor and Aldermen met in regular session on Tuesday, January 20, 2015 in the Dyersburg Municipal Court Room at 7:00 p.m. Alderman Bob Kirk was asked to preside as Mayor John Holden was detained and could not be present until the later portion of the meeting. The meeting opened with prayer by Alderman Terry Glover. Alderman Kirk noted all Aldermen were present.
- (2) **Approval of Minutes:** The minutes of the January 5, 2015 meeting were approved on a motion by Alderman Kevin Chaney, followed by a second from Alderman Mike Morgan. The motion passed approving the minutes.
- (3) **Unfinished Business:** There was no unfinished business.
- (4) **New Business:**

a. Attorney Invoice.

Mayor Holden presented an invoice from the City Attorney's office to be approved for payment. The December 1, 2014 to December 31, 2014 invoice totaled \$8,193.75. Alderman Kevin Chaney made a motion to approve the payment, with a second by Alderwoman Carolyn Norman. The motion passed by full vote.

b. Bids – Greg Williams

1. Department: Street

Item: 2010 Disaster Recovery Project

Purpose: Storm Drainage – South Main Ave

Budgeted: \$297,344 – 100% covered by CDBG grant

Notification: State Gazette & Local Plan Rooms

Bids:	Ford Construction	No Response
	Barston Construction	No Response
	Still Contractors, LLC	\$325,450.42
	Claunch Construction	\$304,681.50
	Clifco, Inc.	\$280,315.00

Recommendation: Mr. Williams recommended awarding the bid to Clifco, Inc., Dyersburg, TN at \$280,315.00. A motion to approve the recommendation as presented before the Board was made by Alderman Mike Morgan, with a second by Alderman Dennis Moody. The motion passed by full Board approval.

c. Finance Committee Meeting – Tuesday, January 20, 2015 – Minutes.

The minutes were read before the Board by Alderman Kevin Chaney, presented as follows:

Finance Committee Meeting

City of Dyersburg

January 20, 2015

The Finance Committee met Tuesday, January 20, 2015 at 10:30 a.m. in the City Hall Conference Room

Committee Members Present Included: Mayor John Holden, Alderman Terry Glover, Alderman Kevin Chaney, and Alderman Bob Kirk.

Staff and Others Present: Steve Anderson, City Treasurer, Alderman Mike Morgan, Greg Williams, Purchasing Agent.

Mayor Holden opened the meeting with prayer. Following the prayer, Mayor Holden continued the meeting by stating that this was the first meeting of the Finance Committee for the year 2011. He proceeded to inform the group of the need to elect a Chairman, refinance Bonds, and any other properly presented business.

A motion was made by Alderman Bob Kirk nominating Alderman Kevin Chaney as Chairman. The motion was seconded by Alderman Terry Glover. The motion passed by full committee vote. Following the election of Chairman Chaney the meeting was opened to discussion of the following:

New Business: Refinance Bonds

Mr. Anderson discussed the recommendation to approve as resolution to:

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL OUTLAY REFUNDING NOTES OF THE CITY OF DYERSBURG, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,215,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID NOTES, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE NOTES.

Mr. Anderson stated the refinancing was the intent by the City to reduce the interest on monies borrowed in 2007 for public school projects and other capital outlay. He noted that Cumberland Securities had negotiated a very desirable interest rate with a local bank that would reduce the

interest from (3.68%) to (1.25%). The savings will be approximately \$100,000.00 for the city. The note will expire in three years.

A motion was made by Alderman Bob Kirk to approve the resolution to be presented before the full board Tuesday, January 20, 2015 at the regularly scheduled Board of Mayor and Alderman meeting. The motion was seconded by Alderman Terry Glover. The motion passed by unanimous vote.

Any other business that may come before the Committee:

None presented.

The meeting adjourned at 10:45 a.m.

Kevin Chaney, Chairman

Robert C. Jones, City Recorder

d. Resolution 01202015 – A resolution authorizing the issuance of general obligation capital outlay refunding notes of the City of Dyersburg.

Resolution No. 01202015

The Board of Mayor and Aldermen of the City of Dyersburg, Tennessee, met in regular session on January 20, 2015 at 7:00 p.m. at the Municipal Building, Dyersburg, Tennessee, with the Honorable, John Holden, City Mayor presiding.

The following Aldermen present:

Kevin Chaney, Bill Escue, Terry Glover, Bob Kirk, Dennis Moody, Mike Morgan, Carolyn Norman., and Robert Taylor Jr.

The following Aldermen absent:

None.

There was also present Bob Jones, City Recorder.

After the meeting was duly called to order, the following resolution was introduced by Kevin Chaney, was allowed on the floor by Bob Kirk, and after due deliberation, was adopted by the following vote:

AYE:

Kevin Chaney, Bill Escue, Terry Glover, Bob Kirk, Dennis Moody, Mike Morgan, Carolyn Norman., and Robert Taylor Jr.

