

# Grant Anticipation Note Resolution

Resolution No. 2026-33

RESOLUTION OF THE GOVERNING BODY OF  
CITY OF MOUNT PLEASANT, TENNESSEE,  
AUTHORIZING RENEWAL AND PAYMENT OF  
DOWNTOWN REVITALIZATION GRANT ANTICIPATION NOTES  
NOT TO EXCEED \$250,000

WHEREAS, the Governing Body of City of Mount Pleasant, Tennessee, (the “Local Government” has determined that it is necessary and desirable to provide funds for the following public works project: Downtown Revitalization Project.

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, there is on file in the offices of the Local Government a fully executed contract or agreement between Tennessee Department of Transportation (designate the state or federal agency) (the “Agency”) and the Local Government, dated October 1st, 2018, whereby the Agency agrees to pay the Local Government a principal amount of Four Million Thirty Eight Thousand & Seventy One Dollars (\$ 4,038,071) (the “Agency Grant”) to finance the cost of the Project; 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 issue and sell interest-bearing grant anticipation notes upon the approval of the Comptroller of the Treasury or the Comptroller's designee; and

WHEREAS, the Governing Body finds that it is advantageous to the Local Government to authorize the issuance and sale of grant anticipation notes to provide funds in anticipation of the Agency Grant;

NOW, THEREFORE, BE IT RESOLVED, by the Governing Body of City of Mount Pleasant, Tennessee as follows:

**Section 1.** For the purpose of providing funds in anticipation of the Agency Grant, the Local Government is hereby authorized to renew and extend the interest-bearing grant anticipation notes approved by Resolution 2025-40 and renewed by Resolution 2026-8 in a principal amount not to exceed Two Hundred & Fifty Thousand Dollars (\$ 250,000) (the “Notes”) at either a competitive public sale or at a private negotiated sale upon approval of Comptroller of the Treasury or the Comptroller's designee pursuant to the term, provisions, and conditions of the Act. The Notes shall be designated Downtown Revitalization Grant Anticipation Note, Series 2025; shall be numbered serially from 1 upwards; shall be dated as of the date of issuance; shall be sold at not less than par value and accrued interest; and shall bear interest at a rate or rates not to exceed zero per cent (0%) per annum, and in no event shall the rate exceed the legal limit provided by law.

**Section 2.** The Notes shall mature not later than seven months after the date of issuance.

**Section 3.** The Notes shall be subject to redemption at the option of the Local Government, in whole or in part, at any time that the funds of the Agency Grant become available to the Local Government, at the principal amount and accrued interest to the date of redemption without a premium.

**Section 4.** The principal amount of the Notes shall be secured solely by the pledge of funds to be received pursuant to the Agency Grant, and the Local Government hereby pledges a portion or all of the Agency Grant in an amount at least equal to the principal amount of the Notes, being Two Hundred & Fifty Thousand Dollars (\$ 250,000), to the payment of the principal amount of the Notes. The Local Government shall have no authority to levy ad valorem taxes for the payment of the principal of the Notes.

**Section 5.** The interest on the Notes shall be direct general obligations of the Local Government 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 interest on the Notes. Provided, however, that the proceeds of any capital outlay notes, or bond anticipation notes shall not be applied to any payment of the Notes.

**Section 6.** The Notes shall be executed in the name of the Local Government and bear the signature of the chief executive officer of the Local Government and the signature of the City Recorder (Recording Officer) and shall be payable as to principal and interest at the office of the City Recorder (Recording Officer) of the Local Government or the paying agent duly appointed by the Local Government. Proceeds of the Notes shall be deposited with the City Recorder (Recording Officer) of the Local Government and shall be paid out for the purpose of providing funds in anticipation of the Agency Grant pursuant to this Resolution and as required by law.

**Section 7.** The Notes will be issued in fully registered form and that at all times during which any Note remains outstanding and unpaid, the Local Government or its agent shall keep or cause to be kept at its office a note register for the registration, exchange or transfer of the Notes. The notes 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 or 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 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.

**Section 8.** That, the Notes may be extended or renewed as permitted by law.

**Section 9.** 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 10.** The Notes shall not be sold until receipt of written approval for the sale of the Notes from the Comptroller of the Treasury or the Comptroller's designee.

**Section 11.** 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 and budget ordinance in a form consistent with accepted governmental standards and as approved by the Comptroller of the Treasury or Comptroller's designee. The budget shall be kept balanced during the life of the Notes and shall appropriate sufficient monies to pay all annual debt service. The annual budget and ordinance shall be submitted to the Comptroller of the Treasury

or Comptroller's designee immediately upon its adoption; however, it shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21, Tennessee Code Annotated (the "Statutes"). If the Comptroller of the Treasury or Comptroller's Designee 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 Comptroller of the Treasury or Comptroller's designee.

**Section 12.** That, all orders or resolutions in conflict with this Resolution 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 \_\_\_\_\_, 2026.

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WILLIAM F. WHITE, JR., MAYOR

ATTESTED:

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SHIPHRAH COX, RECORDER

LEGAL FORM APPROVED:

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KORI BLEDSOE JONES, ATTORNEY