NAY:

Resolution No. 01202015

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION CAPITAL OUTLAY REFUNDING NOTES OF THE CITY OF DYERSBURG, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$2,215,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE AND PAYMENT OF SAID NOTES, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE NOTES

WHEREAS, 9-21-101, et seq., inclusive, Tennessee Code Annotated, as amended, authorizes the City of Dyersburg, Tennessee (the "Municipality"), by resolution of the Board of Mayor and Aldermen, to issue and sell bonds and to refund and refinance outstanding indebtedness; and

WHEREAS, the Municipality has previously issued and has outstanding its (i) General Obligation Capital Outlay Notes, Series 2007, dated April 18, 2007, maturing December 1, 2015 and thereafter; and (ii) School Capital Outlay Notes, Series 2007, dated April 18, 2007, maturing December 1, 2015 and thereafter (the "Outstanding Indebtedness"); and

WHEREAS, all or a portion of the Outstanding Indebtedness can now be refunded for the purpose of reducing the debt service requirements of the Municipality; and

WHEREAS, the Board of Mayor and Aldermen hereby determines that it is advisable to issue general obligation notes, in one or more series, for the purpose of refunding all or a portion of the Outstanding Indebtedness; and

WHEREAS, a plan of refunding for the Outstanding Indebtedness has been filed with the Director of State and Local Finance (the "State Director") as required by Section 9-21-903, Tennessee Code Annotated, as amended, and the State Director has submitted to the Municipality a report thereon, a copy of which has been made available to the members of the Board of Mayor and Aldermen (the "State Report"); and

WHEREAS, it is the intention of the Board of Mayor and Aldermen of the Municipality to adopt this resolution for the purpose of authorizing not to exceed \$2,215,000 in aggregate principal amount of notes for the above-described purposes, providing for the issuance, sale and payment of said notes, establishing the terms thereof, and the disposition of proceeds therefrom, and providing for the levy of a tax for the payment of principal thereof, premium, if any, and interest thereon.

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the City of

Dyersburg, Tennessee, as follows:

Section 1. Authority. The notes authorized by this resolution are issued pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and other applicable provisions of law.

Section 2. Definitions. In addition to the terms defined in the preamble above, the following terms shall have the following meanings in this resolution unless the text expressly or by necessary implication requires otherwise:

(a) "Book-Entry Form" or "Book-Entry System" means a form or system, as applicable, under which physical note certificates in fully registered form are issued to a Depository, or to its nominee as Registered Owner, with the certificate of notes being held by and "immobilized" in the custody of such Depository, and under which records maintained by persons, other than the Municipality or the Registration Agent, constitute the written record that identifies, and records the transfer of, the beneficial "book-entry" interests in those notes.

(b) "Code" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

(c) "Depository" means any securities depository that is a clearing agency under federal laws operating and maintaining, with its participants or otherwise, a Book-Entry System, including, but not limited to, DTC.

(d) "DTC" means the Depository Trust Company, a limited purpose company organized under the laws of the State of New York, and its successors and assigns.

(e) "DTC Participant(s)" means securities brokers and dealers, banks, trust companies and clearing corporations that have access to the DTC System.

(f) "Financial Advisor" for the Notes authorized herein means Cumberland Securities Company, Inc., Knoxville, Tennessee.

(g) "Mayor" shall mean the Mayor of the Municipality.

(h) "Notes" means the not to exceed \$2,215,000 General Obligation Capital Outlay Refunding Notes of the Municipality, to be dated their date of issuance, and having such series designation or such other dated date as shall be determined by the Mayor pursuant to Section 8 hereof.

(i) "Purchaser" means First Citizens National Bank, Dyersburg, Tennessee.

(j) "Refunded Indebtedness" means the maturities or portions of the maturities of the Outstanding Indebtedness designated for refunding by the Mayor pursuant to the terms hereof.

(k) "Registration Agent" means the registration and paying agent appointed by the Mayor pursuant to the terms hereof, or any successor designated by the Governing Body.

Section 3. Findings of the Governing Body; Compliance with Debt Management Policy.

(a) In conformance with the directive of the State Funding Board of the State of Tennessee,

the Municipality has heretofore adopted its Debt Management Policy. The Governing Body hereby finds that the issuance and sale of the Notes, as proposed herein, is consistent with the Municipality's Debt Management Policy.

(b) The estimated interest expense and costs of issuance of the Notes have been made available to the Governing Body.

(c) The refunding of the Refunded Indebtedness authorized herein through the issuance of the Notes will result in the reduction of the debt service payable by the Municipality over the term of the Refunded Indebtedness, thereby effecting a cost savings to the public.

(d) The State Report has been presented to the members of the Governing Body in connection with their consideration of this resolution and is attached hereto as Exhibit A.

Section 4. Authorization and Terms of the Notes.

(a) For the purpose of providing funds to finance, in whole or in part the refunding of the Refunded Indebtedness; and payment of costs incident to the issuance and sale of the Notes, there is hereby authorized to be issued bonds, in one or more series, of the Municipality in the aggregate principal amount of not to exceed \$2,215,000. The Notes shall be issued in one or more series, in fully registered, book-entry form (except as otherwise set forth herein), without coupons, and subject to the adjustments permitted hereunder, shall be known as "General Obligation Capital Outlay Refunding Notes", shall be dated their date of issuance, and shall have such series designation or such other dated date as shall be determined by the Mayor pursuant to the terms hereof. The Notes shall bear interest at a rate not to exceed 1.25 %, payable (subject to the adjustments permitted hereunder) semi-annually on June 1 and December 1 in each year, commencing June 1, 2015. The Notes shall be issued initially in \$5,000 denominations or integral multiples thereof, as shall be requested by the original purchaser thereof. Subject to the adjustments permitted pursuant to the terms hereof, the Notes shall mature serially or be subject to mandatory redemption and shall be payable on December 1 of each year, subject to prior optional redemption as hereinafter provided, in the years 2015 through 2018, inclusive; provided, however, such amortization may be adjusted in accordance with the terms hereof.

(b) The Notes shall be subject to redemption prior to maturity at the option of the Municipality, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date.

(c) Pursuant to the terms hereof, the Mayor is authorized to sell the Notes, or any maturities thereof, as term bonds ("Term Notes") with mandatory redemption requirements corresponding to the maturities set forth herein or as determined by the Mayor. In the event any or all the Notes are sold as Term Notes, the Municipality shall redeem Term Notes on redemption dates corresponding to the maturity dates set forth herein, in aggregate principal amounts equal to the maturity amounts established pursuant to the terms hereof for each redemption date, as such maturity amounts may be adjusted pursuant to the terms hereof, at a price of par plus accrued interest thereon to the date of redemption.

At its option, to be exercised on or before the forty-fifth (45th) day next preceding any such mandatory redemption date, the Municipality may (i) deliver to the Registration Agent for cancellation Notes to be redeemed, in any aggregate principal amount desired, and/or (ii) receive a credit in respect of its redemption obligation under this mandatory redemption provision for any Notes of the maturity to be redeemed which prior to said date have been purchased or redeemed (otherwise than through the operation of this mandatory sinking fund redemption provision) and cancelled by the Registration Agent and not theretofore applied as a credit against any redemption obligation under this mandatory sinking

fund provision. Each Note so delivered or previously purchased or redeemed shall be credited by the Registration Agent at 100% of the principal amount thereof on the obligation of the Municipality on such payment date and any excess shall be credited on future redemption obligations in chronological order, and the principal amount of Notes to be redeemed by operation of this mandatory sinking fund provision shall be accordingly reduced. The Municipality shall on or before the forty-fifth (45th) day next preceding each payment date furnish the Registration Agent with its certificate indicating whether or not and to what extent the provisions of clauses (i) and (ii) of this subsection are to be availed of with respect to such payment and confirm that funds for the balance of the next succeeding prescribed payment will be paid on or before the next succeeding payment date.

Notice of any call for redemption shall be given by the Registration Agent on behalf of the Municipality not less than five (5) nor more than sixty (60) days prior to the date fixed for redemption by sending an appropriate notice to the registered owners of the Notes to be redeemed by first-class mail, postage prepaid, at the addresses shown on the Note registration records of the Registration Agent as of the date of the notice; but neither failure to mail such notice nor any defect in any such notice so mailed shall affect the sufficiency of the proceedings for redemption of any of the Notes for which proper notice was given. The Registration Agent shall mail said notices as and when directed by the Municipality pursuant to written instructions from an authorized representative of the Municipality (other than for a mandatory sinking fund redemption, notices of which shall be given on the dates provided herein) given at least forty-five (45) days prior to the redemption date (unless a shorter notice period shall be satisfactory to the Registration Agent). From and after the redemption date, all Notes called for redemption shall cease to bear interest if funds are available at the office of the Registration Agent for the payment thereof and if notice has been duly provided as set forth herein.

(d) The Governing Body hereby authorizes and directs the Mayor to maintain Note registration records with respect to the Notes, to authenticate and deliver the Notes as provided herein, either at original issuance or upon transfer, to effect transfers of the Notes, to give all notices of redemption as required herein, to make all payments of principal and interest with respect to the Notes as provided herein, to cancel and destroy Notes which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer, to furnish the Municipality at least annually a certificate of destruction with respect to Notes cancelled and destroyed, and to furnish the Municipality at least annually an audit confirmation of Notes paid, Notes outstanding and payments made with respect to interest on the Notes.

(e) The Notes shall be payable, both principal and interest, in lawful money of the United States of America at the main office of the Registration Agent. The Registration Agent shall make all interest payments with respect to the Notes by check or draft on each interest payment date directly to the registered owners as shown on the Note registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by depositing said payment in the United States mail, postage prepaid, addressed to such owners at their addresses shown on said Note registration records, without, except for final payment, the presentation or surrender of such registered Notes, and all such payments shall discharge the obligations of the Municipality in respect of such Notes to the extent of the payments so made. Payment of principal of and premium, if any, on the Notes shall be made upon presentation and surrender of such Notes to the Registration Agent as the same shall become due and payable. All rates of interest specified herein shall be computed on the basis of a three hundred sixty (360) day year composed of twelve (12) months of thirty (30) days each. In the event the Notes are no longer registered in the name of DTC, or a successor Depository, if requested by the Owner of at least \$1,000,000 in aggregate principal amount of the Notes, payment of interest on such Notes shall be paid by wire transfer to a bank within the continental United States or deposited to a designated account if such account is maintained with the

Registration Agent and written notice of any such election and designated account is given to the Registration Agent prior to the record date.

(f) Any interest on any Note that is payable but is not punctually paid or duly provided for on any interest payment date (hereinafter "Defaulted Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such Defaulted Interest shall be paid by the Municipality to the persons in whose names the Notes are registered at the close of business on a date (the "Special Record Date") for the payment of such Defaulted Interest, which shall be fixed in the following manner: the Municipality shall notify the Registration Agent in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Municipality shall deposit with the Registration Agent an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Registration Agent for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this Section provided. Thereupon, not less than ten (10) days after the receipt by the Registration Agent of the notice of the proposed payment, the Registration Agent shall fix a Special Record Date for the payment of such Defaulted Interest which date shall be not more than fifteen (15) nor less than ten (10) days prior to the date of the proposed payment to the registered Owners. The Registration Agent shall promptly notify the Municipality of such Special Record Date and, in the name and at the expense of the Municipality, not less than ten (10) days prior to such Special Record Date, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each registered owner at the address thereof as it appears in the Note registration records maintained by the Registration Agent as of the date of such notice. Nothing contained in this Section or in the Notes shall impair any statutory or other rights in law or in equity of any registered owner arising as a result of the failure of the Municipality to punctually pay or duly provide for the payment of principal of, premium, if any, and interest on the Notes when due.

(g) The Notes are transferable only by presentation to the Registration Agent by the registered owner, or his legal representative duly authorized in writing, of the registered Note(s) to be transferred with the form of assignment on the reverse side thereof completed in full and signed with the name of the registered owner as it appears upon the face of the Note(s) accompanied by appropriate documentation necessary to prove the legal capacity of any legal representative of the registered owner. Upon receipt of the Note(s) in such form and with such documentation, if any, the Registration Agent shall issue a new Note or the Note to the assignee(s) in \$5,000 denominations, or integral multiples thereof, as requested by the registered owner requesting transfer. The Registration Agent shall not be required to transfer or exchange any Note during the period commencing on a Regular or Special Record Date and ending on the corresponding interest payment date of such Note, nor to transfer or exchange any Note after the publication of notice calling such Note for redemption has been made, nor to transfer or exchange any Note during the period following the receipt of instructions from the Municipality to call such Note for redemption; provided, the Registration Agent, at its option, may make transfers after any of said dates. No charge shall be made to any registered owner for the privilege of transferring any Note, provided that any transfer tax relating to such transaction shall be paid by the registered owner requesting transfer. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Notes shall be overdue. The Notes, upon surrender to the Registration Agent, may, at the option of the registered owner, be exchanged for an equal aggregate principal amount of the Notes of the same maturity in any authorized denomination or denominations.

(h) The Notes shall be executed in such manner as may be prescribed by applicable law, in the name, and on behalf, of the Municipality with the signature of the Mayor and the attestation of the

City Recorder.

(i) The Registration Agent is hereby authorized to authenticate and deliver the Notes to the original purchaser, upon receipt by the Municipality of the proceeds of the sale thereof and to authenticate and deliver Notes in exchange for Notes of the same principal amount delivered for transfer upon receipt of the Note(s) to be transferred in proper form with proper documentation as hereinabove described. The Notes shall not be valid for any purpose unless authenticated by the Registration Agent by the manual signature of an officer thereof on the certificate set forth herein on the Note form.

(j) In case any Note shall become mutilated, or be lost, stolen, or destroyed, the Municipality, in its discretion, shall issue, and the Registration Agent, upon written direction from the Municipality, shall authenticate and deliver, a new Note of like tenor, amount, maturity and date, in exchange and substitution for, and upon the cancellation of, the mutilated Note, or in lieu of and in substitution for such lost, stolen or destroyed Note, or if any such Note shall have matured or shall be able to mature, instead of issuing a substituted Note the Municipality may pay or authorize payment of such Note without surrender thereof. In every case, the applicant shall furnish evidence satisfactory to the Municipality and the Registration Agent of the destruction, theft or loss of such Note, and indemnify satisfactory to the Municipality and the Registration Agent; and the Municipality may charge the applicant for the issue of such new Note an amount sufficient to reimburse the Municipality for the expense incurred by it in the issue thereof.

Section 5. Source of Payment. The Notes shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Municipality. For the prompt payment of the principal of, premium, if any, and interest on the Notes, the full faith and credit of the Municipality are hereby irrevocably pledged.

Section 6. Form of Notes. The Notes shall be in substantially the following form, the omissions to be appropriate completed when the Notes are prepared and delivered:

(Form of Note)

REGISTERED
Number _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF TENNESSEE
COUNTY OF DYER
CITY OF DYERSBURG, TENNESSEE
GENERAL OBLIGATION CAPITAL OUTLAY REFUNDING NOTES, SERIES 2015

Interest Rate: Maturity Date: Date of Note: CUSIP No.:

Registered Owner:

Principal Amount:

FOR VALUE RECEIVED, the City of Dyersburg, Tennessee (the "Municipality") hereby promises to pay to the registered owner hereof, hereinabove named, or registered assigns, in the manner hereinafter provided, the principal amount hereinabove set forth on the maturity date hereinabove set forth (or upon earlier redemption as set forth herein), and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on said principal amount at the annual rate interest hereinabove set

forth from the date hereof until said maturity date or redemption date, said interest being payable on June 1, 2015, and semi-annually thereafter on the first day of June and December in each year until this Note matures or is redeemed. The principal hereof and interest hereon are payable in lawful money of the United States of America by check or draft at the office of the City Recorder, Dyersburg, Tennessee, as registration and agent and paying agent (the "Registration Agent"). The Registration Agent shall make all interest payments with respect to this Note on each interest payment date directly to the registered owner hereof shown on the Note registration records maintained by the Registration Agent as of the close of business on the fifteenth day of the month next preceding the interest payment date (the "Regular Record Date") by check or draft mailed to such owner at such owner's address shown on said Note registration records, without, except for final payment, the presentation or surrender of this Note, and all such payments shall discharge the obligations of the Municipality to the extent of the payments so made. Any such interest not so punctually paid or duly provided for on any interest payment date shall forthwith cease to be payable to the registered owner on the relevant Regular Record Date; and, in lieu thereof, such defaulted interest shall be payable to the person in whose name this Note is registered at the close of business on the date (the "Special Record Date") for payment of such defaulted interest to be fixed by the Registration Agent, notice of which shall be given to the owners of the Notes of the issue of which this Note is one not less than ten (10) days prior to such Special Record Date. Payment of principal of [and premium, if any, on] this Note shall be made when due upon presentation and surrender of this Note to the Registration Agent.

This Note shall be subject to redemption prior to maturity at the option of the Municipality, as a whole or in part, at any time at the redemption price of par plus accrued interest to the redemption date.

This Note is transferable by the registered owner hereof in person or by such owner's attorney duly authorized in writing at the principal corporate trust office of the Registration Agent set forth on the front side hereof, but only in the manner, subject to limitations and upon payment of the charges provided in the Resolution, as hereafter defined, and upon surrender and cancellation of this Note. Upon such transfer, a new Note or Notes of authorized denominations of the same maturity and interest rate for the same aggregate principal amount will be issued to the transferee in exchange therefor. The person in whose name this Note is registered shall be deemed and regarded as the absolute owner thereof for all purposes and neither the Municipality nor the Registration Agent shall be affected by any notice to the contrary whether or not any payments due on the Note shall be overdue. Notes, upon surrender to the Registration Agent, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of the Notes of the same maturity in authorized denomination or denominations, upon the terms set forth in the Resolution. The Registration Agent shall not be required to transfer or exchange any Note during the period commencing on a Regular Record Date or Special Record Date and ending on the corresponding interest payment date of such Note.

This Note is one of a total authorized issue aggregating \$_____ and issued by the Municipality to refund the Municipality's outstanding (i) General Obligation Capital Outlay Notes, Series 2007, dated April 18, 2007, maturing December 1, 2015 and thereafter; and (ii) School Capital Outlay Notes, Series 2007, dated April 18, 2007, maturing December 1, 2015 and thereafter; and the issuance costs of the Notes, pursuant to 9-21-101, et seq., Tennessee Code Annotated, as amended, and pursuant to a resolution adopted by the Board of Mayor and Aldermen of the Municipality on January 19, 2015 (the "Resolution").

The Notes shall be payable from unlimited ad valorem taxes to be levied on all taxable property within the Municipality. For the prompt payment of the principal of, premium, if any, and interest on the Notes, the full faith and credit of the Municipality are hereby irrevocably pledged.

This Note and the income therefrom are exempt from all present state, county and municipal

taxes in Tennessee except (a) inheritance, transfer and estate taxes, (b) Tennessee excise taxes on interest on the Note during the period the Note is held or beneficially owned by any organization or entity, other than a sole proprietorship or general partnership, doing business in the State of Tennessee, and (c) Tennessee franchise taxes by reason of the inclusion of the book value of the Note in Tennessee franchise tax base of any organization or entity, other than a sole proprietorship or general partnership, doing business in 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, 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 law, and that the amount of this Note, together with all other indebtedness of the Municipality, does not exceed any limitation prescribed by the constitution and statutes of the State of Tennessee.

IN WITNESS WHEREOF, the Municipality has caused this Note to be signed by its Mayor and attested by its City Recorder as of the date hereinabove set forth.

CITY OF DYERSBURG, TENNESSEE

By: _____
Mayor

ATTESTED:

City Recorder

Transferable and payable at the
principal corporate trust office of: City Recorder
Dyersburg, Tennessee

Date of Registration: _____

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

City Recorder
Registration Agent

By: _____
Authorized Officer

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____, whose address is _____ (Please insert Federal Identification or Social Security Number of Assignee _____), the within Note of the City of Dyersburg, Tennessee, and does hereby irrevocably constitute and appoint _____, attorney, to transfer the said Note on the records kept for registration thereof with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the registered owner as it appears on the face of the within Note in every particular, without alteration or enlargement or any change whatsoever.

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of a Medallion Program acceptable to the Registration Agent

Section 7. Levy of Tax. The Municipality, through its Governing Body, shall annually levy and collect a tax upon all taxable property within the Municipality, in addition to all other taxes authorized by law, sufficient to pay principal of, premium, if any, and interest on the Notes when due, and for that purpose there is hereby levied a direct annual tax in such amount as may be found necessary each year to pay principal and interest coming due on the Notes in said year. Principal and interest falling due at any time when there are insufficient funds from this tax levy on hand shall be paid from the current funds of the Municipality and reimbursement therefor shall be made out of the taxes hereby provided to the levied when the same shall have been collected. The tax herein provided may be reduced to the extent of any direct appropriations from other funds, taxes and revenues of the Municipality to the payment of debt service on the Notes.

Section 8. Sale of Notes.

(a) The Notes or any emission thereof shall be sold by private negotiated sale to the Purchaser, at a price of par at such time as shall be determined by the Mayor, in consultation with the Financial Advisor. The sale of the Notes, or any emission thereof, to the Purchaser shall be binding on the Municipality and no further action of the Governing Body with respect thereto shall be required.

(b) If the Notes are sold in more than one series, the Mayor is authorized to cause to be sold in each series an aggregate principal amount of Notes less than that shown in Section 4 hereof for each series, so long as the total aggregate principal amount of all series issued does not exceed the total aggregate of Notes authorized to be issued herein.

(c) The Mayor is further authorized with respect to each series of Notes to:

(1) change the dated date of the Notes, or any series thereof, to a date other than the date of issuance of the Notes;

(2) change the designation of the Notes, or any series thereof, to a designation other than "General Obligation Capital Outlay Refunding Notes" and to specify the series designation of the Notes, or any series thereof;

(3) change the first interest payment date on the Notes, or any series thereof, to a date other than June 1, 2015, provided that such date is not later than twelve months from the dated date of such series of Notes;

(4) adjust the principal and interest payment dates and the maturity amounts of the Notes, or any series thereof, provided that (A) the total principal amount of all series of the Notes does not exceed the total amount of Notes authorized herein; (B) the final maturity date of each series shall not exceed the final maturity described in Section 4 hereof and (C) the amortization schedule for the Notes is consistent in all material aspects with what was approved in the State Report.

(5) adjust or remove the Municipality's optional redemption provisions of the Notes, provided that the premium amount to be paid on Notes or any series thereof does not exceed two percent (2%) of the principal amount thereof;

(6) refund less than all of the Outstanding Indebtedness;

(7) sell the Notes, or any series thereof, or any maturities thereof as Term Notes with mandatory redemption requirements corresponding to the maturities set forth herein or as otherwise determined by the Mayor, as he shall deem most advantageous to the Municipality; and

(8) cause all or a portion of the Notes to be insured by a bond insurance policy issued by a nationally recognized bond insurance company if such insurance is requested and paid for by the winning bidder of the Notes, or any series thereof.

The form of the Note set forth in Section 6 hereof shall be conformed to reflect any changes made pursuant to this Section 8 hereof.

(d) The Mayor is authorized to sell the Notes, or any series thereof, simultaneously with any other bonds or notes authorized by resolution or resolutions of the Governing Body. The Mayor is further authorized to sell the Notes, or any series thereof, as a single issue of bonds with any other bonds with substantially similar terms authorized by resolution or resolutions of the Governing Body, in one or more series as the Mayor shall deem to be advantageous to the Municipality and in doing so, the Mayor is authorized to change the designation of the Notes to a designation other than "General Obligation Capital Outlay Refunding Notes"; provided, however, that the total aggregate principal amount of combined bonds to be sold does not exceed the total aggregate principal amount of Notes authorized by this resolution or bonds authorized by any other resolution or resolutions adopted by the Governing Body.

(e) The Mayor and City Recorder are authorized to cause the Notes, in book-entry form (except as otherwise permitted herein), to be authenticated and delivered by the Registration Agent to the Purchaser and to execute, publish, and deliver all certificates and documents, including an official statement and closing certificates, as they shall deem necessary in connection with the sale and delivery of the Notes. The Mayor is hereby authorized to enter into a contract with the Financial Advisor, for financial advisory services in connection with the sale of the Notes and to enter into a contract with Bass, Berry & Sims PLC to serve as bond counsel in connection with the Notes, and all actions heretofore taken by the officers of the Municipality in that regard are hereby ratified and approved.

Section 9. Disposition of Note Proceeds. The proceeds of the sale of the Notes shall be disbursed as follows:

(a) An amount sufficient, together with such other Municipality funds as may be identified

by the Mayor and, if applicable, investment earnings on the foregoing, to refund the Refunded Indebtedness shall be applied to the refunding thereof by paying such funds directly to the holders (or paying agents or trustees for the holders) of the Refunded Indebtedness.

(b) The remainder of the proceeds of the sale of the Notes shall be used to pay costs of issuance of the Notes, including necessary legal, accounting and fiscal expenses, printing, engraving, advertising and similar expenses, administrative and clerical costs, Registration Agent fees, bond insurance premiums, if any, and other necessary miscellaneous expenses incurred in connection with the issuance and sale of the Notes. Notwithstanding the foregoing, costs of issuance of the Notes may be withheld from the good faith deposit or purchase price of the Notes and paid to the Financial Advisor to be used to pay costs of issuance of the Notes.

Section 10. Redemption and Prepayment of the Refunded Indebtedness. The Mayor and the City Recorder, or either of them, are hereby authorized and directed to take all steps necessary to prepay or redeem the Refunded Indebtedness at their earliest possible prepayment or redemption date, including the giving of and publication of any prepayment or redemption notice as required by the resolutions authorizing the issuance of the Refunded Indebtedness.

Section 11. Discharge and Satisfaction of Notes. If the Municipality shall pay and discharge the indebtedness evidenced by any series of the Notes in any one or more of the following ways, to wit:

(a) By paying or causing to be paid, by deposit of sufficient funds as and when required with the Registration Agent, the principal of and interest on such Notes as and when the same become due and payable;

(b) By depositing or causing to be deposited with any trust company or financial institution whose deposits are insured by the Federal Deposit Insurance Corporation or similar federal agency and which has trust powers (an "Agent"; which agent may be the Registration Agent) in trust or escrow, on or before the date of maturity or redemption, sufficient money or Defeasance Obligations, as hereafter defined, the principal of and interest on which, when due and payable, will provide sufficient moneys to pay or redeem such Notes and to pay interest thereon when due until the maturity or redemption date (provided, if such Notes are to be redeemed prior to maturity thereof, proper notice of such redemption shall have been given or adequate provision shall have been made for the giving of such notice); or

(c) By delivering such Notes to the Registration Agent for cancellation by it;

and if the Municipality shall also pay or cause to be paid all other sums payable hereunder by the Municipality with respect to such Notes, or make adequate provision therefor, and by resolution of the Governing Body instruct any such escrow agent to pay amounts when and as required to the Registration Agent for the payment of principal of and interest on such Notes when due, then and in that case the indebtedness evidenced by such Notes shall be discharged and satisfied and all covenants, agreements and obligations of the Municipality to the holders of such Notes shall be fully discharged and satisfied and shall thereupon cease, terminate and become void.

If the Municipality shall pay and discharge the indebtedness evidenced by any of the Notes in the manner provided in either clause (a) or clause (b) above, then the registered owners thereof shall thereafter be entitled only to payment out of the money or Defeasance Obligations deposited as aforesaid.

Except as otherwise provided in this Section, neither Defeasance Obligations nor moneys deposited with the Registration Agent pursuant to this Section nor principal or interest payments on any such Defeasance Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal and interest on said Notes; provided that any cash received from

such principal or interest payments on such Defeasance Obligations deposited with the Registration Agent, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the Municipality as received by the Registration Agent and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Defeasance Obligations maturing at times and in amounts sufficient to pay when due the principal and interest to become due on said Notes on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the Municipality, as received by the Registration Agent. For the purposes of this Section, Defeasance Obligations shall direct obligations of, or obligations, the principal of and interest on which are guaranteed by, the United States of America, or any agency thereof, obligations of any agency or instrumentality of the United States or any other obligations

at the time of the purchase thereof are permitted investments under Tennessee law for the purposes described in this Section, which bonds or other obligations shall not be subject to redemption prior to their maturity other than at the option of the registered owner thereof.

Section 12. Federal Tax Matters Related to the Notes.

(a) The Notes will be issued as federally tax-exempt bonds. The Municipality hereby covenants that it will not use, or permit the use of, any proceeds of the Notes in a manner that would cause the Notes to be subjected to treatment under Section 148 of the Code, and applicable regulations thereunder, as an "arbitrage bond." To that end, the Municipality shall comply with applicable regulations adopted under said Section 148. The Municipality further covenants with the registered owners from time to time of the Notes that it will, throughout the term of the Notes and through the date that the final rebate, if any, must be made to the United States in accordance with Section 148 of the Code, comply with the provisions of Sections 103 and 141 through 150 of the Code and all regulations proposed and promulgated thereunder that must be satisfied in order that interest on the Notes shall be and continue to be excluded from gross income for federal income tax purposes under Section 103 of the Code.

(b) The Governing Body hereby delegates to the Mayor the authority to designate, and determine whether to designate, the Notes as "qualified tax-exempt obligations," as defined in Section 265 of the Code, to the extent the Notes are not deemed designated as such and may be designated as such.

(c) The appropriate officers of the Municipality are authorized and directed, on behalf of the Municipality, to execute and deliver all such certificates and documents that may be required of the Municipality in order to comply with the provisions of this Section related to the issuance of the Notes.

Section 13. Continuing Disclosure. If required by applicable law or regulation, the Municipality 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 the Notes. The Mayor is authorized to execute at the Closing of the sale of the Notes an agreement for the benefit of and enforceable by the owners of the Notes specifying the details of the financial information and material event notices to be provided and its obligations relating thereto. Failure of the Municipality 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 Notes to take such actions and to initiate such proceedings as shall be necessary and appropriate to cause the Municipality to comply with their undertaking as set forth herein and in said agreement, including the remedies of mandamus and specific performance.

Section 14. Resolution a Contract. The provisions of this resolution shall constitute a

contract between the Municipality and the registered owners of the Notes, and after the issuance of the Notes, no change, variation or alteration of any kind in the provisions of this resolution shall be made in any manner until such time as the Notes and interest due thereon shall have been paid in full.

Section 15. 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 16. 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.

Duly adopted and approved on January 20, 2015.

/s/ John Holden
Mayor

Attested:

/s/ Bob Jones
City Recorder

STATE OF TENNESSEE)

COUNTY OF DYER)

I, Robert C. Jones, certify that I am the duly qualified and acting City Recorder of City of Dyersburg, Tennessee, and as such official I further certify that attached hereto is a copy of excerpts from the minutes of a meeting of the governing body of the Municipality held on January 19, 2015; 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 the Municipality's General Obligation Capital Outlay Refunding Notes.

WITNESS my official signature and seal of said Municipality on January 20, 2015.

City Recorder

As per the recommendation of the Finance Committee, Alderman Kevin Chaney motioned for approval of the Resolution. The motion was seconded by Alderman Robert Taylor, Jr.

Other Business.

Ms. Christine Coronado representing the office of the City attorney provided a chronological order of all events and legal actions to date involving the highly publicized viscous dog case whereas the City prosecuted a dog owner in Municipal Court adhering to the City ordinances concerning viscous dog violations. Her presentation prompted much discussion among the Board. No actions were taken as the case continues in litigation in the courts,

Report from Alderman and Alderwomen:

Alderman Bob Kirk: No report.

Alderman Bill Escue: No report.

Alderman Terry Glover: No report.

Alderman Kevin Chaney: Called the City Recorder to the podium to discuss citizen complaints regarding long waiting periods in customer lines during peak hours in City Hall.

Alderman Mike Morgan: asked Mr. James Roy representing the Street Department to review a complaint about ditch debris on Longfellow Road, and commented about the quality of the new acquired asphalt cold mix pothole patch. Both he and Mr. Roy agreed the product seemed a vast improvement over prior used products.

Alderman Dennis Moody: No report.

Alderwoman Carolyn Norman: No report.

Alderman Robert Taylor Jr.: No report.

Communications from the Mayor: No Report.

With no further business the meeting adjourned at 7:35 p.m.

John Holden, Mayor

Robert C. Jones, City Recorder

